

# Agenda – Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau

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Lleoliad:	I gael rhagor o wybodaeth cysylltwch a:
Ystafell Bwyllgora 2 – y Senedd	Naomi Stocks
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Rhag-gyfarfod (08.55 – 09.05)

## 1 Cyflwyniad, ymddiheuriadau, dirprwyon a datgan buddiannau

## 2 Ymchwiliad i dlodi yng Nghymru: gwneud i'r economi weithio i'r rheini sydd ag incwm isel – sesiwn dystiolaeth 4

(09.05 – 10.05)

(Tudalennau 1 – 31)

Alex Bevan, Swyddog Polisi Economaidd, TUC Cymru

Lynne Hackett, Pennaeth Cymunedau UNSAIN Cymru

Nick Ireland, Swyddog Rhanbarthol, De Cymru a'r Gorllewin, USDAW

## 3 Ymchwiliad i dlodi yng Nghymru: gwneud i'r economi weithio i'r rheini sydd ag incwm isel – sesiwn dystiolaeth 5

(10.05 – 11.05)

(Tudalennau 32 – 45)

Cerys Furlong, Prif Weithredwr, Chwarae Teg

Dr Alison Parken, Uwch Gymrawd Ymchwil Anrhydeddus, Prifysgol Caerdydd,  
Ysgol Fusnes Caerdydd

Egwyl (11.05 – 11.10)



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

#### **4 Ymchwiliad i dlodi yng Nghymru: gwneud i'r economi weithio i'r rheini sydd ag incwm isel – sesiwn dystiolaeth 6**

(11.10 – 12.10)

(Tudalennau 46 – 51)

Joshua Miles, Rheolwr Polisi, Ffederasiwn Busnesau Bach Cymru  
Helen Walbey, Cyfarwyddwr, Recycle Scooters

#### **5 Papurau i'w nodi**

**Gohebiaeth gan Grŵp Contractwyr Peiriannwyr Arbenigol Cymru mewn perthynas â'r ymchwiliad i ddiogelwch tân mewn tyrau o fflatiau yng Nghymru**

(Tudalennau 52 – 54)

**Llythyr gan y Llywydd ynghylch gweithredu Deddf Cymru 2017**

(Tudalennau 55 – 57)

**Llythyr gan y Llywydd ynghylch rhaglenni deddfwriaeth sydd ar ddod**

(Tudalennau 58 – 59)

**Llythyr gan Weinidog y Gymraeg a Dysgu Gydol Oes ynglyn â Cymunedau yn Gyntaf – yr hyn a ddysgwyd**

(Tudalennau 60 – 62)

**Llythyr gan Weinidog Sgiliau a Gwyddoniaeth ynglyn â Cymunedau yn Gyntaf – yr hyn a ddysgwyd**

(Tudalennau 63 – 64)

**Llythyr gan Weinidog dros Gymunedau a Phlant ynglyn â Cymunedau yn Gyntaf – yr hyn a ddysgwyd**

(Tudalennau 65 – 72)

**Llythyr gan Gadeirydd Pwyllgor yr Economi, Seilwaith a Sgiliau ynghylch Bargeinion Dinesig a'r Economiâu Rhabarthol yng Nghymru**

(Tudalennau 73 – 75)

#### **6 Cynnig o dan Reol Sefydlog 17.42 (vi) i wahardd y cyhoedd o weddill y cyfarfod**

**7 Ymchwiliad i dlodi yng Nghymru: gwneud i'r economi weithio i'r rheini sydd ag incwm isel – trafod y dystiolaeth a gafwyd o dan eitemau 2, 3 a 4**

(12.10 – 12.20)

**8 Trafod y Memorandwm Cydsyniad Deddfwriaethol ar y Bil Arweiniad a Hawliadau Ariannol**

(12.20 – 12.30)

Mae cyfyngiadau ar y ddogfen hon

***Making the economy work for people on low incomes: A UNISON Cymru Wales response to the Equality, Local Government and Communities Committee consultation, July 2017***

1.1 UNISON is Wales' largest public service union organising over 90,000 public service workers. Many of those we organise have low incomes. Our experience campaigning for improvement to working conditions in the care sector (for those in local authority employment, private employment and the not-for-profit sector), guides this response.

1.2 Care workers [carers] perform vital, unheralded work caring for vulnerable members of our communities. The financial rewards for working as a carer are inverse to the high degree of responsibility and importance of their role.

**Summary**

2.2 The social care sector is in crisis. Our most vulnerable members of society are being denied the care they need. Carers in the private and not-for-profit sectors are trapped on low wages and deprived of dignity at work.

2.3 Social care has been starved of money by seven years of brutal UK Conservative government spending cuts. The result is Britain getting its caring 'on the cheap'.

**2.4 UNISON Cymru/Wales calls for a special inquiry into working conditions in the care sector to investigate how the best care can be provided.**

2.5 We make several comments: -

- This is a gender equality issue. The overwhelmingly female workforce at private care and not-for-profit employers is condemned to struggle with in-work poverty.
- Due to a lack of investment, carers, wherever they are employed, are under extreme pressure to do more with less. In these circumstances and despite their very best efforts, they are destined to fail service users' real needs.
- Employment conditions in the private and not-for-profit care sectors are particularly poor and are markedly inferior to those of directly employed local authority carers.
- Poor pay causes recruitment problems and repercussions for service users.
- The question of ensuring trade union recognition and collective bargaining at private and not-for-profit care companies is crucial to improving care workers' wages and employment standards.
- Social care services should be retained within the public sector and provided by directly employed public sector staff. We do not support the outsourcing of any public services to private companies or to the third sector.
- Where services have already been contracted out, it is clear the procurement process is failing staff and service users. As a priority, Welsh government must legislate to enshrine its *Ethical employment in the supply chain* guidelines in law. This would ensure an appropriate procurement process where contract bidders must offer terms and conditions no lower than those offered by the local authority to directly employed staff, as well as a guarantee of trade union recognition.
- UNISON already has a good template for how social care should look, our Ethical Care Charter. Welsh government must consider how it can best co-opt councils to adopt the Charter.
- Welsh government must think radically about tackling low pay by raising minimum wage standards; ensuring better enforcement of the minimum wage and accelerating adoption of the Living Wage Foundation rate for all those delivering public services.

***Who are we talking about and what is the social value of their work?***

3.1 Carers deliver care for older people, those who are physically disabled, individuals with mental health issues and those with learning disabilities and difficulties. Carers ensure the health and welfare of service users, help them take medication, and support their daily needs. This can include preparing their meals.

3.2 Carers could earn more in a supermarket but they choose instead to help the vulnerable. For them, it is not just a job and they know how much they are appreciated by the people who receive the care. For

many service users, the care worker is often the only other person they will see and talk to during the day. Every day, carers go way beyond what is expected of them in their job description and make a real difference to people's lives.

### ***What is a low income?***

4.1 Thousands of women in Wales and their families are suffering the effects of in-work poverty, no matter how hard they work in the care sector. For the majority of care workers, this is their only job. The overwhelming majority of carers employed by private or not-for-profit companies earn the national living wage of £7.50 per hour or just above. Very few earn anything near the Living Wage Foundation rate of £8.45 per hour. Council employed carers typically earn much more.

4.2 The Living Wage Foundation rate is so important because this is independently-calculated each year based on what employees and their families need to live a decent standard of living. This should be the minimum standard of pay for those carrying out work for the public sector.

4.3 Carers have reported to UNISON their low income means they cannot afford a social life.

### ***What are the conditions of employment?***

5.1 Many homecare workers are not paid for the time they travel between home visits, which can be up to a fifth of their working day. UNISON's March 2016 report, *Calling time on illegal wages in the homecare sector*, found more than ninety per cent of Welsh local authorities do not stipulate in their contracts with homecare providers that firms must pay employees when they are travelling between appointments. Only Wrexham and Carmarthenshire explicitly instruct employers to remunerate staff for the time they spend on the road.

5.2 Providers and councils are breaching statutory guidance that came into force alongside the Care Act, which clearly states that homecare staff must be paid for the time taken to get to appointments.

5.3 There is a clear difference between direct council care employment and private care or not-for-profit employment. If carers were directly employed by the councils they would be more fairly paid, with decent conditions of service.

5.4 At not-for-profit care providers, extreme financial constraints have resulted in the slashing of carers' supplements for sleep-ins at service users' homes, holiday pay, bank holiday working premiums and sick pay. Carers have told UNISON they feel exploited.

5.5 Private care companies routinely flout even basic employment protections. Early this year, UNISON won eight cases against a care provider in the Gwent region where it was easy to establish the minimum wage was not being paid. In January 2016, one hundred care workers in Swansea and Carmarthenshire received payments of as much as £2,500 after private home care company MiHomecare corrected a breach of the National Minimum Wage [NMW] regulations. Yet even now some staff continue to lose out as a result of sleep-in payments where an uplift is made to ensure compliance with the NMW. Those of workers paid the NMW rate receive a sleep-in uplift to bring them into line with the NMW. Those workers with additional responsibilities may be paid a higher hourly rate to reflect their duties, but then receive a smaller sleep-in uplift as the gap between their overall pay and the NMW is smaller. In essence, this leads to a situation where the average hourly rate is the NMW, and those who undertake additional responsibilities are not financially rewarded.

5.6 UNISON contrasts the commitment carers show to their vulnerable clients on a daily basis with the private care employers who are more interested in extracting profits than investing in their workforce and client care. Whilst private care companies pay dividends to shareholders, their staff typically receive no sick pay and only the minimum pension provision. In the case of domiciliary care, many carers are expected to use their own cars and do not receive any form of contribution towards wear and tear of the vehicle. Running a car is a significant expense – petrol costs, MOT, insurance, and unexpected repair costs. In this context, low pay is spread even thinner.

5.7 Zero hours contracts are universal with private sector employers demanding maximum availability of their carers, without any guarantee of work in return. Carers have reported to union representatives they live under constant fear that refusing to say you are available for any work despite already excessive hours, could mean your employer not allocating you work in future.

5.8 Confusing wage slips mean workers struggle to see how they are being paid so it is difficult for them to challenge their employer.

5.9 Some local authorities are complicit in these abusive practices. They choose to 'look the other way' because councils themselves are under severe financial pressure and they are focused on getting the job done as cheaply as possible not on standards of care.

### ***Why do councils outsource?***

6.1 Welsh councils have been placed under intolerable pressures by brutal UK Conservative government spending cuts over the last seven years. Regrettably, some authorities have responded to this challenge by outsourcing care to private or not-for-profit providers. This might save the councils money in the short-term, but it gives no guarantee over the quality of care provided to constituents or democratic accountability and in every case, employment conditions are squeezed. Furthermore, such decisions undoubtedly store up future problems and further burden public services at a later stage. Outsourcing is never the answer: service users, carers and the local community lose out.

6.2 Even when services are operated in-house, councils have already made unpalatable cuts and employees have to do more work with fewer resources. Inevitably, front-line services are impacted.

### ***What does care look like under austerity?***

7.1 Poor pay causes recruitment and retention problems. When there is a high-turnover of staff or shortages, the delivery of a quality service will always be difficult. A UNISON survey of 1,000 staff across the UK this year, found that four out of five said they are so rushed they are compromising the dignity and well-being of the people they look after. The volume of clients means they are often forced to see people for just 15 minutes or less. This is denying the client basic levels of care – a situation that leads to many carers giving up their own time in order to meet a client's needs. Employers choose to overlook this, unless an error occurs, in which case the carer becomes answerable with often severe repercussions.

7.2 Nine in ten care workers said a lack of staff was to blame with more than a quarter not having the time to help elderly people eat and drink. Care workers reported often being too busy to take people to the toilet or notice if a resident's health has deteriorated. They were rarely able to stop for a brief chat with the people they look after or take them outside for some fresh air. Users were therefore being kept indoors for days on end. Most of the staff working in private and local authority care homes across the UK said they regularly work through their breaks.

7.3 When care in Wales is fragmented and under-resourced in this way, it leads to additional and unnecessary strains on the NHS.

### ***Our warning to local authorities***

8.1 In January, UNISON Cymru wrote to local authorities warning overstretched resources in the care sector are depriving the largely female workforce of any dignity at work. We asked every council for a meeting to discuss how better funding in the sector could lift carers out of poverty. We said if care has been outsourced, councils should provide sufficient funding to non-profit organisations to ensure quality care for service users and decent terms for the workforce.

8.2 Torfaen, Caerphilly, Bridgend and Flintshire councils agreed to meet with us to discuss the crisis. Some local authorities are in a state of denial about the care sector and have not responded to UNISON.

8.3 If UK Conservative government austerity continues, councils will have even less money to spend on social care.

### **Council care contracts cannot meet basic employment standards**

9.1 UNISON has a positive working relationship with many not-for-profit care employers. Councils refused to provide them with more money when the UK government boosted the minimum wage. Local authorities said providers would have to meet the additional costs on the basis of their original tender despite the fact that the change from national minimum wage to national living wage and the increase this represented had not been trailed by the UK government. Carers at some not-for-profit employers found themselves in a farcical position of receiving a boost to their hourly rate of pay but losing unsocial hours' supplements or sick pay to fund it.

9.2 In December 2016, not for profit providers Perthyn; Mirus Wales; Gofal; Wales and West Housing Association; Cartefi Cymru and Hafal, signed an open letter with UNISON to Welsh local authorities. It was carried in the Western Mail and here is an extract:

*"(Carers) deserve not only our praise but fair rates of pay and conditions of service. Unfortunately, most are paid the minimum wage of £7.20 per hour. We would like everyone to be paid at least the real Living Wage of £8.45 per hour.*

*"A great deal of care is undertaken by charity or third sector employers on behalf of local authorities. There is simply no money in these contracts to pay above the national minimum and many care providers are under pressure to reduce unsocial hours' supplements and sickness benefits in order to balance the books. It cannot be right to undermine the vital work carers do in this way. Councils must provide these organisations with adequate funding to ensure respect at work for employees as well as quality of care for service users. It should not be a choice between doing one or the other. Carers might work for a charity, they are not a charity.*

*"Please support care workers in your community by providing the sector with more money. Quality care means investing in the workforce."*

9.3 Hafal, a mental health charity supporting those affected by serious mental illness in Wales, was so concerned that a recent Pembrokeshire County Council contract could not possibly be viable on the rate the authority was willing to pay, it wrote to the Cabinet Secretary for Health, Well-being and Sport.

9.4 The council granted a Supported Living Framework contract for £11.65 per hour which was supposed to include travel time; training; travel costs; line management; insurance and any profit/surplus. Hafal, which pays travel time; HMRC rates for mileage for staff and the Living Wage Foundation rate of £8.45 per hour, could not possibly have won the tender. Accounting for the rural nature of much of Pembrokeshire and the associated time and travel costs, the not-for-profit organisation had bid just under £20 per hour.

9.5 A BBC report in October 2016 said nine out of ten councils in the UK are not paying 'realistic prices' to support older and disabled people in their own homes. The UK Home Care Association calculated the minimum price councils should be paying was £16.70 per hour but the average was £2 less.

9.6 UNISON would agree with Hafal's view that though Welsh government might support fair remuneration for carers, the actions of some local authorities prevent this.

### **Handing back contracts**

10.1 BBC Wales reported in March this year that thirteen of Wales' 22 local authorities said they had seen contracts handed back to them, equivalent to 59 per cent of councils.

10.2 The same report said Cymorth Llaw, which has been providing care in north Wales for 17 years pulled out of providing care in Conwy. The council initially paid £14.20 an hour for care. Conwy offered to raise that to £15 but the company decided they had no choice but to give up the contract.

10.3 The BBC quoted UK Homecare Association's Colin Angel, "What we hear in Wales is a real sense of desperation from some providers trying to work out how they can remain in business on the sorts of rates that they are being paid by councils. And I think in some parts of Wales, particularly in rural areas, we may see care providers handing back work or going out of business even more quickly than in the rest of the country."



10.4 Steve Thomas, Welsh Local Government Association told the BBC councils needed more money to be able to pay carers a better wage.

“Nobody’s proud about the fact (of) how much money we pay people who work in the sector.”

10.5 The austerity programme of the UK Conservative government is the reason local authorities in Wales have so little money to spend on public service provision. It is clear with the handing back of contracts that outsourcing as a way to save money is not working. Yet, in such instances, rather than maintain the service in-house, the authority re-commissions the service to a bidder claiming to be able to run the service for less. Clearly this is a race to the bottom for the service and those who work within that service, with the ultimate price being paid by the care recipient.

### ***Trade union recognition and bargaining is crucial***

11.1 The outsourcing of social care to a myriad of private care companies means trade union penetration is much lower. Union recognition and collective bargaining coverage which came automatically under local authority care employment is absent in the private care sector.

11.2 Private care companies are overtly hostile to trade union recognition. They know in workplaces where trade unions can freely organise, they succeed in winning improvements to working conditions. The lack of trade union recognition is a barrier to raising terms and conditions of care workers.

### ***Ethical care***

12.1 Welsh government guidelines on procurement, *Ethical employment in the supply chain* must be made mandatory because there is no incentive for authorities and companies to follow this advice. UNISON calls for the code to be enshrined in legislation.

12.2 A transparent procurement process would be underpinned with minimum salary and employment standards and a guarantee of trade union recognition. Such a commissioning check-list in the care sector would include non-negotiable conditions for contract bidders on for instance: pay rates; sleep-in rates; holiday entitlement and payment; Bank Holiday working payment; shift premiums and sick pay.

12.3 UNISON is asking councils in Wales to sign up to its Ethical Care Charter which ensures dignity of care for patients and fair and decent employment standards for care staff. It states that fifteen minute client visits undermine the dignity of clients and that the length of visits must instead be matched to client needs; homecare workers must be paid at least the Living Wage Foundation rate and be paid for travel time. Zero hour contracts would be prohibited.

12.4 26 councils in the UK have signed up to the Charter and in April 2017, UNISON Cymru secured a landmark agreement with Swansea Labour group which would see the implementation of an ethical care charter – the first of its kind in Wales, if Labour won control of the council in the May local elections.

### ***Conclusion***

13.1 Wales is failing both vulnerable people who require social care and the care workforce because of severe underinvestment in the sector. A special inquiry to evaluate why the current system is so flawed and how the situation might be transformed must be a priority.

13.2 UNISON has demonstrated why only an ethical care system can provide the quality care we would wish for our relatives and members of our communities and the fair treatment a modern care workforce should expect.



**WRITTEN RESPONSE TO THE NATIONAL ASSEMBLY  
FOR WALES EQUALITY, LOCAL GOVERNMENT AND  
COMMUNITIES COMMITTEE INQUIRY MAKING THE  
ECONOMY WORK FOR PEOPLE ON LOW INCOMES**

**JULY 2017**

## INTRODUCTION

Usdaw is the UK's fourth largest Union, with 430,000 members. Around 26,000 of our members live and work in Wales. The majority of our members are employed in the retail sector, and Usdaw holds national agreements with four of the UK's biggest food retailers – the Co-op, Morrisons, Tesco and Sainsbury's. We also organise in major non-food retail stores, including Argos, Poundland, Primark and Ikea. Aside from retail, Usdaw has significant membership in the road transport, warehousing, food manufacturing, pharmaceuticals and home shopping industries.

Usdaw is pleased to have the opportunity to give evidence to the inquiry into *Making the Economy Work for People on Low Incomes*. Usdaw represents workers in predominantly low paying sectors, with high levels of part-time work and significant reliance on in-work benefits.

Initiatives that are aimed at reducing in-work poverty often focus on helping people to progress out of low paying jobs. There is a danger that this carries with it an acceptance that sectors such as retail will always be dominated by low paid and precarious work, which people need to 'escape' in order to find higher paid and more stable work. One in seven workers in Wales are employed in retail, making it the largest private sector employer, and it contributes 6% of Welsh GVA, so it is crucial that decent work is promoted and supported within the sector, rather than as an alternative to it.

Usdaw believes that the following should be key priorities for the Welsh Government in tackling in-work poverty:

- Promoting a real Living Wage for all workers.
- Supporting parents and carers in the workplace.
- Curbing exploitative zero-hours and short-hours contracts.
- Promoting sector-wide initiatives on training and skills, with unions, education providers and employers working together to promote workplace learning.
- Promoting the positive role of trade unions in the workplace.

### Low Pay

Usdaw supports the campaign for a real Living Wage. While the UK Government's so-called 'National Living Wage' has uplifted pay rates for the lowest paid workers aged 25 and over, it still falls well short of the real Living Wage, and leaves a gap in coverage for young workers.

The naming of the higher rate of minimum wage for workers aged 25 and over as the 'National Living Wage' has caused considerable confusion amongst employers and workers. The Welsh Government therefore has an important part to play in promoting the real Living Wage (currently £8.45 outside of London) and highlighting the difference between this and the legal minimum.

It is disappointing that so far only 80 businesses in Wales are accredited Living Wage employers, and we would like to see the Welsh Government leading the way on this by continuing with its work to broaden coverage of the National Living Wage in local authorities and public bodies. We would also like to see a social partnership approach to tackling low pay with employers, Government and unions looking at ways to widen the coverage of the real Living Wage and exploring the potential gains to the Welsh economy and productivity levels.

### **Hours of Work**

Flexible contracts are now used by many retailers, particularly for newer staff. In theory, they suit people who choose to work certain hours to fit in with other responsibilities, often caring responsibilities or second jobs. However, in many cases flexibility is tilted in the direction of the employer. Staff are increasingly put under pressure to expand their availability. Many employers now use electronic scheduling systems which fit workers around peaks and troughs in customer demand, meaning that their hours can change from week to week. Notice given as to which hours they are expected to work can sometimes be very short. This means that many of our members find it almost impossible to plan their home life due to the uncertainty of their shifts.

This could also indirectly discriminate against some groups of members who have a much greater need for control over their working hours than others, such as parents (particularly lone parents or those with a disabled child), carers and disabled workers. The lack of certainty over hours makes it more difficult for people to plan their finances, to access credit and to get rent or mortgage agreements.

Retail was traditionally a sector that offered family-friendly working hours. However, the highly competitive nature of the market means that employers are now expecting workers to fit around customer demand. This often means working unsocial and unpredictable hours.

Flexible working should mean workers having some say over their working hours, but the reality for many of our members is quite the opposite. We believe this is detrimental to employers, because it has an adverse impact on productivity, employee loyalty and retention.

With the roll-out of Universal Credit and increased in-work conditionality requirements on claimants, the issue of insecure hours of work will become even more pressing for Usdaw members. Many claimants will be expected to have, or be looking for, work equivalent to 35 hours a week at the National Living Wage. For those who do not have access to regular full-time hours in their main job they will need to look for a second job or face sanctions.

Usdaw supports the current proposals by the Welsh Government to curb exploitative zero-hours contracts in the social care sector by giving workers the right to minimum hours after three months' continuous employment. While this will not affect Usdaw members' employment directly, it will set a positive example to employers and highlights the negative impact that short-hours contracts can have on employers, employees and service users. This is an approach that Usdaw would support for employment practices across the UK.

## **Parents and Carers**

The continued presence of a gender pay gap in part shows that women are still financially being penalised at work for having children. Whilst longstanding, and even many recent, issues with family-friendly entitlements in the workplace may not garner the same headlines as issues such as zero-hours contracts and bogus self-employment, family-friendly entitlements do place significant limitations on working parents across the workforce. Statutory maternity, paternity and adoption payments have not increased in line with the cost of living and this can make it extremely difficult for working parents to manage. The lack of availability of flexible, affordable childcare makes returning to work not a worthwhile option for far too many women in low paid employment and working varied shift patterns. The Welsh Government needs to focus on making work pay for low income families, by working with employers and unions to promote flexible working patterns, family-friendly policies and access to affordable childcare.

Usdaw's current Parents and Carers Campaign is also highlighting the vital role that grandparents play in providing childcare. As many workers have been priced out of full-time formal childcare arrangements, nearly two-thirds of all grandparents are regularly looking after grandchildren aged under 16. Employment provisions in the UK have entirely failed to keep up with this development. Most grandparents have very few, if any, rights at work when they need time off to care for their grandchildren. The charity Grandparents Plus estimates that nearly two million grandparents have reduced their hours, given up a job, or taken time off to care for a grandchild. Usdaw believes that the vital role that grandparents play in modern society needs to be better recognised by employers and the Government.

Usdaw's Supporting Parents and Carers Campaign has also highlighted the issues faced by working carers. Demographic changes, along with social care provisions failing to keep up with ever increasing demand, has led to more and more employees taking on caring responsibilities outside of the workplace. The Carers' Trust Wales estimates that there are at least 370,000 carers in Wales. That is 12% of the population – more people than there are living in Cardiff. The Welsh Government should develop a new carers' strategy to include a commitment to offering carers a break from caring in a range of settings, a personal health and wellbeing check and much easier access to support through GPs and hospitals.

## **Training and Skills**

Unfortunately, there has been a long history of under-investment in skills in the retail sector. For too long, retail jobs have been dismissed as low-skilled and not 'real' jobs. Usdaw believes that the Welsh Government's industrial strategy should address the training needs of the retail sector.

Only 22% of workers in retail hold qualifications at Higher Education level, compared to 41% across all industries. It is predicted that qualifications at Higher Education level will be required in 34% of retail jobs by 2022, so employers need to focus on upskilling their staff.

There needs to be more investment in careers advice at school and college level, so that young people have guidance on options other than academic routes. Alongside this, the value of vocational qualifications needs to be promoted to workers and employers.

One example of how social partnership can be used to promote learning and skills is through the Wales Union Learning Fund. The Usdaw WULF project has brokered learning agreements with employers such as Tesco, Kellogg's, OP Chocolate and Peter's Food Services to help workers access learning opportunities. The project aims to promote lifelong learning campaigns in the workplace through Usdaw's network of trained Union Learning Reps (ULRs). It has helped many people who would otherwise have had difficulty in accessing educational opportunities to get back into learning, with courses including employability skills, Welsh, mental health awareness, and digital skills. It has also enabled ULRs to support workers with guidance such as mid-life career reviews, redundancy support and referrals to Careers Wales.

### **The Role of Trade Unions**

In order to redress the imbalance of power in the employment relationship that has grown over recent decades, workers need an independent, collective voice in the workplace. The current legislation on statutory recognition makes it extremely difficult for unions to provide a voice to workers in large, unorganised workplaces. Currently, trade unions can request a ballot on statutory recognition if at least 10% of the workforce joins the union and we can show that a majority of the workforce is likely to support recognition. When it comes to the recognition ballot, the trade union must win a majority and at least 40% of the total workforce must vote in favour of recognition. Usdaw is campaigning for reform of these procedures at UK level. The Welsh Government can play a role in restoring the employee voice by promoting dialogue between social partners on all issues affecting the economy and workers' rights, and recognising the vital role that unions can play in this.

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## **ELGC Committee Consultation Response:**

### **Inquiry into Poverty in Wales: Making the economy work for people on low incomes**

**June 2017**

#### **Introduction**

Issues of poverty and gender equality are inextricably linked. Current economic priorities, traditional, gendered roles in society and low quality work all present barriers to women reaching their full economic potential and increase the risk of poverty. Decent work is central to tackling poverty in Wales, and could help to address some of the economic inequalities that women continue to face.

In order to make the economy work for people on lower incomes, this response outlines a number of steps that need to be taken:

- Producing a gender sensitive economic strategy, which recognises the foundational economy and addresses the barriers faced by women;
- Offering employment on a flexible basis, in particular high skilled and senior roles;
- Using procurement to encourage the provision of decent work, including paying the Living Wage and reducing the use of zero-hours contracts;
- Ensuring that any negative impacts of welfare reform on women are mitigated;

#### **1. How the Welsh Government's economic strategy and employability plan can:**

##### **1.1. *Create more inclusive economic growth that benefits people and places equally across Wales;***

1.1.1 It is increasingly accepted that steps to address gender equality can help drive economic growth, but steps to drive economic growth will not necessarily be inclusive or deliver equality.

1.1.2. For example, women have seen little of the investment directed into the nine priority sectors in Wales, as the workforces predominantly consist of men. In just two – financial and professional services and tourism – do women account for over 40%, but they're either notably absent from senior positions or, in the case of tourism, the sector is characterised by low wages and insecure employment<sup>1</sup>.

<sup>1</sup> Chwarae Teg (2016) *A Welsh Economy that works for women*

1.1.3. Creating a more inclusive economic strategy that helps address some of the barriers faced by women accessing employment could help deliver economic growth. According to McKinsey and Co, bridging the gender pay gap could create an additional £150bn on top of GDP forecasts in the UK in 2025<sup>2</sup>.

1.1.4. In order to achieve this, we believe the economic strategy should include<sup>3</sup>:

- A set of guiding principles on which economic growth should be pursued.
- An objective to maximise women's economic participation underpinned by an action plan to provide focus to cross-governmental activity.
- A set of indicators to ensure effective measurement of success.

1.1.5 Recognising the value of the foundational economy is also key to creating an inclusive economic strategy. The foundational economy provides employment to half a million people in Wales, and is relatively evenly spread around the country<sup>4</sup>. Women dominate the workforce in several of these sectors such as care and retail. Supporting sectors in the foundational economy to provide good quality employment and progression opportunities could help improve the pay and career prospects of many women in Wales.

1.1.6. A Government Employability Plan, which is focused on the individual, will need to recognise the distinct barriers women face in accessing and progressing within employment. A number of these are outlined in the sections below.

1.1.7 It's also important that opportunities to reskill and access employment as part of large scale projects, such as Wylfa Newydd and the South Wales Metro, are accessible to diverse groups of people and existing barriers aren't reinforced.

## **1.2. *interact with the UK Government's Work and Health Programme;***

1.2.1 There is a clear need for the new employability policy to dovetail with the Work and Health Programme, to ensure that, as far as possible, individuals are able to receive support seamlessly via either or both programmes. It is also important to ensure there is no duplication in effort.

1.2.2 The focus for Welsh Government should be those who are the most disadvantaged, and those who are currently not served by existing provision, including women.

1.2.3 While the DWP and the JCP have led responsibility for the benefits system and supporting the unemployed, support has often been commissioned for specific disadvantaged groups, at a much-reduced scale. Skills and employability provision is commissioned via Welsh Government and has had a strong focus on young people and the shorter term unemployed.

1.2.4 ESF funding has had widespread use in Wales to target the most disadvantaged groups, such as women, which raises concerns regarding provision following Brexit. Wales has received £4bn in structural funding from the EU since 2000<sup>5</sup>, often to undertake programmes with a focus on tackling poverty and skills growth.

1.2.5. Many of these programmes have had a focus on addressing the barriers that continue to hold women back and contribute to on-going economic inequality. Our own Agile Nation 2 project is just one example of these. Others include Agile Nation 1 (funded as part of the previous round of structural funds)

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<sup>2</sup> McKinsey and Company (2016) *The Power of Parity: Advancing Women's Equality in the UK*.

<sup>3</sup> NAFW Economy, Infrastructure and Skills Committee: Evidence Session, 2 February 2017 - <http://www.senedd.tv/Meeting/Clip/5c7ece59-0850-492c-a2a0-bf9849fa722b?inPoint=5:29:18&outPoint=5:35:58#>

<sup>4</sup> Bevan Foundation (2017) [https://www.bevanfoundation.org/commentary/wales\\_foundational\\_economy/](https://www.bevanfoundation.org/commentary/wales_foundational_economy/)

<sup>5</sup> BBC (2016) <http://www.bbc.co.uk/news/uk-politics-36146101>



and the Welsh Government's PaCE programme, which is providing targeted support to women to help them gain employment.

1.2.6 The Agile Nation 2 project is worth £12 million. The project works with both women and SMEs in priority sectors in Wales to build skills and improve workplace culture, in order to address the causes of the gender pay gap.

1.2.7 The UK Government, with the support of Welsh Government should assess the extent of initiatives to tackle poverty and advance equality that currently receive EU funds, and replace and ring-fence these funds to allow current and future projects to continue undisrupted.

### **1.3. Reduce the proportion of people on low incomes in Wales;**

1.3.1 Average pay is lower in Wales than most other regions in the UK<sup>6</sup>, and in-work poverty is on the rise. Issues of low pay, gender inequality and poverty are also inextricably linked. As a result of women's position in the home and labour market, they are more likely to be employed in lower paid, poor quality jobs that offer little opportunity for progression.

1.3.2 Providing decent work is key to reducing the proportion of people on low incomes and tackling in-work poverty in Wales.

1.3.3 A decent wage remains a key component of decent work. In April 2017 there were 87 accredited Living Wage employers in Wales<sup>7</sup>. While there are a number of non-accredited employers paying the Living Wage in Wales, a sizeable proportion of the workforce are paid less than this.

1.3.4 Companies that are able to pay the Living Wage should do so and seek accreditation to the Living Wage Foundation. For those businesses where an immediate shift to the Living Wage might be more difficult, an action plan should be put in place to shift to payment of the Living Wage as soon as possible.

1.3.5 Pay is obviously an important element of decent work, but so are factors such as access to training, job security, occupational segregation, working hours, work-life balance and employment-related relationships and motivation.

### **1.4. Address economic inequalities between different groups of people**

1.4.1. The gender pay gap in Wales remains stubbornly high. The reasons for this are complex, and include traditional roles in society, occupational segregation and under representation in leadership positions.

1.4.2 Women remain primarily responsible for the unpaid care of children and adults<sup>8</sup>. Flexibility is cited as a key element of decent work for women and we know that a lack of flexible working options, especially in senior roles, is a factor in women's labour market inequality.

1.4.3. Traditional working patterns and workplace culture based on strictly defined working time and place can prevent individuals with caring responsibilities accessing work that is on offer.

1.4.4. Modern working practices – i.e. ways of working that are different to the conventional full-time, nine-to-five, five days a week working pattern – could play an important role in helping businesses to think differently about how they structure their workplaces.

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<sup>6</sup> ONS (2016) *Annual Survey of Hours and Earnings*

<sup>7</sup> Cardiff University (2017) *The Living Wage Employer Experience*

<sup>8</sup> WEN Wales (2015) *The Position in Wales today on Unpaid Care*

1.4.5. Our recent report on Perceptions of Modern Working Practices<sup>9</sup> (MWP) found that there is great appetite among employers in Wales to explore different ways of working and a good understanding of many of the benefits this can bring. However, there remains a lack of awareness about the variety of different approaches that are possible.

1.4.6. To ensure that MWP become more widespread, businesses have made clear that there is a need for continued support to help them explore how to implement them including advice and guidance, relevant case studies and tailored support.

## **2. An exploration of low pay sectors, and measures to improve pay of low-paid workers such as the living wage;**

2.1 Chwarae Teg is currently undertaking research alongside Oxfam Cymru, Cardiff Metropolitan University and the IWA, looking into policy changes that are required to support low paid women to progress their careers, enabling them to secure a sustainable route out of poverty.

2.2. Within this, we will focus on the care sector as it is one characterised by low pay and insecure employment. Working terms and conditions, perceptions about the job, training and progression opportunities and job insecurity all make it difficult to recruit and retain workers in the sector. The lack of training and progression opportunities is also widely seen as a particular problem within the domiciliary care sector.

2.3. Not being able to access training and progression opportunities is a significant factor in the gender pay gap as women often remain stuck in low paid, lower skilled work.

2.4 Procurement is a powerful lever that can be used to deliver economic, environmental and social benefits. Recent steps by the Welsh Government to produce a Code of Practice for Ethical Employment are very welcome. This code will encourage payment of the Living Wage and also prevent the unfair use of zero-hours contracts and false self-employment in delivery of publicly funded projects and initiatives. This Code of Practice could be particularly impactful in the social care sector.

2.6 While a good starting point, procurement regulations could be further utilised to address gender inequality with many nations across Europe providing examples which could be adopted in Wales.

## **3. Ways to increase the security of work in Wales**

3.1 Zero hours contracts are an increasing feature of the labour market in the UK with an estimated 1.4 million now being employed on this basis.<sup>10</sup> ONS statistics show that of this group 55% are women, 64% work part time and 35% want more hours.<sup>11</sup> The ONS analysis also showed a large variation in the hours people were working with 41% working less than their usual hours in the week before their interview and 18% working more.<sup>12</sup>

3.2 The lack of stability offered by these contracts and the potential impact on a person's benefit entitlement are a cause of concern. Continued abuse of these contracts runs the risk of pushing women further into poverty. All of these issues contribute to the growing problem of in-work poverty.

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<sup>9</sup> Chwarae Teg (2016) *Research into Perceptions of Modern Working Practices in Wales*

<sup>10</sup> Office for National Statistics (2014) "Analysis of employee Contracts that do not Guarantee a Minimum Number of Hours"

<sup>11</sup> Ibid

<sup>12</sup> Ibid

3.3 We welcome the recent plans by the Welsh Government to start addressing the use of zero hours contracts in the domiciliary care sector<sup>13</sup>. However, this issue needs to be addressed across sectors in order to increase security of work in Wales.

#### **4. The role that welfare benefits play in supporting people on low incomes in Wales.**

4.1 Women have been hit by 86% of the changes to the tax and benefit system as part of austerity measures since 2010<sup>14</sup>.

4.2 Women are more reliant on benefits than men with a higher proportion of their income coming from the state. As a result, women are much more vulnerable to austerity measures and welfare reform. Women are losing out monetarily as changes to the welfare system move forward while also having to take on additional unpaid domestic work as public services are cut. These impacts are felt even more harshly in households living in poverty.

4.3 Gendered poverty risks are affected by whether benefits are individual or joint and to whom they are paid and how, while services are particularly important to those with caring responsibilities for children or ill, disabled or elderly adults.<sup>15</sup>

4.4 As Universal Credit is rolled out in Wales, due attention needs to be paid to certain aspects such as ‘in-work progression’, which could inadvertently have a negative impact on women. It is likely that this policy will affect women in Wales to a greater extent, in part due to the higher number of benefit claimants in Wales, but also as a result of the nature of the Welsh labour market<sup>16</sup>.

4.5 It’s important that benefit claimants are encouraged to access quality employment, that offers long term and secure opportunities, over accessing insecure employment, which may not ‘pay’ following costs such as childcare and transport.

#### **Conclusion**

There are a number of steps that need to be taken to help those on low incomes in Wales, and with in-work poverty currently on the rise, these must be prioritised.

These are focused on the provision of decent work that is adequately paid, secure and address distinct barriers that women face such as caring responsibilities and reduced access to training.

The Welsh Government has a key role to play in promoting decent work through providing support and setting standards. To ensure a prosperous and equal future for women and people around Wales, this needs to be a priority of an Economic Strategy and Employability Plan.

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<sup>13</sup> Welsh Government (2017) <http://gov.wales/newsroom/health-and-social-services/2017/zero-hours/?lang=en>

<sup>14</sup> House of Commons (2016) Estimating the gender impact of tax and benefits changes

<sup>15</sup> University of Oxford “Poverty through a Gender Lens”

<sup>16</sup> Chwarae Teg (2016) Briefing Paper: In Work progression in Wales 2016

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## Making the Economy work for people on Low Incomes

Dr Alison Parken, Cardiff Business School  
4<sup>th</sup> July 2017

### Introduction

Other respondents to this consultation have ably described how the industrial and occupational mix in Wales does not produce sufficient demand for high qualifications and skills<sup>1</sup>.

My response focuses on the Committee's questions relating to ensuring inclusive growth, addressing economic inequalities between different groups of people, and the innovative actions of employers collaborating with the *Women Adding Value to the Economy* (WAVE) programme to address progression from low graded roles.

Low income can affect all employees over the lifecycle, is associated with particular economic sectors and can be compounded by insecure or variable hours contracts, self-employment and part time working.

Jobs that require low or no qualifications rarely have 'job ladders'. Progression to higher graded roles is not envisaged or supported through training and development. Employment in these 'flat structures' produces 'sticky floors' at the bottom of the labour market, constraining the ability to increase income. With little possibility to move up through employment structures (vertical progression), employees can only change employer (horizontal progression) to attain higher pay or hours, and will need information and advice on transferable skills<sup>2</sup>.

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<sup>1</sup> Felstead, A., Davies, R. and Jones, S. (2013) *Skills and the Quality of Work in Wales, 2006-2012*, Cardiff: WISERD.

<sup>2</sup> Sisson, P., Green, A. and Lee, N. (2016) *Supporting Progression in Growth Sectors*, Evidence Paper, Cardiff: Public Policy Institute for Wales

The following section considers the nexus between low incomes, the dimensions of socio-economic inequalities and inclusive growth.

### **The equality dimensions of low pay in the Welsh Labour Market**

The *Anatomy of Economic Inequality in Wales* (2011) report found that young people, people of Pakistani and Bangladeshi heritage, disabled people and those living in rented accommodation were on the lowest incomes. Further, that with the exception of educational outcomes, women had a higher incidence of disadvantage across employment, earnings, income and wealth within all the population groups<sup>3</sup>.

The mismatch between qualifications levels in Wales and job entry requirements particularly restricts women's earnings. Women have been over-represented in sectors associated with low pay such as education, health, tourism and leisure, retail and hospitality, in occupations such as sales, administration, and personal services, for at least the last 20 years<sup>4</sup>. Their concentration in these sectors and occupations results in women being much more likely than men to work in jobs below their qualifications level<sup>5</sup>.

For women, low pay in low graded jobs is further compounded by low hours<sup>6</sup>. For example, within the 'elementary' jobs classification, which is gender balanced overall but has considerable gender segregation between job roles, 75% of men work on a full time basis while 73% of women work part time hours<sup>7</sup>.

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<sup>3</sup> Davies, R. (ed.) *An Anatomy of Inequality in Wales*, Cardiff: Equality and Human Rights Commission (Wales)

<sup>4</sup> Parken, A. (2016) Changes and Continuities: Women in paid work in Wales 1994-2014, in in Mannay, D. (ed). *Our Changing Land: Revisiting Gender, Class and Identity in Contemporary Wales*, Cardiff: University of Wales Press

<sup>5</sup> Office for National Statistics (2013) Full Report – Women in the Labour Market (Newport: ONS, 2013)

<sup>6</sup> Low pay is defined as less than two thirds of median annual income

<sup>7</sup> Parken, A., Pocher, E. and Davies, R. (2014) *Working Patterns in Wales: Gender, Occupations and Pay*, research report for Women Adding Value to the Economy (WAVE), ESF funded through the Welsh Government

The WAVE case studies produced numerous examples of women working multiple part time or part time and casual jobs with the same employer, in order to build working hours<sup>8</sup>.

The only protection against low earnings for women is:

‘...having a degree, a higher degree or working full time in a professional occupation. The probability of low hourly earnings is more than twice as high for women who work part-time (47%) as full-time (22%)<sup>9</sup>.

In addition to low pay in both part time and full time roles, estimates suggest that around half of all self - employed people have low incomes<sup>10</sup>. For these reasons, recent research categorizes ‘precarious workers’ as those who are self-employed, work part time or are in non-permanent work. The study finds that whilst the proportion of men in these categories has climbed to 27% in Wales during the economic crisis, this is still much lower than the 46% of women who are employed in such ways - a figure that has remained relatively stable over the last decade<sup>11</sup>.

Further, more men and women in Wales report ‘under-employment’ than elsewhere - that is wanting more hours, or seeking an additional or replacement job to build earnings.

The rate of precarious work has also climbed sharply for disabled workers. Recalling that over half of working age people in Wales who meet the definition of disabled under the Equality Act and/or have a life limiting illness are not economically active, of those that are in some form of paid work, almost 45% are in precarious work<sup>12</sup>. The incidence of precarious employment among the disabled population has increased over the period of the

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<sup>8</sup> Overview and detailed case study reports can be accessed at:

<http://www.cardiff.ac.uk/research/explore/research-units/women-adding-value-to-the-economy-wave>

<sup>9</sup> Parken, A., Joll, C., and Wass, V. (2011) *The Position of Different Groups in Wales: A cross-cutting summary and conclusions*, in Davies, R. (ed.) *An Anatomy of Inequality in Wales*, Cardiff: Equality and Human Rights Commission (Wales)

<sup>10</sup> Lloyd (2017) references Broughton, N. and Richards, B. (2016) *Tough Gig: Tackling low paid self-employment in the London and the UK*, London: Social Market Foundation.

<sup>11</sup> Davies, R. and Parken, A. (forthcoming) ‘Devolution, recession and the alleviation of inequality in Wales’, in Fee and Kober (eds.) *Inequalities in the UK since the 2008 recession: New discourses, evolutions, and actions*, Bingley: Emerald Press

<sup>12</sup> *ibid.*

recession, although changes to the way disability is defined in surveys makes this assessment unclear, and so it requires further examination<sup>13</sup>.

In summary, when designing an economic strategy for Wales, thought must be given to creating progression in the foundational economy as well as securing higher skilled jobs in growth sectors. Attention must also be given to creating greater diversity within high value sectors - restricting funding to growth sectors where men dominate higher skilled technical work, can have the effect of entrenching inequalities<sup>14</sup>.

Women account for just 9% of skilled trades workers in Wales; these skills may provide entry into new 'green economy' jobs in the future. And although the growth sector, *Finance, Business and Professional Services*, is gender balanced overall, half of all men in the sector work in the top three occupations (Senior Managers, Professionals, and Associate Technical and Professionals) compared to just a third of women<sup>15</sup>. Over 40% of women in this sector are in administrative roles with no clear progression routes.

Between 2004 and 2014, the number of *Science and Technical Associate Professional* jobs in Wales grew from 21,000 to 25,600, and men held 80% and 78% respectively of these jobs over the decade<sup>16</sup>. The new economic strategy must give consideration to supporting people to use their qualifications and skills to access higher paid work; this means breaking down gendered sector and occupational boundaries.

The WAVE 'Equal Pay Barometer' has been used in careers advice work to demonstrate the density of men and women in over 300 occupations, and likely earnings in so-called 'women's work'.

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<sup>13</sup> Baumberg, B., Jones, M. and Wass, V. (2015) 'Disability and disability-related employment gaps in the UK 1998-2012: different trends in different surveys?' *Social Science & Medicine* 141, pp. 72-81

<sup>14</sup> Parken, A. and Rees, T.L. (2011) 'Economic renewal and the gendered knowledge economy in Wales', *Contemporary Wales* 24(1), pp. 113-134.

<sup>15</sup> Parken, A., Pocher, E. and Davies, R. (2014) *Working Patterns in Wales: Gender, Occupations and Pay*, research report for Women Adding Value to the Economy (WAVE), ESF funded through the Welsh Government

<sup>16</sup> Parken, A. (2016) Changes and Continuities: Women in paid work in Wales 1994-2014, in in Mannay, D. (ed). *Our Changing Land: Revisiting Gender, Class and Identity in Contemporary Wales*, Cardiff: University of Wales Press



Whether it has persuaded some women to take up train driving (average earnings £39,000 per annum) instead of beauty therapy (average earnings £13,000 per annum) I could not say, but it is a useful tool, which could be further developed and used by careers advice services<sup>17</sup>.

Thought should also be given to supporting growth and innovation in education and health, and management and leadership thinking (Ball 2010)<sup>18</sup>.

Since the *Anatomy of Economic Inequality report* in 2011, education and labour market outcomes have improved somewhat for people with Pakistani and Bangladeshi heritage according to the EHRC (WALES) *Is Wales Fairer?* Report. However, the *Anatomy* report was based upon the compilation of a pooled dataset that provided for close examination of small sub sets of the population. It facilitated the examination of the intersectional socio-economic impacts of gender, ethnicity, disability, social class and age on education, employment and earnings outcomes.

It would be timely to update this analysis to underpin the equality impact assessments that will be needed to ensure that the *City Deals* and new economic strategy for Wales promote equality through encouraging earnings growth/ higher hours/ and more permanent work. The strategy will need to consider both opportunities to progress in 'foundational economy' jobs, and to increase access for all into higher skilled and higher paying occupations.

### **Creating progression opportunities from low paid jobs**

As discussed, low graded jobs (Grades 1 to 3) generally require no or low qualifications and rarely have 'job ladders' to allow for progression up the grade structure. During the *Women Adding Value to the Economy* (WAVE) programme, Cardiff University worked with collaborating public sector employers in local

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<sup>17</sup> [http://www.wavewales.co.uk/equal-pay-barometer/3514/?name=TRAIN%20OPERATIVE%20\(DRIVER\)&pay\\_period=annual](http://www.wavewales.co.uk/equal-pay-barometer/3514/?name=TRAIN%20OPERATIVE%20(DRIVER)&pay_period=annual)  
Data correct at 2014, the EPB does need updating!

<sup>18</sup> John Ball 'Improving what we already do', Agenda Spring 2010

government, health and higher education to assess employment and pay inequalities in the structure of employment<sup>19</sup>.

These employers demonstrated a high volume of permanent work. However, in all cases women were over-represented in low paid, low graded, part time work and temporary or casual work.

During WAVE, and pleasingly since the completion of the programme in 2015, these employers have recognised their low paid employees as a valuable asset. They know the organisation, and are loyal staff - often having worked part time for the same employer for many years.

In challenging times of austerity, the collaborating WAVE health board and local government employers have undertaken surveys and staff consultation exercises with low graded employees, asking them about their aspiration to progress, desire for greater working hours and their readiness for training and development or job enrichment.

The results of staff consultations demonstrated significant interest in both working greater hours and training and development for progression. It is early days, but both employers have, or are in the process of, updating recruitment practice, redesigning personal development reviews, undertaking gender bias training, developing line managers to spot progression opportunities, and bolstering skills, including literacy skills where necessary, in order to help employees progress – often into areas where recruitment has been challenging.

One innovation of particular note is an employer intervention to help employees avoid the welfare/low earnings trap.

Although Universal Credit requires workers to strive for higher pay or increased hours, the low earnings trap is compounded by the one 'earner disregard' per household policy. The lack of a 'disregard' for a second earner can act as a disincentive to build

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<sup>19</sup> Overview and detailed case study reports can be accessed at: <http://www.cardiff.ac.uk/research/explore/research-units/women-adding-value-to-the-economy-wave>

hours or move to higher paid roles – joint earnings may be insufficient to replace the loss of household welfare transfers<sup>20</sup>.

The health board has run joint consultations with staff supported by Citizens Advice Bureau and Job Centre Plus to help women in low graded roles understand and negotiate earnings/ welfare transfer boundaries.

Creating job shadowing and job swapping opportunities within the health board has also led to movement between occupations and some movement to higher grades. Eighty 'bank only' workers have moved into permanent work in nursing and healthcare roles as a result of staff engagement activities and changes to the recruitment process<sup>21</sup>.

Creating 'job ladders' in lower skilled work is challenging, but with commitment and resource it is possible.

The Higher Education employer has tackled gender segregation in lower grades by creating generic service roles that contain stereotypically gendered tasks. Workers can move between tasks, for example, the same workers may rotate between catering and security work. All the jobs are offered on a flexible working basis and by moving to a values-based recruitment system, the employer considers that a higher number of women have been recruited to supervisory roles than might have otherwise been expected.

These initiatives are detailed examples of dedicated work by employers to change the employment structures that reproduce inequalities in the labour market, and are underpinned by the ambitions set out in the Welsh Specific Equality duties on employment and pay differences.

The Welsh Government review of the effectiveness of the public sector duties equality is due in September 2017. If the review shows that such good practice is not widespread, then the *Equality, Local Government and Communities Committee* has the

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<sup>20</sup> MacLeavy, J. (2017) *The Lack of Welfare in Welfare to Work*, Women Work and the Economy in Post-Brexit Britain, PolicyBristol Conference, 22<sup>nd</sup> June 2017.

<sup>21</sup> Parken, A. (2015) *From evidence to action on gender pay gaps: The WAVE employer case studies*, research report for the Women Adding Value to the Economy Programme, ESF funded through the Welsh Government.

opportunity to encourage the replication of such good practice, in the both public and private sectors.

# **FSB Wales response to the Equality, Local Government and Communities Committee**

**Making the economy work for people on low  
incomes**

**5<sup>th</sup> July 2017**



Arbenigwyr mewn Busnes  
Experts in Business

## About FSB Wales

FSB Wales is the authoritative voice of businesses in Wales. With 10,000 members, a Welsh Policy Unit, two regional committees and twelve branch committees; FSB Wales is in constant contact with business at a grassroots level. It undertakes regular online surveys of its members as well as a biennial membership survey on a wide range of issues and concerns facing small business.

## Introduction

FSB Wales welcomes the opportunity to provide evidence to the Equality, Local Government and Communities Committee on its inquiry into making the economy work for people on low incomes. In our view, this is an opportune moment for the Committee to consider issues around the ambition and scope of economic development policy as we transition through a period of economic uncertainty. It is also pertinent in that the Welsh Government is itself examining its economic strategy and we hope this inquiry will form part of a much wider engagement process in the development of the new strategy.

## Economic Strategy & Inclusive Growth

FSB Wales believes that the Welsh Government's new economic development strategy should set out clear ambitions for inclusive economic growth that will benefit all communities across Wales. This will necessarily mean a change in economic approach from the current strategy with a stronger emphasis on developing the prospects and vitality of indigenous businesses in communities across Wales. As part of this change, the current focus on foreign direct investment should be repurposed towards economic development goals ensuring successfully anchored large projects are supporting the growth of Wales' SME supply chains. This reorientation of economic development policy is key if we are to ensure the quality of employment improves in every area of Wales.

### **Welsh Government's economic development policy needs to be reoriented towards indigenous economic growth.**

There is a relationship between the diversity of the local business base and sustainable and resilient labour markets. The Centre for Local Economic Strategies (CLES) has previously argued that places that are too dependent on one aspect of the economy, or a dominant large employer, often have unbalanced and fragile local economies.<sup>1</sup> The Welsh Government's forthcoming Economic Strategy should consider the need to create a diversity of strong, sustainable SMEs in communities that are able to support labour markets which deliver positive social and economic outcomes.

### **Diverse local economies are more resilient than unbalanced economies dominated by a single large employer.**

More generally, an economic strategy focused simply on employment and increasing the number of people in work is unlikely to produce wider social benefits. FSB Wales has previously argued that Welsh Government should introduce a measure of "Employment

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<sup>1</sup> "Productive Local Economies: Creating Resilient Places", CLES, December 2010 P.25



Arbenigwyr mewn Busnes  
Experts in Business

Quality” into the well-being measures and we believe that there is merit in an economic strategy using this as its key employment measure.<sup>2</sup> Moreover, the emerging economic development strategy should look at a wider set of economic indicators to ascertain economic wellbeing and diversity in local economies such as business size, the quality of employment and more regular localised economic statistics.

### **Welsh Government’s emerging economic development strategy should include a basket of indicators to complement GVA.**

Despite a growing body of literature examining the Welsh labour market, few reports look at the places and localities that provide jobs. This is symptomatic of a wider problem where public policy often fixates on national developments and overlooks important local variations. The Welsh Government should seek to produce more detailed, and more regularly updated, labour market statistics for the different regions of Wales – enabling policy makers to more quickly respond to local need and/or changes in circumstance.

### **Better data about how local economies function is key to a more place-based approach to economic development.**

#### **Work, wages and skills**

SMEs have a significant impact on employment in Wales with 62 per cent of all private sector employment taking place with micro, small or medium sized firms.<sup>3</sup> Previous research by FSB looking at smaller firms’ impact on employment has shown that not only do they create a significant proportion of new jobs but starting up a small business or becoming an employee in an SME accounts for 88 per cent of all movements from unemployment into private sector employment.<sup>4</sup> Of this, micro enterprises (24%), small businesses (27%) and self-employed individuals (17%) account for 68 per cent of all movements.

More significantly, this research has shown that 92 per cent of movements from either unemployment or non-participation into private sector employment are due to becoming employed by an SME or starting an SME<sup>5</sup>.

### **Smaller firms are more likely to employ those who are unemployed or do not participate in the labour market at present. This could be relevant in relation to groups of people that have historically engaged less with the labour market.**

One of the main explanations for this is that smaller firms have less formalised employment processes and offer more flexible employment relationships. For instance, another insight in our previous employment research is that the unemployed and non-

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<sup>2</sup> <https://www.fsb.org.uk/docs/default-source/fsb-org-uk/consultationresponsefinal8f9984ba4fa86562a286ff0000dc48fe.pdf?sfvrsn=1>

<sup>3</sup> Welsh Government. 2016. *Size Analysis of Welsh Businesses* [Online]. Available at: <http://gov.wales/docs/statistics/2016/161129-size-analysis-welsh-business-2016-en.pdf> (accessed 5th July 2017).

<sup>4</sup> Back to Work: The Role of Small Businesses in Employment and Enterprise”, Peter Urwin and Franz Buscha for FSB, September 2012.

<sup>5</sup> IPPR (2014) [Small Firms Giant Leaps: Small Business and the road to full employment](#)



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participants moving into employment in large firms are two-and-a-half times more likely to do so under temporary contract, when compared to those moving into micro-businesses.

There is also evidence that suggests small firms are more likely to retain employees during downturns<sup>6</sup>, rather than laying people off.

**Policymakers should avoid a 'one-size fits all' approach to employment issues, recognising the differences in approach between smaller and larger firms.**

SMEs in general tend to be more likely to engage with the living wage (as defined by the Living Wage Foundation) as employers. FSB analysis indicates that the majority of the private sector, Living Wage Foundation accredited employers in Wales are SMEs. Further analysis in Scotland indicates that 79% of accredited Living Wage employers are SMEs, with the remaining 21% being made up of larger firms and public sector organisations.

Despite this, evidence presented by Cardiff University and the Living Wage Foundation found that Scottish organisations in both the public and private sector represented around 23 per cent of all those in the UK signed up to the Living Wage.<sup>7</sup> It seems from their research that this is the result of a concerted campaign on the part of Scottish Government to drive uptake. FSB Wales believes Welsh Government could undertake a similar approach, working in partnership with wider civil society and those in the public and private sector to properly resource a Living Wage campaign.

**Welsh Government should bolster the resourcing and approach of the Living Wage Campaign in Wales.**

However, it is important to recognise that in some sectors – particularly areas where SME involvement in Wales is large (and likely to grow) such as childcare and social care – government regulation plays a significant role in shaping the business model and creating regulatory pressure that may feed through into wages<sup>8</sup>.

This is clear in an area such as childcare, which has relatively small profit margins due to regulatory requirements around staffing levels and the type of premises a business can occupy – as well as commissioning of services that often reflects lowest cost rather than best value. It is easy to see how wages can be squeezed by sudden changes in the regulatory, policy or tax landscape.

**Government regulation plays a significant role in shaping business models, particularly in the foundational economy.**

Elsewhere, seasonal sectors such as tourism and agriculture may require support in order to ease variations in income over the course of the year. These sectors may also either be more labour intensive over certain periods, or struggle to maintain the income

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<sup>6</sup> "Productivity, Investment and Profits during the Great Recession: Evidence from UK Firms and Workers", C. Crawford et al, Fiscal Studies 34(2), June 2013.

<sup>7</sup> Heery, E; Nash, D & Hann, D. 2017. *The Living Wage Employer Experience*. Cardiff Business School. P.44

<sup>8</sup> This is reflected in a number of papers prepared by the Public Policy Institute for Wales, available here: <http://ppiw.org.uk/tackling-poverty/>





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to support year round employment. These seasonal sectors are a significant proportion of the Welsh economy, especially in rural areas<sup>9</sup>.

Specific support could include Welsh Government supporting innovation and diversification in these sectors to extend the profitable seasons.

**Government should seek to support seasonal sectors of the economy to diversify and extend the season.**

For many SMEs, the last two years have seen a number of regulatory changes, which whilst not a problem singly, may have created pressures on aggregate – including but not limited to: Pension auto-enrolment, changes to the National Minimum Wage, and Business Rates revaluation, all of which were put in place within 12 months. Whilst some of these policy areas are not devolved, other areas which may introduce cost pressures are devolved and Welsh Government should carefully consider these impacts (and the cumulative impacts of other changes) when introducing them.

**The cumulative impact of employment policies such as National Living Wage and pension auto-enrolment has a bearing on employment costs.**

Whilst work and wages are not devolved, skills policy is – and there are opportunities for Welsh Government to make “lower paid” work better by ensuring there are clearer opportunities for training and progression within low paid work. In childcare, this may mean creating pathways towards teaching qualifications or similar, whilst in social care similar pathways towards qualified health care work may also be suitable.

It is also worth noting that often lower paid employment with strong progression and training can provide a route out of poverty. This is particularly pertinent in relation to apprenticeships and sectors that have well-established education and training routes, many of which such as construction are heavily dominated by SMEs.

**Vocational education can provide a strong progression route out of poverty for many, with SMEs being particularly active in this area.**

## **Self-employment**

A growing proportion of the Welsh working population are self-employed, with self-employment accounting for a sizeable proportion of employment growth (and labour market re-engagement) since 2010.

The picture of self-employment is varied across Wales, with up to 25% of the working age population in rural areas in self-employment, whilst this is closer to 10% in urban and ex-industrial communities.

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<sup>9</sup> Whilst figures for employment by sector in Local Authorities, available statistics indicate that up to 15% of jobs in West Wales and the Valleys are in sectors that might be considered “seasonal”, around 9% of jobs in East Wales are in sectors that might be described as seasonal. Statistics for employment are available at: <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Employment/Jobs/Whole-Workforce/workplaceemployment-by-industry-area>



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**Initial findings from research that is currently being undertaken by FSB Wales suggests that most self-employment in Wales is genuine and driven by a number of positive factors rather than necessity driven.**

In the context of the committee's inquiry, we would urge the committee to consider ways in which the Welsh Government could, or should assist in making self-employment more sustainable and to remove some of the risks associated with self-employment that do not exist for those in an employed relationship. Whilst employment is not a devolved matter, there are significant policy levers available in areas such as procurement which should be used to drive forward such changes.

In the short term, the Welsh Government should consider ensuring that where contracts are tendered to self-employed people that they ensure that contracts are tendered at a price that allows the self-employed to take up insurance for sick pay and other forms of leave that are a statutory entitlement for employed people. FSB Wales was keen to see this taken forward in the Welsh Government's "Code for Ethical Employment in Supply Chains"<sup>10</sup> and we hope such a change can be incorporated in future revisions.

**Welsh Government should use its procurement capacity to help place self-employment on a more sustainable footing.**

Welsh Government should also closely monitor the work emerging from the Taylor review of self-employment and look to implement any changes that might fall within devolved competency.

## **Conclusion**

FSB Wales welcomes the Equality, Local Government and Communities Committee's inquiry into making economic development work for those on low incomes. We believe that an economic development strategy that pursues greater diversity in local economies can help deliver better outcomes for the people of Wales. Wales' 248,000 smaller firms have to be an intrinsic part of this strategy to make this successful.<sup>11</sup>

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<sup>10</sup> Welsh Government (2016), WG Code of Practice, Ethical Employment in Supply Chains <http://gov.wales/docs/dpsp/publications/valuwales/170309-ethical-en.pdf>

<sup>11</sup> Welsh Government. 2016. *Size Analysis of Welsh Businesses* [Online]. Available at: <http://gov.wales/docs/statistics/2016/161129-size-analysis-welsh-business-2016-en.pdf> (accessed 5th July 2017).

# Eitem 5.1

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau  
Equality, Local Government and Communities Committee  
ELGC(5)-24-17 Papur 6/ Paper 6

## **GRENFELL TOWER TRAGEDY: Issues for the one-day National Assembly inquiry by the Equality, Local Government and Communities Committee.**

**Submitted by the Specialist Engineers Contractors Group Wales, SEC Group -  
Response to Fire safety in high-rise tower blocks being considered in a one-day  
National Assembly inquiry in response to the Grenfell Tower tragedy in London.**

It was 73 years ago that a wartime government inquiry led by Lord Simon bemoaned the emphasis in the construction industry on lowest price which, inevitably, drove down standards. Other reports since then have conveyed the same message. But, all these years later, this concern hasn't gone away.

In February this year Professor John Cole's report, following his inquiry in the construction of Edinburgh schools, returned to the theme. Seventeen schools had to be closed because of major defects in the construction of masonry panels (incidentally fire-stopping was also an area "*deserving of special attention*"). Professor Cole concluded:

*"The procurers of buildings need to consider whether the drive for faster, lowest cost construction may be being achieved to the detriment of its quality and safety."*

Also he could have thrown into the mix the huge problems over cashflow, with sub-contractors and suppliers regularly having to put up with late and non-payment. As Professor Cole acknowledged this is an issue for government, regulators and the construction industry.

Like the Edinburgh schools problems the Grenfell Tower tragedy has again highlighted some of the dysfunctionalities in the way in which construction related activities are procured and delivered. It seems that, at least, four matters require to be addressed.

The first is a review of safety-related standards and regulations to ensure that they are fit for purpose and up to date.

The second is the abandonment of traditional approaches to procurement whereby contractual demarcation lines keep designers away from construction supply chains. Today detailed

expertise relating to products and processes lie within the supply chain but technical specialist contractors (such as cladding, structural steel, mechanical and electrical) are not appointed early enough to engage with designers and specifiers.

The third is a statutory framework for licensing firms in the construction industry. This has been on the agenda for a long time. In 1998 Sir John Egan (then CEO of the British Airports Authority) delivered a government-commissioned report, *Re-thinking Construction*. He observed that the City of London had little regard for construction because there were no barriers to entry. In his follow-up report in 2002 (*Accelerating Change*) he called for a system that recognised the competency of firms in the industry.

The majority of US States have statutory licensing schemes. Although they vary from State to State the overall aim is to accredit those firms that have demonstrated a reasonable level of technical proficiency in respect of the work they provide. Similar schemes exist in Australia.

In UK construction there are statutory (and quasi-statutory) competence schemes under the Building Regulations, Gas Safety Regulations and Water Regulations. These schemes could be rationalised under one statutory umbrella since most of the required competencies are common across the schemes.

Such statutory umbrella could then be gradually extended to the whole of the industry. For a large part of the industry – mainly engineering – this would not present a problem since many of the trade associations involved already require their firms to undergo rigorous accreditation processes. Unfortunately being accredited in this way doesn't always help firms obtain work since there is often a race to the bottom to provide the lowest price. A statutory licensing scheme would, therefore, provide a level playing field for competition.

The final matter relates to enforcement of regulations. Lack of resources in local authorities have hampered effective enforcement. In addition, different regulations have different enforcement agencies. We now need a National Enforcement Agency to drive effective enforcement measures across the country. After all the Health and Safety Executive has a national inspectorate.

The Grenfell Tower tragedy has now increased pressure on the government and construction industry to instigate a radical re-appraisal of the proper approach to procuring and delivering construction and the regulatory framework that governs it.





**Elin Jones AC, Llywydd**

Cynulliad Cenedlaethol Cymru

**Elin Jones AM, Presiding Officer**

National Assembly for Wales

**Eitem 5.2**

Cadeiryddion y Pwyllgorau  
Cynulliad Cenedlaethol Cymru  
Bae Caerdydd  
CF99 1NA

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau  
Equality, Local Government and Communities Committee  
ELGC(5)-24-17 Papur 7/ Paper 7

11 Gorffennaf 2017

Annwyl Gadeirydd

### **Gweithredu Deddf Cymru 2017**

Fel y gwyddoch, mae Deddf Cymru 2017 yn darparu bod yn rhaid i Ysgrifennydd Gwladol Cymru benodi, drwy reoliadau, 'brif ddiwrnod penodedig', pan ddaw'r model cadw pwerau newydd i rym. Mae'r Ddeddf hefyd yn darparu bod yn rhaid i'r Ysgrifennydd Gwladol ymgynghori â mi, fel Llywydd, cyn gwneud rheoliadau o'r fath.

Amgaeaf lythyr gan yr Ysgrifennydd Gwladol yn nodi ei fwriad i bennu **6 Ebrill 2018** fel y prif ddiwrnod penodedig. Mae hefyd yn nodi ei fod yn bwriadu cychwyn y rhan fwyaf o'r darpariaethau sy'n weddill yn Neddf Cymru ar yr un pryd.

Byddwch yn sylwi o lythyr yr Ysgrifennydd Gwladol ei fod yn bwriadu ysgrifennu eto o ran goblygiadau'r sesiwn Seneddol ddwy flynedd i'r broses Cydsyniad Deddfwriaethol. Byddaf yn rhannu'r llythyr hwn gyda chi maes o law.

Buaswn yn ddiolchgar pe gallech roi gwybod i mi erbyn dydd Gwener 28 Gorffennaf a oes gan eich pwyllgorau unrhyw sylwadau i'w gwneud ar gynigion yr Ysgrifennydd Gwladol.

Yn gywir

Elin Jones AC  
Llywydd

Amg

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**Tudalen y pecyn 55**

Elin Jones AM  
Presiding Officer  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

Ref: 250SUB 17

10<sup>th</sup> July 2017

*Dear Elin,*

I am writing regarding the implementation of the Wales Act 2017. The Act provides for the Secretary of State to appoint, through regulations, a “principal appointed day” (PAD) on which the new reserved powers model comes into force. The Act specifies that I consult the Welsh Ministers and the Assembly’s Presiding Officer before making regulations appointing the PAD. I am therefore writing to seek your views on my proposal to specify **6 April 2018 as the principal appointed day**.

Three key factors have informed my proposed date. Firstly, the need to implement the new reserved powers model of Welsh devolution as soon as practicable, to provide a clearer settlement and a well-defined division between devolved and reserved responsibilities. The lack of clarity that is a feature of the current Welsh devolution settlement continues to hinder our administrations working together as effectively as they might.

The 2017 Act requires the PAD to be at least four months after the regulations appointing the date are made. Making these regulations this autumn would provide Parliament, the National Assembly for Wales and both our governments with sufficient notice to prepare for the new model.

Secondly, as you know the new devolved taxes - the Land Transaction Tax and Landfill Disposals Tax - come on stream on 6 April 2018. Bringing the reserved powers model into force on the same day would deliver a strong message that Welsh devolution has come of age.

Thirdly, we need to be clear about the model of Welsh devolution which applies as we prepare for our exit from the European Union. Implementing the reserved powers model in April 2018 provides us with sufficient time to make the necessary preparations before exit day.

I also propose to commence most of the remaining sections of the Wales Act 2017 in the same order. These sections devolve further powers to the National Assembly and the Welsh Ministers. The devolution of these powers is already reflected in the reserved powers model and so it makes sense to bring these sections into force at the same time.

The current session of Parliament will run until 2019, meaning the new reserved powers model would be brought force mid-way through the session. Clearly this has implications for any Legislative Consent Motions that may be required, and my officials are working to assess the impact. I will write to you once this analysis is completed. You will be aware that under Schedule 7 to the 2017 Act the current *conferred* powers model would continue to apply to those Assembly Bills which have passed Stage 1 by the PAD.

I would be grateful to receive your response by **4 September**, enabling the regulations to be drafted by early autumn. I am happy to share with you the regulations in draft before they are laid.

I am writing in similar terms to the First Minister of Wales.

Yours,  


**Alun Cairns MP**  
Secretary of State for Wales  
Ysgrifennydd Gwladol Cymru



## Item 5.3

John Griffiths AC  
Cadeirydd y Pwyllgor Cydraddoldeb, Llywodraeth Leol a  
Chymunedau

11 Gorffennaf 2017

Annwyl John

### Rhaglennu deddfwriaeth sydd ar y gweill

Fel y gwyddoch, bu'r Pwyllgor Busnes yn ystyried papur yn ddiweddar yn nodi'r ystod o ddeddfwriaeth y bwriedir eu cyflwyno o fewn y deuddeg mis nesaf.

Roedd Rheolwyr Busnes o'r farn y byddai'n briodol i wneud penderfyniadau 'mewn egwyddor' o ran pa bwyllgorau y bydd Mesurau y bwriedir eu cyflwyno o fewn y deuddeg mis nesaf yn cael eu cyfeirio atynt, er mwyn helpu pwyllgorau gyda'u gwaith cynllunio.

Yn seiliedig ar mater pwnc Mesurau unigol, ymddengys y byddai'r ddeddfwriaeth arfaethedig ganlynol yn fwyaf addas i gylch-gwaith y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau:

- Ombwdmon Gwasanaethau Cyhoeddus Cymru (Mesur Pwyllgor)<sup>1</sup>;
- Diwygio Rheoleiddio Landlordiaid Cymdeithasol Cofrestredig;
- Ffioedd a Godir ar Denantiaid yn y Sector Rhentu Preifat;
- Llywodraeth Leol.

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<sup>1</sup> Er bod Rheolau Sefydlog yn awgrymu dull gwahanol ar gyfer Mesurau Pwyllgor, mae'r Rheolwyr Busnes yn tueddi i gytuno â chynnig y Pwyllgor Cyllid sef, o ystyried mater pwnc y Mesur hwn a'r amgylchiadau o ran ei ddatblygiad, dylai'r Mesur gael ei gyfeirio at bwyllgor pwnc yng Nghyfnod 1 ac yn ôl i'r un pwyllgor yng Nghyfnod 2.



Fodd bynnag, mae'r Rheolwyr Busnes yn ymwybodol y byddai hyn yn golygu swm sylweddol o ddeddfwriaeth i'r Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau ei ystyried, yn ogystal â gwaith craffu Cyfnod 2 y Pwyllgor ar Fesur Diddymu'r Hawl i Brynu a Hawliau Cysylltiedig (Cymru), gwaith craffu ar y gyllideb ac ymchwiliadau polisi.

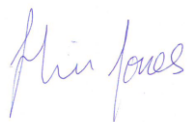
Mater arall yw ei bod hi'n debygol y bydd Mesur Ombwdmon Gwasanaethau Cyhoeddus Cymru a Mesur ar Ddiwygio Rheoleiddio Landlordiaid Cymdeithasol Cofrestredig yn cael eu cyflwyno tua'r un pryd yn ystod tymor yr hydref. Yn yr un modd, mae'n debygol y bydd y Mesur ar Ffioedd a Godir ar Denantiaid yn y Sector Rhentu Preifat a Mesur ar Lywodraeth Leol yn debygol o gael eu cyflwyno tua'r un cyfnod yn y gwanwyn/haf.

Felly, cyn dod i farn derfynol o ran a ddylid cyfeirio'r holl Fesurau hyn at y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau, byddai'r Rheolwyr Busnes yn ddiolchgar am eich barn ar y canlynol:

- a ydych chi o'r farn y byddai gan y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau gapasiti i reoli'r cyfaint hwn o ddeddfwriaeth;
- p'un a yw'r ddau achos o ddau Fesur er mwyn i'ch pwyllgor graffu arnynt a gyflwynir yn yr un cyfnod yn debygol o beri heriau penodol.

Byddwn yn ddiolchgar pe gallech roi eich barn ar y materion hyn cyn diwedd y tymor os yn bosib fel gall Rheolwyr Busnes wneud penderfyniadau 'mewn egwyddor' o ran pa bwyllgorau y bydd Mesurau y bwriedir eu cyflwyno o fewn y deuddeg mis nesaf yn cael eu cyfeirio atynt.

Yn gywir



**Elin Jones AC**  
Llywydd a Chadeirydd y Pwyllgor Busnes





Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MA-P-ARD-2486-17

11 Gorffennaf 2017

Annwyl John,

Diolch am eich llythyr dyddiedig 26 Mehefin 2017 am y tri ymchwiliad sy'n canolbwyntio ar dlodi sy'n cael eu cynnal gan y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau. Mae'n amserol i mi roi'r diweddaraf i chi am waith y Tasglu Gweinidogol ar gyfer Cymoedd y De, cyn cyhoeddi ein cynllun lefel uchel "*Ein Cymoedd, Ein Dyfodol*" ar 20 Gorffennaf. Mae'n dilyn y dystiolaeth a roddais i'r Pwyllgor ym mis Medi.

Fel y nodais ym mis Medi, mae'r Cymoedd yn wynebu set unigryw o heriau ac maent yn colli tir i weddill Cymru o safbwynt economaidd; o safbwynt ansawdd a hyd bywyd ac o ran cyrhaeddiad addysgol a sgiliau. Er bod tlodi i'w weld mewn cymunedau eraill ledled Cymru, mae'r problemau'n arbennig o ddifrifol yng Nghymoedd y De i gyd. Mae'r ffocws hwn ar y Cymoedd yn rhoi cyfle i ni hefyd dreialu ffyrdd newydd o weithio a defnyddio dysgu i sicrhau ffyniant i bawb ledled Cymru.

Mae angen i ni weithio'n wahanol i fentrau a rhaglenni blaenorol sydd wedi'u targedu at y Cymoedd, a dysgu ganddynt hefyd. Nid yw'r tasglu wedi mabwysiadu dull o'r brig i lawr – rydym ni wedi bod yn gweithio mewn partneriaeth â phobl sy'n byw ac yn gweithio yn y Cymoedd i ddatblygu'r cynllun a bydd yn parhau i wneud hynny wrth i ni gyflawni ei uchelgeisiau.

Rydwi i wedi bod yn gweithio gydag Ysgrifennydd y Cabinet dros Gymunedau a Phlant; Ysgrifennydd y Cabinet dros yr Economi a Seilwaith a'r Gweinidog Gwyddoniaeth a Sgiliau i ddatblygu dull Llywodraeth Cymru o sicrhau ffyniant i bawb. Fel y nododd Ysgrifennydd y Cabinet yn ei dystiolaeth, mae'n amlwg bod lefelau tlodi wedi aros yn eu hunfan ledled Cymru – mae'r tasglu yn gyfle gwirioneddol i edrych o'r newydd ar y mater hwn.

Mae yna lawer y gall y tasglu ddysgu gan y rhaglen Cymunedau yn Gyntaf, o ran beth oedd yn gweithio a beth oedd ddim yn gweithio, ac o effaith dirwyn y rhaglen i ben ar ardaloedd Cymunedau yn Gyntaf yn y Cymoedd.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Bydd y tasglu'n cyhoeddi adroddiad cryno o'r holl weithgareddau ymgysylltu a wnaed ochr yn ochr ag *"Ein Cymoedd, Ein Dyfodol"* ar 20 Gorffennaf. Bydd hyn yn cyflwyno sail dystiolaeth glir o'r hyn y mae pobl wedi ei ddweud wrthym a sut mae hynny wedi dylanwadu ar y cynllun. Wrth ddatblygu'r cynllun, bu'r tasglu'n ystyried tystiolaeth gan amrywiaeth eang o ffynonellau sy'n ymwneud â threchu tlodi, yn cynnwys: Sefydliad Bevan; Fforwm Economaidd Castell-nedd; OECD; y partneriaethau sgiliau rhanbarthol; y consortia addysg; Sefydliad Joseph Rowntree; Oxfam Cymru; y What Works Centre for Wellbeing a Phrifysgol Caerdydd.

Mae *"Ein Cymoedd, Ein Dyfodol"* yn rhoi sylw i dri maes blaenoriaeth – swyddi o ansawdd da a'r sgiliau i'w cyflawni; gwell gwasanaethau cyhoeddus a fy nghymuned leol. Mae'n nodi cyfres o gamau gweithredu lefel uchel sydd â'r nod o gyflwyno gweledigaeth a chyfeiriad clir ar gyfer y pedair blynedd nesaf.

Roedd swyddi o ansawdd da a mynediad at hyfforddiant sgiliau yn flaenoriaeth amlwg i'r bobl a'r busnesau i'r tasglu siarad â nhw. Dywedodd pobl wrthym nad oes digon o gyfleoedd gwaith o fewn cyrraedd eu cymunedau lleol ac, yn rhy aml, bod y swyddi sydd ar gael yn rhai ar gontractau dim oriau neu'n waith dros dro neu asiantaeth. I fynd i'r afael â hyn, mae'r tasglu wedi gosod uchelgais i gau'r bwlch cyflogaeth rhwng Cymoedd y De a gweddill Cymru erbyn 2021. Mae hyn yn golygu helpu 7,000 yn rhagor o bobl i gael gwaith a chreu miloedd o swyddi newydd, teg, diogel a chynaliadwy yn y Cymoedd.

Bydd y Gweinidog Sgiliau a Gwyddoniaeth yn lansio agenda gyflogadwyedd newydd Llywodraeth Cymru. Bydd yr agenda'n ehangu ein hymdrechion i gynorthwyo pobl anweithgar yn economaidd i gael gwaith a chreu gwell amodau gwaith. Bydd y tasglu'n sicrhau bod yr ymrwymadau hyn yn sicrhau'r budd gorau posibl i gymunedau'r Cymoedd.

Byddwn yn targedu buddsoddiad i greu canolfannau strategol newydd mewn chwe ardal ar draws y Cymoedd. Yr ardaloedd hyn fydd canolbwynt buddsoddiad cyhoeddus er mwyn creu swyddi newydd a chyfleoedd pellach i ddenu buddsoddiad o'r sector preifat. Byddwn yn gweithio gyda chymunedau lleol, awdurdodau lleol a busnesau i sicrhau bod ffocws pob canolfan yn adlewyrchu'r cyfleoedd a'r galw ym mhob ardal a'u dyheadau at y dyfodol.

Dyma rai o'r cynigion yn *"Ein Cymoedd, Ein Dyfodol"*. Ar ôl ei gyhoeddi, byddwn yn gweithio gyda chymunedau a rhanddeiliaid i ddatblygu cynllun cyflenwi, a fydd yn cael ei gyhoeddi yn yr hydref.

Rydych yn gofyn a yw'r tasglu wedi ystyried effaith dirwyn Cymunedau yn Gyntaf i ben ar gymunedau'r Cymoedd. Mae'r mater wedi cael ei grybwyll mewn digwyddiadau ymgysylltu â'r cyhoedd sydd wedi'u cynnal gan y tasglu. O ystyried effaith bosibl diwygiadau lles a cholli arian yr UE, mae'n bryd cael dull newydd. Mae tystiolaeth ryngwladol gan yr OECD yn dangos y bydd canolbwyntio ar sgiliau a chyflogaeth yn ein helpu i gyflawni gwell canlyniadau.

Byddwn yn helpu pobl i gael gwaith gyda chymorth rhaglenni fel Cymunedau dros Waith, Esgyn a PaCE, sydd wedi derbyn buddsoddiad sylweddol gan Lywodraeth Cymru. Mae cydweithio â'r bargeinion dinesig a manteisio ar fanteision ehangach Metro De Cymru yn cynnig cyfle go iawn i dyfu economi'r Cymoedd.

Diolch am eich diddordeb yn y Tasglu Gweinidogol ar gyfer Cymoedd y De. Byddaf yn sicrhau bod y pwyllgor yn cael copi o "*Ein Cymoedd, Ein Dyfodol*" cyn gynted ag y caiff ei gyhoeddi.

A handwritten signature in black ink, appearing to read 'Alun', with a horizontal line underneath it.

**Alun Davies AC/AM**

Gweinidog y Gymraeg a Dysgu Gydol Oes

Minister for Lifelong Learning and Welsh Language

**Julie James AC/AM**  
**Y Gweinidog Sgiliau a Gwyddoniaeth**  
**Minister for Skills and Science**

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau  
Equality, Local Government and Communities Committee  
ELGC(5)-24-17 Papur 10/ Paper 10

Ein cyf/Our ref MA-P/JJ/2410/17

John Griffiths AC  
Cadeirydd y Pwyllgor Cydraddoldeb,  
Llywodraeth Leol a Chymunedau



Llywodraeth Cymru  
Welsh Government

12 Gorffennaf 2017

Annwyl John

Diolch am eich llythyr dyddiedig 26 Mehefin 2017 yn gofyn am gael gwybodaeth am Gynllun Cyflawni Cyflogadwyedd ar gyfer ymchwiliadau'r Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau ar dlodi yng Nghymru.

Yn fy natganiad diweddar i'r Cyfarfod Llawn wnes i nodi dull Llywodraeth Cymru o ymdrin â chyflogadwyedd yn y wlad. Rwy'n bwriadu cyhoeddi Cynllun Cyflawni Cyflogadwyedd erbyn diwedd 2017. Mae'r Cynllun wrth wraidd ymrwymiad Symud Cymru Ymlaen i 'ail-lunio cymorth cyflogadwyedd i unigolion sy'n barod am waith, a'r rheiny sydd bellaf oddi wrth y farchnad lafur, er mwyn iddynt ennill y sgiliau a'r profiad i gael a chynnal cyflogaeth gynaliadwy'. Byddaf yn ystyried y gwasanaethau a'r seilwaith presennol yn ofalus, yn asesu pa mor dda y maent yn helpu pobl i ddod o hyd i waith ac aros mewn gwaith ac a ydynt yn rhoi gwerth am arian.

I sicrhau dull cwbl integredig o ddatblygu'r Cynllun Cyflawni Cyflogadwyedd, rwyf wedi sefydlu Bwrdd Cyflogadwyedd ar gyfer Llywodraeth Cymru sy'n cynnwys uwch-swyddogion. Yn ogystal, rwyf yn llunio Cynllun Cyfathrebu ac Ymgysylltu ar gyfer Rhanddeiliaid Allanol fydd yn bwydo i mewn i'r Bwrdd Cyflogadwyedd Llywodraeth Cymru ac yn cynnwys cynrychiolaeth oddi wrth bartneriaid allweddol i sicrhau dull integredig tuag at gyflogadwyedd.

Yn fy natganiad amlinellais y ffaith y disgwylir i'n darpariaeth cyflogadwyedd newydd ddechrau gweithredu ym mis Ebrill 2019. Caiff hyn ei hyrwyddo fel un cynnig o dan yr enw "Cymru'n Gweithio" gyda rhaglen newydd ar gyfer oedolion a dwy raglen fydd yn darparu cefnogaeth cyflogadwyedd i bobl ifanc yn sail iddo. Rhwng nawr ac Ebrill 2019 byddwn yn ailstrwythuro ein rhaglenni cyfredol er mwyn sicrhau pontio llyfn, gan ddefnyddio ardaloedd y Cymmoedd a Chymunedau dros Waith fel man profi i lywio ein darpariaeth newydd

Byddwn yn diwygio ein rhaglenni cyflogadwyedd, gan gynnwys rhai sydd yn cael eu hariannu gan Ewrop, ReACT, Twf Swyddi Cymru a'n Rhaglen Sgiliau Cyflogadwyedd, gan wneud yn siŵr bod y rhain yn cyd-fynd ar gyfer gwella'r gefnogaeth i bobl ddi-waith a'r rhai sydd yn symud i mewn ac allan o swyddi cyflog isel. Rydym hefyd yn datblygu amrediad o

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CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

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[Correspondence.Julie.James@gov.wales](mailto:Correspondence.Julie.James@gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

brosiectau dan y rhaglen Swyddi Gwell yn Nes at Adref i alinio amrediad o beilotau masnachol gydag ymyrraeth eraill i gefnogi creu swyddi ystyrllon mewn cymunedau sydd gyda lefelau uchel o ddiweithdra.

Mae gan gyflogadwyedd rôl allweddol wrth gefnogi pobl i symud allan o dlodi. Rwyf yn croesawu ymchwiliadau'r Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau ac yn edrych ymlaen at dderbyn copi o'r adroddiad fydd, rwy'n gobeithio, yn gymorth i lywio datblygiad y Cynllun Cyflewni Cyflogadwyedd. Os yw'r pwyllgor angen mwy o wybodaeth ar y datblygiadau yr amlinellwyd yn y llythyr hwn neu yn fy natganiad yna peidiwch ag oedi i gysylltu â mi.

Yn gywir



**Julie James AC/AM**

Y Gweinidog Sgiliau a Gwyddoniaeth  
Minister for Skills and Science



Ein cyf/ Our ref: MA (P) CS 2347 17

John Griffiths AC  
Cadeirydd y Pwyllgor Cydraddoldeb a Llywodraeth Leol  
Cynulliad Cenedlaethol Cymru

17th Gorffennaf 2017

Annwyl John

Yn ystod fy ymddangosiad gerbron y pwyllgor ar 21 Gorffennaf, cynigiais ddarparu nodyn ysgrifenedig mewn ymateb i rai o gwestiynau'r pwyllgor. Hyderaf y bydd y nodyn isod yn esbonio'r materion penodol.

### **Manylion y broses ar gyfer cwestiynu cynlluniau llesiant byrddau gwasanaethau cyhoeddus, fel y'u disgrifir yn Neddf Llesiant Cenedlaethau'r Dyfodol (Cymru)**

Fel rhan o Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 mae'n rhaid i fwrdd gwasanaethau cyhoeddus, wrth baratoi ei gynllun llesiant lleol, geisio cyngor gan Gomisiynydd Cenedlaethau'r Dyfodol ar sut i gymryd camau i gyflawni'r amcanion lleol sydd wedi'u cynnwys yn ei gynllun. Mae gan y Comisiynydd 14 wythnos i roi'r cyngor hwnnw. Ar ôl derbyn cyngor y Comisiynydd, ond cyn cyhoeddi'r cynllun, mae'n rhaid i bob bwrdd gwasanaethau cyhoeddus ymgynghori ar ei gynllun drafft gyda'r bobl sydd wedi'u rhestru yn y Ddeddf. Mae'r ymgynghoreion gorfodol yn cynnwys y Comisiynydd a Gweinidogion Cymru.

Mae'r Ddeddf hefyd yn datgan bod rheidrwydd ar bob bwrdd i adolygu ei amcanion lleol neu gynllun llesiant lleol os bydd Gweinidogion Cymru yn eu rhoi cyfarwyddyd iddo wneud hynny a gall adolygu ei amcanion neu ddiwygio ei gynllun yn dilyn adolygiad o'r fath. Wrth roi cyfarwyddyd, mae'n ofynnol i Weinidogion Cymru gyhoeddi datganiad sy'n esbonio eu rhesymau dros wneud hynny.

Fodd bynnag, ffocws byrddau gwasanaethau cyhoeddus a'u cynlluniau llesiant lleol yw atebolrwydd lleol ac er mwyn sicrhau bod atebolrwydd democrataidd ar waith mae gofyniad i bwyllgor craffu dynodedig llywodraeth leol yr awdurdod lleol perthnasol graffu ar waith y bwrdd gwasanaethau cyhoeddus a'i gynllun llesiant lleol.

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[Correspondence.Carl.Sargeant@gov.wales](mailto:Correspondence.Carl.Sargeant@gov.wales)

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## **Nodyn o'r trafodaethau rhwng Llywodraeth Cymru ac awdurdodau lleol, byrddau cyflawni lleol a byrddau gwasanaethau cyhoeddus ar y trefniadau pontio**

Mae fy swyddogion wedi cwrdd yn rheolaidd â'r holl Gyrrff Cyflawni Arweiniol i drafod y materion pontio. Cynhaliwyd y gyfres gyntaf o gyfarfodydd yn dilyn fy natganiad llafar ac mae'r tîm wedi parhau i gwrdd ar sail ddwyochrog i ddarparu cymorth pwrpasol. Hefyd, mae Rhwydwaith y Corff Cyflawni Arweiniol yn cwrdd bob deufis mewn cyfarfodydd yn ne a gogledd Cymru. Cynhaliwyd y cyfarfodydd Rhwydwaith hyn ym misoedd Chwefror/Mawrth, Ebrill/Mai a Mehefin/Gorffennaf yn ne a gogledd Cymru, yn y drefn honno.

### **Darparu copi o'r Canllaw Pontio a Strategaeth a roddwyd i awdurdodau lleol**

Mae canllaw Pontio a Strategaeth Cymunedau yn Gyntaf ar gael drwy'r ddolen isod:  
<http://gov.wales/docs/dsjlg/publications/comm/170622-transition-guidance-cy.pdf>

### **Nodyn o'r gwerthusiad o raglenni Cymunedau am Waith ac Esgyn, gan gynnwys unrhyw ddata a meini prawf asesu sydd ar gael**

Mae rhagor o fanylion am y cam gweithredu uchod wedi'u cynnwys yn Atodiad 1.

### **Nodyn sy'n darparu rhagor o fanylion am y llwybr cyflogadwyedd yn dilyn ymgysylltiad ar y rhaglenni Esgyn a Cymunedau am Waith**

Mae rhagor o fanylion am y cam gweithredu uchod wedi'u cynnwys yn Atodiad 2.

### **Copi o'r canllaw ar y rhaglen asedau cyfalaf**

Byddaf yn ailagor y Rhaglen Cyfleusterau Cymunedol cyn diwedd Gorffennaf. Mae'r rhaglen wedi'i diweddarau i ystyried y £4 miliwn ychwanegol y flwyddyn a gyhoeddais ym mis Chwefror. Rhoddir blaenoriaeth i geisiadau gan ardaloedd blaenorol Cymunedau yn Gyntaf. Rwy'n awyddus i gyfleusterau cymunedol yn yr ardaloedd hyn gael mynediad i grantiau cyfalaf er mwyn gwella'r hyn y gallant ei gynnig i bobl yn y cymunedau hyn a hefyd i wella eu cynaliadwyedd hirdymor eu hunain fel rhan o etifeddiaeth Cymunedau yn Gyntaf.

Bydd rhai newidiadau amlwg yn cael eu gwneud i'r Rhaglen Cyfleusterau Cymunedol, gan gynnwys cyflwyno grantiau bach o hyd at £25,000 a allai, er enghraifft, ariannu cegin neu doiledau ar wahân er mwyn hwyluso'r defnydd o adeilad fel lleoliad gofal plant. Bydd grantiau mwy yn parhau i fod ar gael hyd at uchafswm o £250,000. Bydd yn rhaid i bob ymgeisydd ddarparu tystiolaeth bod y gymuned leol wedi bod yn ymgysylltu yn y broses o ddatblygu'r prosiect. Bydd hyn yn helpu i sicrhau bod y gymuned yn cael yr hyn y mae arnynt ei eisiau a'i angen.

Bydd grwpiau cymunedol y tu allan i glystyrau Cymunedau yn Gyntaf yn parhau i allu gwneud cais i'r Rhaglen Cyfleusterau Cymunedol. Bydd angen iddynt ddangos y byddai eu cynigion yn gwella cyfleoedd i'r bobl sy'n byw yn y cymunedau a wasanaethir ganddynt. Bydd angen iddynt hefyd nodi partneriaid cyflawni allweddol, megis yr awdurdod lleol. Bydd hyn yn eu helpu i ddangos pwysigrwydd strategol eu cais. Cyhoeddir canllawiau cyn bo hir.

Fe wnaethoch ofyn hefyd am ragor o wybodaeth am y canlynol:

### **Sut y mae Llywodraeth Cymru yn bwriadu asesu effeithiolrwydd y newid i'r dull gweithredu strategol ar dlodi ac a fyddai Llywodraeth Cymru yn ystyried cefnogi astudiaeth hydredol ar dlodi yng Nghymru**

Mae Llywodraeth Cymru yn ymrwymedig i gynnal gwaith ymchwil cadarn i werthuso effeithiolrwydd rhaglenni sy'n ceisio lleihau tlodi ac mae nifer o astudiaethau o'r fath yn cael eu cynnal ar hyn o bryd. Ymhlith yr enghreifftiau mae Gwerthusiad o'r rhaglen Esgyn, Gwerthusiad o'r Grant Amddifadedd Disgyblion, Gwerthusiad o Cymunedau am Waith, Gwerthusiad o'r cynllun Rhieni a Phlant a Gwerthusiad o'r Cynnig Gofal Plant.

O ran y data cenedlaethol, mae angen Dangosyddion Cenedlaethol ar gyfer Cymru, fel y nodir yn adran (10) (1) Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015. Mae hyn yn rhoi fframwaith ar waith i fesur effaith y Ddeddf, sy'n cynnwys dangosyddion tlodi allweddol sy'n edrych ar yr economi, iechyd, addysg a sgiliau. Mae hyn yn cyd-fynd â ffocws 'Ffyniant i Bawb', a fydd yn cael ei amlinellu yn Symud Cymru Ymlaen. Rydym hefyd yn cynnal ac yn cyhoeddi dadansoddiad o gronfeydd data trawsadrannol (gan gynnwys Cartrefi Islaw'r Incwm Cyfartalog, Arolwg Blynyddol o'r Boblogaeth ac Arolwg Cenedlaethol o setiau data Cymru) er mwyn cael dealltwriaeth well o dlodi a bod heb waith yng Nghymru. Mae ein Strategaeth Tlodi Plant 2015 yn cynnwys 5 amcan allweddol ar gyfer trechu tlodi plant a gwella canlyniadau i deuluoedd incwm isel yng Nghymru ac ar 13 Rhagfyr cyhoeddais ein hadroddiad statudol ar gynnydd.

Rydym eisoes yn cefnogi astudiaeth hydredol a gynhelir gan Understanding Society UK, y gellir ei defnyddio i ganfod mesurau tlodi a'i barhad dros amser. Rydym hefyd yn ariannu hwb i Astudiaeth Cohort y Mileniwm, i sicrhau data hydredol cadarn ar gyfer Cymru am blant a aned yn y flwyddyn 2000 ac mae'r data hyn yn cael eu defnyddio yn sail i adroddiadau am dlodi a llesiant plant a'r ffactorau sy'n gysylltiedig â lefelau cyrhaeddiad amrywiol plant a phobl ifanc Cymru; mae Llywodraeth Cymru yn adrodd ar hyn yn y cyhoeddiad: Monitor Llesiant Plant a Phobl Ifanc Cymru, 2008, 2011 a 2015). Mae gan Lywodraeth Cymru hefyd raglen cysylltu data er mwyn edrych ar ystod o ganlyniadau sy'n cysylltu data arolygon gweinyddol a hydredol, ynglŷn â chyrchfannau addysg, tlodi tanwydd a Dechrau'n Deg. Fel rhan o'r rhaglen hon, mae prosiect yn cael ei gynnal i ymchwilio i ymarferoldeb creu mesur amddifadedd unigol yng Nghymru gan ddefnyddio'r data gweinyddol sydd, yn ôl eu natur, yn hydredol iawn, ac a fydd yn ychwanegu at ein dealltwriaeth o amddifadedd sy'n cael ei chasglu yn awr gan Fynegai Amddifadedd Lluosog Cymru, mesur swyddogol Llywodraeth Cymru o amddifadedd perthynol yng Nghymru, a mynd i'r afael â rhai o'i gyfyngiadau. Ein bwriad yw defnyddio pob un o'r rhain, a ffynonellau eraill i ymchwilio i dueddiadau tlodi; a phan fydd bylchau yn y dystiolaeth sydd ar gael, byddwn yn ymchwilio i'r opsiynau o lenwi'r rhain pan fydd yn bosibl inni wneud hynny.

**Mae'r data a ddefnyddir i asesu effeithiolrwydd rhaglenni cyflogadwyedd wedi'u dadgyfuno yn ôl oedran a / neu ryw, os ydynt ar gael.**

Gallaf ddarparu'r data canlynol yn unol â'r cais uchod, a ddefnyddir i asesu effeithiolrwydd y Rhaglenni.

### **Rhaglen ReAct 3**

Gwrywod 66%

Benywod 34%

Cyfranogwyr yn ôl oedran (% cyfanswm y cyfranogwyr):

18-24 3%

25-49 62%

50+ 35%

### **Twf Swyddi Cymru 2 (o Fedi 2015)**

Ers Ebrill 2015

Gwrywod - 54%

Benywod - 46%

Cyfranogwyr yn ôl oedran

16-17 - 4%

18-24 - 96%

### **Y Rhaglen Sgiliau Cyflogadwyedd (o Fedi 2016)**

Gwrywod - 61%

Benywod - 39%

Cyfranogwyr yn ôl oedran

16-17 - 1.4%

18-24 - 24.4%

25-49 - 53.7%

50+ - 20.3%

Yr eiddoch yn gywir



### **Carl Sargeant AC/AM**

Ysgrifennydd y Cabinet dros Gymunedau a Phlant

Cabinet Secretary for Communities and Children

## **Nodyn ar y gwerthusiad o'r rhaglenni Cymunedau am Waith ac Esgyn, gan gynnwys unrhyw ddata sydd ar gael a meini prawf asesu**

### **Esgyn**

Lansiwyd y Rhaglen yn ffurfiol ym mis Mawrth 2014 ac ar 31 Mai 2017 roedd wedi darparu 4,583 o gyfleoedd, gan gynnwys cynorthwyo 939 o bobl o aelwydydd heb waith i gael swyddi, gan roi'r rhaglen ar y trywydd cywir i gyrraedd ei tharged cyffredinol erbyn diwedd y flwyddyn.

### **Gwerthusiad o Esgyn**

Mae'r Rhaglen Esgyn yn cael ei gwerthuso'n annibynnol gan Wavehill Ltd, a chyhoeddwyd adroddiad yr ail gam ar 20 Rhagfyr 2016. Mae'r adroddiad yn cynnwys y canfyddiadau canlynol:

- Trechu tlodi yw un o brif flaenoriaethau Llywodraeth Cymru ac o gofio'r dystiolaeth sylweddol sy'n cysylltu diffyg gwaith â thlodi, mae digon o gyfiawnhad ar gyfer ymyrraeth polisi o'r natur hon.
- Dyluniwyd model cyflawni'r Rhaglen i gynnwys cryn hyblygrwydd ac mae hyn wedi ei galluogi i addasu i amgylchiadau lleol a chadw at ddull sy'n canolbwyntio ar yr unigolyn.
- Mae cyfranogwyr ar y cyfan yn gadarnhaol ynghylch y cymorth y maent wedi'i gael drwy'r Rhaglen.
- Mae cyfran fawr o'r cyfranogwyr wedi bod yn ddi-waith am gyfnod maith neu heb weithio erioed, gyda dim ond nifer bach wedi cymryd rhan mewn mentrau eraill yn y gorffennol er mwyn eu cynorthwyo i gael gwaith; gan awgrymu bod Esgyn yn effeithiol o ran ymgysylltu â'r rhai sy'n anodd eu cyrraedd.
- O ran y cyfranogwyr sydd wedi cymryd rhan mewn Rhaglenni cymorth blaenorol, mae dros dri chwarter wedi nodi bod yn well ganddynt y dull a fabwysiadwyd drwy Esgyn.

Gallwch ddod o hyd i ragor o wybodaeth a chopi o adroddiad Cam 2 ar:  
<http://gov.wales/statistics-and-research/evaluation-lift-programme/?skip=1&lang=cy>.

### **Cymunedau am Waith**

#### **Cefndir**

Mae Cymunedau am Waith yn canolbwyntio ar leihau nifer y bobl 12-24 oed Nad ydynt mewn Addysg, Cyflogaeth na Hyfforddiant (NEET) a chynyddu cyflogadwyedd ymysg oedolion economaidd anweithgar ac oedolion sydd wedi bod yn ddi-waith am dymor hir sy'n wynebu rhwystrau cymhleth i gyflogaeth.

Mae gan bob tîm sy'n darparu Cymunedau am Waith swyddog Cymorth Brysbennu sy'n cynnal asesiad addasrwydd. Mae'r asesiad addasrwydd yn cynnwys gwiriad cymhwyster ESF cam cyntaf ac asesiad o sgiliau galwedigaethol lefel isel i bennu lefel anghenion yr unigolyn a pha raglen fyddai'n gweddu orau i'r cyfranogwr e.e. Cymunedau am Waith neu Esgyn. Mae'r Swyddog Cymorth Brysbennu hefyd yn darparu gwaith rheoli achosion parhaus ar draws Cymunedau am Waith a rhwydweithiau partneriaethau lleol, gan sicrhau bod yr unigolyn yn cael y lefel briodol o wasanaeth a chymorth sydd ar gael. Byddai'r asesiad addasrwydd yn nodi cyfranogwr fel:

yn barod am waith ymhen 0-6 mis:	angen lefel isel i ganolig o gymorth
yn barod am waith ymhen 6-12 mis:	angen lefel ganolig i uchel o gymorth
yn barod am waith ymhen 12+:	angen lefel uchel o gymorth.

Ar 31 Mai 2017, roedd Cymunedau am Waith wedi darparu cymorth cyflogaeth i 9,367 o bobl ac wedi helpu 2,272 o bobl i gael gwaith ledled Cymru. Disgwylir i'r gyfradd gyflawni gynyddu dros y blynyddoedd nesaf er mwyn cyrraedd y targed o gael 10,000 o bobl i mewn i waith erbyn 2020.

### Casglu Data

Mae Cymunedau am Waith yn cadw at ganllawiau Swyddfa Cyllid Ewropeaidd Cymru ar gofnodi ac adrodd ar ganlyniadau. Mae angen tystiolaeth gadarn ar gyfer pob canlyniad cyn y gellid hawlio'r canlyniad. Mae hyn yn sicrhau trefniant monitro cryf, a gaiff ei fonitro'n barhaus gan Reolwyr Cyfrif Cymunedau am Waith.

Ar ddiwedd 31 Mawrth 2017, mae'r canlyniadau a gofnodwyd ac a adroddwyd arnynt i swyddfa cyllid Ewropeaidd Cymru ar gyfer Cymunedau am Waith fel a ganlyn:

Canlyniad	Canran y cyfranogwyr Cymunedau am Waith
Sgiliau Isel neu Dim Sgiliau	54%
Cyfrifoldebau Gofal neu Ofal plant	40%
Dros 54 oed	11%
O Aelwyd Ddi-waith	69%
O grŵp Pobl Dduon a Lleiafrifoedd Ethnig	5%
Cyflwr iechyd sy'n cyfyngu ar allu rhywun i weithio	26%
Anabledd	13%
Gwryw	46%
Benyw	54%

### Gwerthusiad o Raglen Cymunedau am Waith

Er mwyn cyflwyno tystiolaeth o fanteision y rhaglen Cymunedau am Waith, comisiynwyd Old Bell/Dateb i gynnal gwerthusiad o'r rhaglen Cymunedau am Waith a fydd yn ystyried y manteision tymor hwy ar gyfer y cyfranogwyr. Dylai'r gwerthusiad ddarparu tystiolaeth ynghylch a yw cyfranogwyr wedi ymuno â

chyflogaeth gynaliadwy ac a yw'r rhaglen wedi helpu i wella safle'r cyfranogwr yn y farchnad lafur.

Tri nod y gwerthusiad yw:

- taflu goleuni ar y theori newid ar gyfer Cymunedau am Waith a datblygu'r model rhesymeg sy'n tanseilio'r rhaglen,
- ystyried y gwahaniaethau rhwng gweithrediadau Blaenoriaeth 1 a Blaenoriaeth 3 Cymunedau am Waith i asesu sut mae'r rhaglen wedi'i sefydlu a sut y caiff ei gweithredu
- darparu awgrym o effeithiolrwydd cyffredinol y rhaglen (gan gynnwys unrhyw wahaniaethau rhwng y grwpiau targed).

Cyhoeddwyd yr adroddiad Theori Newid drafft, sef cam cyntaf y gwerthusiad, ym mis Ebrill ac mae'n cadarnhau bod y rhaglen wedi'i chynllunio'n dda ac yn seiliedig ar dystiolaeth gadarn. Gallwch ddod o hyd i gopi ar:

<http://gov.wales/statistics-and-research/evaluation-communities-Work/?lang=cy>

Bydd adroddiad yr ail gam yn defnyddio'r theori newid i asesu sut y cafodd y rhaglen Cymunedau am Waith ei sefydlu a'i gweithredu ledled Cymru.

Roedd drafftio ail gam yr adroddiad yn cynnwys:

- cyfweiliadau â swyddogion Llywodraeth Cymru, rheolwyr gweithrediadau a Rheolwyr Cyflawni'r Adran Gwaith a Phensiynau, staff y Corff Cyflawni Arweiniol sydd â chyfrifoldeb uniongyrchol dros Cymunedau am Waith;
- cynnal pecyn o waith maes ansoddol yn yr 19 o ardaloedd clwstwr dethol sy'n rhan o Cymunedau yn Gyntaf, a oedd yn cynnwys cyfweiliadau â rheolwyr clwstwr Cymunedau yn Gyntaf; cyfweiliadau grŵp neu unigol â gweithwyr brysbennu, cynghorwyr, mentoriaid cyflogaeth oedolion ac ieuencid ar gyfer Cymunedau am Waith; trafodaethau ffôn â darparwr hyfforddiant, asiantaeth gyfeirio a/neu gorff trydydd sector, a chyflogwr sydd wedi ymgysylltu â Chymunedau am Waith; cyfweiliadau un i un â chyfranogwyr y rhaglen ac adolygu sampl o 10 o bortffolios cyfranogwyr
- adolygu adroddiadau cynnydd

Caiff adroddiad yr ail gam ei gyhoeddi yn ystod Haf 2017.

**Camau gweithredu dilynol ar ôl ymddangos gerbron y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau ar 21 Mehefin 2017**

**Llwybr Cyflogaeth**

Mae'r Rhaglenni Esgyn a Chymunedau am Waith yn dilyn dull cyfannol sy'n canolbwyntio ar yr unigolyn o gefnogi cleientiaid sydd â rhwystrau cymhleth i gyflogaeth. Yn dilyn ymgysylltu â'r naill raglen neu'r llall, bydd y mentoriaid a'r cynghorwyr yn cwrdd â chyfranogwyr i ddeall y rhwystrau i gyflogaeth a'r camau gweithredu y cytunir arnynt i ymdrin â'r rhain. Mae cynllun pob cyfranogwr yn cydfynd â'u hanghenion a'u hamgylchiadau unigol.

Ar ôl cael eu cyfeirio neu ar ôl cyswllt, caiff apwyntiad ei drefnu â swyddog brysbennu, cynghorydd neu fentor a fydd yn cynnal asesiad brysbennu cyswllt cyntaf. Bydd brysbennu yn cynnwys gwiriad cymhwysedd lefel gyntaf ac asesiad addasrwydd ysgafn i bennu lefel yr angen ac felly pa wasanaeth cynghori Cymunedau am Waith sydd fwyaf priodol. Gallai canlyniadau'r asesiad addasrwydd nodi bod angen cymorth lefel isel, canolig neu uchel ar y person neu nad yw'n gymwys i gael cyngor.

Pan nodir bod angen cymorth lefel uchel, caiff y cyfranogwr ei gyfeirio at fentor Cymunedau am Waith a fydd yn cytuno ar gynllun gweithredu ar gyfer y cyfranogwr.

Pan fydd angen lefel ganolig / gymedrol o gymorth, caiff y cyfranogwr ei gyfeirio at Gynghorydd Cyflogaeth Arbenigol yn dibynnu ar y lefel a'r math o gymorth a nodir. Caiff y rôl hon ei rhannu'n ddwy agwedd arbenigol bellach - cynghorwyr cyflogaeth i rieni a chynghorwyr cyflogaeth cymunedol. Bydd y ddau yn cytuno ar gynlluniau gweithredu gyda'r cyfranogwyr, gan fynd ati i gytuno ar gynlluniau gweithredu.

Er y bydd Cymunedau am Waith yn ceisio ymgysylltu â'r rhai sydd bellaf o'r farchnad lafur, gallwn ragweld y bydd nifer bach o gwsmeriaid yn gallu cael eu cefnogi gyda swm bach iawn o gymorth cynghori. Bydd y cyfranogwyr hyn yn gallu cael eu hunanreoli neu eu cyfeirio'n hawdd at wasanaethau priodol a bydd angen lefel isel o gymorth arnynt, drwy gynlluniau gweithredu y cytunir arnynt.

I ategu'r gwasanaeth cynghori, bydd yn rhaid i bob cyfranogwr gael mynediad i ddarpariaeth hyfforddiant yn ogystal â chronfa rwystrau a fydd yn darparu cymorth ariannol i oresgyn rhwystrau i gyflogaeth.

John Griffiths AM  
Chair of the  
Equality, Local Government and Communities Committee

14 July 2017

Y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau  
Equality, Local Government and Communities Committee  
ELGC(5)-24-17 Papur 12/ Paper 12

## City Deals and the Regional Economies of Wales

Over the last couple of months the EIS committee has been taking a wide range of evidence on City Deals and the Regional Economies of Wales. We have almost concluded our evidence gathering and will be drafting a report over the summer recess.

As you are undertaking your work on in-work poverty, we thought it might be helpful to pass on the following points:

1. City Deals across the UK have been driven by an agenda which is primarily focused on growth. However, in Scotland and Wales, the governments have been keen to ensure that deals also contribute to their wider agendas – in Scotland this is termed inclusive growth, and in Wales it tends to manifest itself in talk of tackling poverty or achieving the Future Generations goals. While these are explicit targets of the Welsh and Scottish Governments, they are only implicit in the City Deals signed in Wales to date. It is unclear to what degree they have been incorporated in the City Deals themselves.





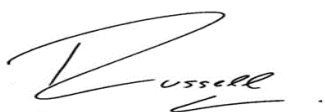
2. Little thought appears to have been given to what happens if there is a global period of de-growth (i.e. a recession), which would prevent Deals from reaching Growth targets. Although there appears to be optimism among City Deal leaders that such circumstances would be taken in to consideration.
3. The asymmetry of City Deals is a great strength – in that Deals can be tailored to local need. But it also creates problems in comparing Deals (as each is so markedly different) and in ensuring that all work harmoniously together. In Wales we heard evidence from organisations that hoped the forthcoming Welsh Government strategies would knit together the City Deals in to a coherent national picture. But the evidence from Scotland was not promising. For example – the Highlands and Islands deal is based on encouraging young people to remain in the area. The Glasgow deal is based on growing its population. It was not clear whether these two goals were compatible in a post-Brexit climate where high levels of inward migration seem unlikely.
4. While City Deals will aim to increase GVA across the region, we have asked lots of questions about the distribution of that growth within the region. Colegau Cymru, for example, warned that Deals had the potential to “hollow out” certain areas, concentrating prosperity, and leaving pools of poverty. There is a great deal of optimism from City Deal leaders that this will not happen.
5. Appraisal and monitoring methods for City Deals are still evolving. In Scotland we heard about their dashboard that the Glasgow City Deal has developed to monitor a range of indicators. The Joseph Rowntree Foundation has done some work in Leeds and Manchester taking a more ‘inclusive growth’ approach. And we heard from the Bevan Foundation that they are looking to do some similar work in a Welsh context. It is not clear at this



stage, whether this work will provide a more useful set of indicators to judge success, or whether the UK Government will buy in to it if it does.

I hope these notes are useful in your consideration.

Best wishes

A handwritten signature in black ink, appearing to read 'Russell', with a stylized flourish underneath.

Russell George AM

Chair of the Economy, Infrastructure and Skills Committee

