

Y Pwyllgor Menter a Busnes

Lleoliad:
Ystafell Bwyllgora 3 - Y Senedd

Dyddiad:
Dydd Iau, 22 Medi 2011

Amser:
09:30

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



I gael rhagor o wybodaeth, cysylltwch a:

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Agenda

1. Ymddiheuriadau, cyflwyniad a dirprwyon

2. Sesiwn i graffu ar waith y Gweinidog: Adfywio (9.30 -10.15)

EBC(4)-02-11 Papur 1

- Huw Lewis, y Gweinidog Tai, Adfywio a Threftadaeth
- Richard Harris, Dirprwy Gyfarwyddwr Adfywio Strategol a Blaenau'r Cymoedd
- Chris Warner, Pennaeth Polisi - Adfywio

3. Sesiwn i graffu ar waith y Dirprwy Weinidog: Rhaglenni Ewropeaidd (10.15 - 11.00)

EBC(4)-02-11 Papur 2

- Alun Davies, y Dirprwy Weinidog Amaethyddiaeth, Bwyd, Pysgodfeydd a Rhaglenni Ewropeaidd
- Damien O'Brien, Cyfarwyddwr, WEFO
- Jane McMillan, Cyfarwyddwr Dros Dro'r Is-adran Rheoli Rhaglenni a Chyllid, WEFO

4. Sesiwn i graffu ar waith y Gweinidog: Busnes, Menter, Technoleg a Gwyddoniaeth (11.00 - 12.00)

EBC(4)-02-11 Papur 3

- Edwina Hart, y Gweinidog Busnes, Menter, Technoleg a Gwyddoniaeth

5. Papurau i'w nodi

- Gohebiaeth gan Leighton Andrews, y Gweinidog Addysg a Sgiliau, ynghylch cyfarfod y Pwyllgor Menter a Busnes ar 13 Gorffennaf 2011

EBC(4)-02-11 p4 (Saesneg yn Unig)

- Gohebiaeth gan Carl Sargeant, y Gweinidog Llywodraeth Leol a Chymunedau, ynghylch cyfarfod y Pwyllgor Menter a Busnes ar 13 Gorffennaf 2011

EBC(4)-02-11 p5 (Saesneg yn Unig)

Y Pwyllgor Menter a Busnes
22 Medi 2011

EBC(4)-02-11

Tystiolaeth gan Huw Lewis, y Gweinidog Tai, Adfywio a Threftadaeth

Fy Mlaenoriaethau ar gyfer Adfywio

1. Y cyd-destun

1.1 Pobl a Lleoedd yw ffocws adfywio. Y nod yw creu lleoedd sy'n gynaliadwy yn yr hirdymor, gan wella ansawdd bywyd y bobl sy'n byw ac yn gweithio o fewn ac o amgylch y lleoedd hyn.

1.2 Mae'r term adfywio yn cwmpasu amryw o weithgareddau gan gynnwys newid gwedd ffisegol mannau trefol gan gadw eu nodweddion unigryw er mwyn eu gwella o safbwynt economaidd a mynd i'r afael â diffygion y farchnad. Mae hefyd yn cynnwys cydweithio â phobl yn eu cymunedau i fynd i'r afael ag achosion sylfaenol amddifadedd. Mae adfywio ffisegol yn aml iawn yn ymwneud â gwrthdroi neu osgoi dirywiad ardal, neu dargedu buddsoddiad tuag at ardaloedd difreintiedig na fyddant yn denu buddsoddiad fel arall oherwydd bod nifer o ddiffygion yn y farchnad.

Mae gweithgareddau o'r fath yn cael eu cynnal ledled Cymru drwy wahanol sefydliadau a phartneriaethau.

1.3 Mae gennym ni, Lywodraeth Cymru, nifer o raglenni sydd â'r nod penodol o gefnogi adfywio, gan gynnwys Cymunedau yn Gyntaf a'r Cynllun Datblygu Gwledig. Rydym hefyd yn buddsoddi ar draws nifer o adrannau er mwyn sbarduno gweithgareddau adfywio.

2. Polisi adfywio cyfredol fy mhortffolio

2.1 Ym mis Hydref 2010, cyhoeddodd Llywodraeth Cymru'n Un yr adeg honno y Fframwaith ar gyfer Ardaloedd Adfywio:

cymru.gov.uk/docs/desh/publications/101018regenareasframeworkcy.pdf .

2.2 I hwyluso'r broses o roi'r Fframwaith ar waith, sefydlwyd Panel Adfywio Cenedlaethol. Mae'r Panel, sydd o dan gadeiryddiaeth Viv Sugar, yn cynnwys y sefydliadau canlynol:

- Llywodraeth Cymru
- Cymdeithas Llywodraeth Leol Cymru
- Cynghair Mentrau Cymdeithasol Cymru
- Cyngor Gweithredu Gwirfoddol Cymru
- Canolfan Cydweithredol Cymru
- Sefydliad Brenhinol y Syrfewyr Siartredig
- Cydweithfa Sgiliau Adfywio Cymru
- Ffederasiwn y Busnesau Bach
- Tai Cymunedol Cymru

- Groundwork Cymru

2.3 Mae'r Fframwaith yn bolisi i'r Llywodraeth o hyd, er y gall gwaith polisi gymryd ei le yn y dyfodol. Rwyf wedi cadw'r Panel Adfywio Cenedlaethol ac yn ddiolchgar iawn am ei fewnbnw a'i gyngor parhaus.

2.4 Mae'r Llywodraeth, a phroffesiynau a sefydliadau adfywio, hefyd yn elwa ar waith Canolfan Rhagoriaeth Adfywio Cymru: www.regenwales.org. Rwyf wrthi'n ystyried y ffordd fwyaf priodol o fwrw ymlaen â'r gwaith hwn ar ôl i drefniadau ariannu Canolfan Rhagoriaeth Adfywio Cymru ddod i ben ym mis Mawrth 2012.

3. Gweithgareddau cyfredol fy nghyllideb adfywio

3.1 Bu'r Fframwaith ar gyfer Ardaloedd Adfywio yn edrych ar y dull o weithio yn yr Ardaloedd Adfywio a gafodd ei ddatblygu gan ddefnyddio model rhaglen Blaenau'r Cymoedd a sefydlwyd yn 2005. Nod yr Ardaloedd Adfywio yw mynd i'r afael â'r diffyg cydraddoldeb rhwng gwahanol ardaloedd yng Nghymru drwy fuddsoddi mewn mannau sy'n tanberfformio ar hyn o bryd, o safbwynt economaidd a lles, er mwyn gwella'u perfformiad. Drwy fuddsoddi yn yr ardaloedd hyn sy'n tanberfformio, y nod yw gwella ffyniant a lles cyffredinol Cymru gyfan. Y nod yw manteisio ar gyfleoedd buddsoddi a fydd yn sicrhau datblygiad cynaliadwy mewn canolfannau trefol a gwledig.

3.2 Mae'r dull gweithredu hwn ar waith nawr mewn pedair Ardal Adfywio arall ledled Cymru sef Aberystwyth, y Barri, Môn a Menai, Arfordir y Gogledd, Abertawe a Chymoedd y Gorllewin.

3.3 Mae'r Adran Tai, Adfywio a Threftadaeth hefyd yn cefnogi'r sefydliadau a'r partneriaethau canlynol sy'n ymwneud â gweithgareddau adfywio:

- Newport Unlimited (www.newportunlimited.co.uk)
- Awdurdod Harbwr Caerdydd (www.cardiffharbour.com)
- Parc Rhanbarthol y Cymoedd (www.thevalleys.org.uk)
- Ymddiriedolaeth Adfywio'r Meysydd Glo (www.coalfields-regen.org.uk)
- Groundwork Cymru (www.wales.groundwork.org.uk)

3.4 Ar ran fy mhorthfolio rwyf hefyd yn gyfrifol am Gronfa Buddsoddi Cymru: www.rifw.co.uk.

4. Gweithgareddau adfywio trawsbynciol

4.1 Mae Adfywio yn drawsbynciol ac felly mae'n gofyn am gydweithio agos ar draws portffolios y Llywodraeth ac ar draws y sectorau cyhoeddus, preifat a gwirfoddol. Ymhlith yr enghreifftiau o gydweithio llwyddiannus o fewn ac y tu allan i'r Llywodraeth mae:

- Buddsoddi mewn ad-drefnu addysg bellach yn ardal Blaenau'r Cymoedd er mwyn creu canolfannau dysgu nodedig ym Merthyr Tudful a Glynebwy.

- Ymgyrch Calon ac Enaid y Cymoedd - ffordd boblogaidd o farchnata lleoedd yn y Cymoedd. Mae eisoes wedi ennill tair gwobr.
- NSIP+ (Rhaglen Genedlaethol Estynedig ar gyfer Gwella Gorsafoedd), sy'n defnyddio buddsoddiad y sector cyhoeddus yn Ardal Adfywio Abertawe i alluogi rhoi ar waith brosiect Cymru gyfan gwerth £37 miliwn a ariennir gan gyllid Ewropeaidd.

4.2 Drwy greu fy mhortffolio mae'r Llywodraeth wedi cydnabod y cyfraniad pwysig y gall Tai a Threftadaeth ei wneud at Adfywio. Mae buddsoddi cyfalaf mewn tai, er enghraifft, wedi cyfrannu'n fawr at adnewyddu ardaloedd difreintiedig yn enwedig wrth ymrwmo i fodloni Safon Ansawdd Tai Cymru. Mae ansawdd tai pobl yn cael effaith sylweddol ar eu hiechyd meddwl a chorfforol. Mae'r amgylchedd hanesyddol yn cynnig asedau economaidd (cofebau sy'n rhoi hwb i dwristiaeth er enghraifft) a nodweddion unigryw sy'n gallu helpu i lywio gweithgareddau adfywio mewn ardal benodol. Mae chwaraeon a'r celfyddydau yn cynnig amryw gyfleoedd datblygu cymunedol sydd â manteision economaidd a chymdeithasol.

4.3 Rwy'n benderfynol o wneud y defnydd gorau o'r cysylltiadau rhwng y tair rhan o'm portffolio, gan adeiladu ar y llwyddiannau hyd yma. Mae'r rhain yn cynnwys:

Tai

- Buddsoddi £30 miliwn mewn cyfres o gynlluniau effeithlonrwydd ynni cartref ac ynni adnewyddadwy mewn Ardaloedd Adfywio er mwyn mynd i'r afael â thlodi tanwydd a defnyddio llai o ynni. Mae hyn wedi arwain at brosiect cam 2 Cymru gyfan a ariennir gan gyllid Ewropeaidd.
- Sicrhau bod buddsoddi mewn tai yn dod â chynifer o fanteision â phosibl i gymunedau o ran prosesau recriwtio a hyfforddiant sydd wedi'u targedu a datblygu'r gadwyn gyflenwi leol. Mae hyn wedi arwain at greu'r pecynnau cymorth Gallu Gwneud.

Yr Amgylchedd Hanesyddol

- Pennu nodweddion trefol cymunedol allweddol fel Merthyr Tudful i ddangos gwerth treftadaeth a dangos lle mae'n cyfrannu'n gadarnhaol at ddull adfywio sy'n parchu nodweddion unigryw lleol. Gwneud y defnydd gorau o asedau hanesyddol, fel prosiectau'r Castell a Hafod (Copperopolis) yn Abertawe. Gweithio gyda Dyfrffyrdd Prydain a Chanolfan Rhagoriaeth Adfywio Cymru i hybu'r arfer gorau ar gyfer defnyddio treftadaeth dyfrffyrdd wrth wneud gwaith adfywio mewn ffordd sy'n cysylltu pobl a lleoedd.
- Denu buddsoddiad fel Menter Treftadaeth Treflun Cronfa Dreftadaeth y Loteri i sbarduno cyfleoedd adfywio drwy warchod adeiladau hanesyddol.
- Gweithio gyda chymunedau, partneriaid treftadaeth a'r sector twristiaeth i feithrin cyswllt rhwng safleoedd unigol ac atyniadau treftadaeth eraill â'r gymuned a'r ardal gyfagos, yn ogystal â chysylltu â storïau a themâu deongliadol ehangach.

Llyfrgelloedd, Amgueddfeydd ac Archifau

- Moderneiddio llyfrgelloedd cyhoeddus i gefnogi gwasanaethau mewn ardaloedd difreintiedig drwy'r Rhaglen Grant Cyfalaf Llyfrgelloedd Dysgu Cymunedol.
- Buddsoddi mewn amgueddfeydd i gasglu, adlewyrchu, hybu a gofalu am hanes a diwylliant materol cymunedau gan greu ymdeimlad o le a pherthyn a gwella ansawdd bywyd.
- Adleoli Swyddfa Cofnodion Gwent (Archifau Gwent bellach) i'r Swyddfeydd Cyffredinol yng Nglynebwy fel rhan o'r prosiect adfywio mawr ar safle'r Gweithfeydd.

Chwaraeon

- Cynnal cyfnod peilot Gemau Cymru, sef prosiect arloesol y mae nifer o gyrff chwaraeon, ysgolion, yr Urdd a'n Huned Digwyddiadau Mawr yn rhan ohono.
- Parhau i fuddsoddi yn ein Menter Nofio am Ddim fel rhan o'n hymgais i godi lefelau o weithgarwch corfforol a llythrennedd corfforol.

Y Celfyddydau

- Cynnal Eisteddfod Genedlaethol lwyddiannus ym Mlaenau'r Cymoedd yn 2011.
- Parhau i roi cymorth i adfywio cymunedau drwy brosiectau fel Plant y Cymoedd, Celf ar y Blaen, Cyrraedd y Brig, Sblash, Young Promoters, a Cherdd Gymunedol Cymru.
- Buddsoddi mewn prosiectau cyfalaf mawr gan gynnwys Oriel Gelf Glynn Vivian yn Abertawe a'r prosiect Pontio ym Mangor.

5. Polisiâu'r dyfodol

5.1 O fewn fy mhortffolio, fy mlaenoriaethau ar gyfer y dyfodol fydd bodloni ymrwymadau maniffesto rydw i'n gyfrifol amdanyn nhw gan weithio ar draws y Llywodraeth, sef:

- Parhau i ymroi i adfywio canol ein trefi drwy ddefnyddio polisiâu cynllunio i roi bywyd newydd i drefi drwy eu dylunio'n ddiogelach ac yn well, datblygu amgylchoedd sy'n addas i deuluoedd a datblygiadau amldefnydd.
- Adfer ein trefi glan môr drwy fuddsoddi yn eu seilwaith, ac adnewyddu ac adfywio cymunedau.

5.2 Rwy'n croesawu ymchwiliad y Pwyllgor yn ymwneud ag adfywio canol trefi, a fydd yn ddefnyddiol o safbwynt llywio ein gwaith ar yr ymrwymadau hyn.

5.3 Mae nifer o ymrwymiadau maniffesto portffolios gweinidogol eraill naill ai'n berthnasol i'm portffolio i neu â chysylltiadau cadarn iawn ag ef. Efallai yr un mwyaf perthnasol yw:

- Parhau i fuddsoddi yn ein cymunedau mwyaf difreintiedig, gan integreiddio ein Rhaglen Cymunedau yn Gyntaf gyda phob gweithgaredd adfywio a sicrhau bod pob rhaglen Llywodraeth Cymru yn rhoi blaenoriaeth am gyllid i ardaloedd Cymunedau yn Gyntaf.

5.4 Dros y misoedd nesaf byddaf yn ystyried y ffordd orau o fuddsoddi arian fy mhortffolio yn y dyfodol. Wrth wneud hyn, bydd rhaid i mi sicrhau fy mod:

- yn bodloni'r ymrwymiadau maniffesto uchod
- integreiddio gweithgareddau adfywio ar draws y Llywodraeth ac y tu allan iddi, gan gynnwys o fewn fy mhortffolio i a chyda Cymunedau yn Gyntaf, o fewn fframwaith cydweithio'r gwasanaeth cyhoeddus a gaiff ei lywio gan Adolygiad Simpson a buddsoddiadau strategol arfaethedig ar draws Cymru.
- adeiladu ar yr arfer gorau a'r dystiolaeth sydd ar gael, gan gynnwys gwerthusiadau o brosiectau a rhaglenni cyfredol lle bo'n briodol
- manteisio i'r eithaf ar y cyfleodd sy'n deillio o gylch arall o gyllid Ewropeaidd.

Huw Lewis AC
Y Gweinidog Tai, Adfywio a Threftadaeth

Eitem 3

Pwyllgor Craffu Menter a Busnes 22 Medi 2011

**Tystiolaeth gan y Dirprwy Weinidog Amaethyddiaeth, Pysgodfeydd,
Bwyd a Rhaglenni Ewropeaidd.**

CYFLWYNIAD

1. Rwy'n croesawu'r cyfle i amlinellu fy ngweledigaeth a'm blaenoriaethau ar gyfer Rhaglenni Ewropeaidd. Rwyf eisoes wedi rhoi tystiolaeth i'r Pwyllgor Amgylchedd a Chynaliadwyedd ar elfennau Amaethyddiaeth, Bwyd a Physgodfeydd fy mhortffolio.
2. Mae cael yr holl Raglenni Ewropeaidd o dan un portffolio yn rhoi cyfle unigryw i mi gynyddu'r cysylltiadau a'r cydgysylltu rhwng yr amrywiol ffrydiau ariannol hyn a'u defnyddio mewn ffordd fwy holistig, ar draws y Llywodraeth gyfan, er mwyn cynnal twf a swyddi cynaliadwy.
3. Bydd rhaglenni Ewropeaidd yn cael eu halinio'n agos gyda blaenoriaethau Llywodraeth Cymru yng nghyd-destun strategaeth Ewrop 2020 ar gyfer twf call, cynaliadwy a chynhwysol.
4. Hefyd, rwyf wedi amlinellu yn Atodiad A y gwaith sy'n cael ei wneud ar yr argymhellion perthnasol ar raglenni'r Cronfeydd Strwythurol o adroddiad etifeddiaeth defnyddiol iawn y Pwyllgor Menter a Dysgu.

EIN GWELEDIGAETH AR GYFER RHAGLENNI EWROPEAIDD

5. Sicrhau bod ein Rhaglenni Ewropeaidd ni ymysg y mwyaf llwyddiannus yn yr UE am lunio'r amodau ar gyfer twf economaidd call, cynaliadwy a chynhwysol.

EIN CENHADAETH

6. Gweithio gyda'n partneriaid yn y sector preifat a chyhoeddus ac yn y trydydd sector ledled Cymru i wneud y defnydd gorau o Gronfeydd Ewropeaidd trwy gefnogi buddsoddiadau strategol ac arloesol yn ein seilwaith, yn ein busnesau, yn ein cymunedau ac yn ein pobl.

BLAENORIAETHAU

7. Mae fy mlaenoriaethau yn gofyn am gydbwysedd rhwng canolbwyntio ar gyflwyno rhaglenni presennol yr UE a pharatoi'r ffordd ar gyfer cyflwyno rhaglenni'r UE yng Nghymru o 2014 ymlaen yn effeithiol ac yn effeithlon:
 - (a) Sicrhau bod y Rhaglenni Ewropeaidd presennol yn cael eu rhoi ar waith yn effeithiol a'u bod yn dod â manteision cynaliadwy i bobl, busnesau a chymunedau ar draws Cymru yn unol â pholisïau'r UE a Llywodraeth Cymru;

- (b) Mewn trafodaethau ynghylch dyfodol polisiau Cydlyniant a'r PAC ar lefel y DU a'r UE, cyflwyno achos cryf iawn dros Gymru gan geisio sicrhau canlyniad sy'n adlewyrchu ein hanghenion yn deg ac sy'n rhoi sail ar gyfer cryfhau a llywio amgylchedd yng Nghymru sy'n cynnal swyddi a thwf cynaliadwy;
- (c) Gyda'n partneriaid, datblygu Rhaglenni Ewropeaidd ar gyfer 2014-2020 fydd yn helpu i gyfrannu at amgylchedd cadarnhaol ar gyfer twf a swyddi cynaliadwy o ansawdd, gan adlewyrchu ein huchelgeisiau cyffredin ar gyfer llwyddiant economaidd;
- (d) Symleiddio'r modd y caiff Rhaglenni Ewropeaidd eu rhoi ar waith gan gynnwys mwy o integreiddio ar draws ffrydiau ariannu'r UE ac annog defnyddio dulliau arloesol;
- (e) Cynyddu nifer y cyrff ledled Cymru, gan gynnwys cwmnïau yn y sector preifat, sy'n ymgeisio am gyllid Ewropeaidd a gweithio gyda'n partneriaid i ddatblygu cymorth ariannol mwy cynaliadwy;
- (f) Hybu Cymru fel gwlad sy'n rhagori ac yn arloesi yn y modd y mae'n defnyddio cronfeydd Ewropeaidd a rhannu arferion gorau gyda gwledydd a rhanbarthau ar draws yr UE.

MATERION ALLWEDDOL O BWYSIGRWYDD STRATEGOL

- 8. Mae cyflwyno'r gyfres bresennol o raglenni'r UE yng Nghymru yn llwyddiannus yn parhau i fod yn flaenoriaeth allweddol. Mae'r rhaglenni hyn wedi gwneud cyfraniad pwysig at ein helpu mewn cyfnodau economaidd anodd iawn.
- 9. Bellach, rydym wedi ymrwymo 81% o gyllideb y rhaglen Cronfeydd Strwythurol i brosiectau a gymeradwywyd (dros £1.5 biliwn o grant yr UE). Mae'r prosiectau hyn eisoes wedi cynorthwyo 230,000 o gyfranogwyr ac mae 68,000 ohonynt wedi cael cymorth i ennill cymwysterau a chafodd rhyw 28,500 gymorth i ddod o hyd i waith. Yn ogystal, mae 5,700 o fusnesau wedi cael cymorth sydd wedi helpu i greu dros 8,000 (gros) o swyddi a 1,750 o fentrau newydd. Hefyd, rydym wedi cyflawni pob un o dargedau gwariant y Comisiwn Ewropeaidd (N+2) ar gyfer 2011.
- 10. Mae'r sefyllfa economaidd sydd ohoni, gan gynnwys cyfraddau cyfnewid cyfnewidiol, yn parhau i fod yn her ond rwyf wedi ymrwymo i sicrhau bod y rhaglenni hyn yn parhau i gynorthwyo pobl, busnesau a chymunedau Cymru trwy'r anawsterau hyn yn ogystal â gosod sylfeini ar gyfer twf a swyddi cynaliadwy ar gyfer y dyfodol.
- 11. Hefyd, er mwyn helpu i roi arweiniad a siâp i ddatblygiad unrhyw raglenni newydd, bydd angen gwneud penderfyniadau strategol. Yn ystod y misoedd nesaf, byddaf yn trafod y materion hyn gyda'n partneriaid ledled

Cymru gyda'r nod o ddeall yn iawn i ba gyfeiriad y dylai'r rhaglenni hyn fynd. Mae'r prif faterion i'w hystyried yn cynnwys y canlynol:

- (a) Nodi'r **blaenoriaethau craidd** ar gyfer cymorth ariannol o dan raglenni'r UE yn y dyfodol, gan gynnwys gwneud dewisiadau a defnyddio'r adnoddau er mwyn manteisio i'r eithaf ar y cymorth a geir;
- (b) I ba raddau y mae targedu daearyddol a thargedu gofodol gan gynnwys ystyried y ffordd orau i gefnogi anghenion **ardaloedd trefol a gwledig** a sut y gallwn ni ddefnyddio dulliau yn ymwneud â rhanbarth dinas a manteisio i'r eithaf arnynt;
- (c) Nodi'r ffyrdd gorau o gyfrannu tuag at nodau **twf call, cynaliadwy a chynhwysol**, gan gynnwys defnyddio cyfryngau buddsoddi ariannol arloesol;
- (d) Ystyried y cydbwysedd a'r sgôp ar gyfer **integreiddio'r** amrywiol gronfeydd UE yng Nghymru yn ogystal â gwneud y mwyaf o effaith y buddsoddiadau hyn;
- (e) Adolygu **dulliau cyflwyno** gyda'r nod o'i gwneud hi'n haws ymgeisio am gyllid ac ar yr un pryd, sicrhau bod y prosiectau o ansawdd uchel.

12. Unwaith y cytunir ar gyfeiriad cyffredinol rhaglenni'r UE yn y dyfodol, byddwn yn gweithio gyda'n partneriaid ar fanylion y rhaglenni. Bydd hyn yn cynnwys ystyried y gwersi a ddysgwyd o raglenni 2007-2013 a rhaglenni cynharach a'r sgôp ar gyfer symleiddio'r trefniadau o roi'r rhaglenni ar waith a chael gwared ar rwystrau sy'n atal cyrff rhag cymryd rhan.

Y CAMAU NESAF

- **Hydref 2011:** Comisiwn Ewrop yn cyhoeddi'r drafft cyntaf o'r rheoliadau sy'n llywodraethu'r Cronfeydd Strwythurol a'r PAC
- **Tachwedd 2011 - Rhagfyr 2011:** Cynnal "Ymarfer myfyrio" a gwahodd partneriaid i leisio'u barn ar y cychwyn cyntaf ynghylch cyfeiriad strategol rhaglenni'r UE yn y dyfodol
- **Dechrau 2012:** Amlinellu'r weledigaeth sydd gan y Llywodraeth ar gyfer rhaglenni'r UE yng Nghymru yn y dyfodol ac i ba gyfeiriad y mae'n dymuno iddynt fynd
- **Dechrau 2012 – Hydref 2012:** Datblygu'r rhaglenni gyda phartneriaid
- **Hydref 2012:** Ymgynghoriad cyhoeddus ynghylch rhaglenni'r UE yn y dyfodol

- **Gwanwyn 2013 - Hydref 2013:** Cyflwyno dogfennau'r rhaglenni i'r Comisiwn Ewropeaidd a'u trafod
- **2014:** Lansio a chyflwyno rhaglenni UE 2014–2020 yng Nghymru

13. Yn ystod y cyfnod hwn, byddwn yn gweithio i sicrhau bod llais Cymru yn cael ei glywed gan adeiladu ar y cysylltiadau yr ydym wedi'u gwneud ers tro gyda'r Comisiwn Ewropeaidd a sefydliadau eraill yn yr UE a thrwy fynychu pwyllgorau Cyngor y Gweinidogion fel sy'n briodol.

14. Byddaf yn parhau i weithio'n agos gydag aelodau Senedd Ewrop Cymru a chyda Llywodraeth y DU trwy'r Cydgyngor Gweinidogion ar Ewrop er mwyn mynd ar ôl buddiannau Cymru ar bob lefel o'r drafodaeth. Byddwn yn parhau i ddadlau dros reolau symlach, tecach a mwy cymesur ar gyfer y rownd nesaf o raglenni a mwy o hyblygrwydd yn y ffordd y gallwn ddefnyddio'r cronfeydd hyn i wneud y mwyaf posibl o gyfleoedd ar gyfer twf a swyddi cynaliadwy yng Nghymru.

15. Hefyd, rwy'n adolygu strwythurau mewnol Llywodraeth Cymru a'r trefniadau ar gyfer gweithio ar ffurf partneriaeth er mwyn sicrhau bod y dull a ddefnyddiwn i ddatblygu rhaglenni Ôl-2013 yn fwy integredig.

ATODIAD A: Ymateb i argymhellion adroddiad etifeddiaeth y Pwyllgor Menter a Dysgu

Rwy'n cydnabod y cyfraniad pwysig y mae Pwyllgor Menter a Dysgu'r Cynulliad diwethaf wedi'i wneud i'r drafodaeth hon. Isod, nodir y camau gweithredu presennol yn erbyn argymhellion yr adroddiad a etifeddwyd yn ymwneud â Rhaglenni Ewropeaidd.

<p>Argymhelliad 15. Dylai cynnydd wrth weithredu'r Rhaglenni Cronfeydd Strwythurol presennol barhau i fod yn destun craffu yn y Pedwerydd Cynulliad. Dylai'r pwyllgor perthnasol ofyn am ddiweddariadau rheolaidd gan Lywodraeth Cymru a cheisio ymchwilio i wahaniaethau ac anghysonderau rhyngranbarthol yn ogystal â chraffu ar berfformiad Cymru o'i gymharu â rhanbarthau eraill y DU a'r UE yn gyffredinol.</p>	<p>Byddaf yn hapus i hysbysu'r Pwyllgor o unrhyw ddatblygiadau ynghylch y Rhaglenni Cronfeydd Strwythurol. Rydym yn cytuno i fod yn dryloyw wrth ddatblygu a chyflwyno'r rhaglenni yng Nghymru.</p> <p>Hefyd, fel rhan o'i adolygiad o'r dystiolaeth i gyfrannu at ddatblygu rhaglenni'r Cronfeydd Strwythurol newydd, bydd Llywodraeth Cymru yn ystyried y gwersi a ddysgwyd ac arferion gorau ar draws yr UE.</p>
<p>Argymhelliad 16. Mae risg o hyd o gyfrif dwbl a than gyfrif deilliannau neu lwyddiannau prosiectau a allai effeithio ar gynnydd unigolyn a dylai'r Pedwerydd Cynulliad barhau i fonitro hyn. Mae Llywodraeth Cymru yn ymwybodol o hyn ond dylid sicrhau bod systemau casglu data yn osgoi problemau o'r fath, gan gynnwys annog cytundebau lleol pan fydd ymyriadau prosiectau'n gorgyffwrdd.</p>	<p>Mae WEFO yn fodlon bod ei system casglu data ar lefel y cyfranogydd yn caniatáu iddo nodi a yw'r unigolyn wedi ymwneud â mwy nag un prosiect ac i ddilyn hynt y cyfranogwyr o ddiweithdra / anweithgarwch i gyflogaeth. Defnyddir system debyg ar gyfer ERDF lle bydd WEFO yn casglu gwybodaeth ynghylch y busnesau a gefnogir.</p> <p>Hefyd, mae WEFO yn rhoi cyngor ar arferion gorau er mwyn osgoi cyfrif dwbl deilliannau rhwng prosiectau.</p>
<p>Argymhelliad 17. Yn ogystal, dylid annog Llywodraeth Cymru i ddatblygu cyfres fanylach o ddata i fonitro'r cynnydd y tu hwnt i Werth Ychwanegol Crynswth (GVA) yn unig.</p>	<p>Mae Llywodraeth Cymru yn defnyddio amrywiaeth o ddangosyddion tracio sy'n rhoi cyd-destun cyffredinol ar gyfer asesu cynnydd prosiectau yn y gorllewin a'r Cymoedd. Maent yn cynnwys data economaidd lefel uchel, data ar y farchnad lafur, data ar arloesi, sgiliau a menter a data ar gydlyniant cymdeithasol.</p>

<p>Argymhelliad 18. Dylid monitro'n agos effaith y toriadau yng ngwariant y sector cyhoeddus ar argaeledd arian cyfatebol ar gyfer prosiectau Cronfeydd Strwythurol yn ofalus a dylid cael cynlluniau wrth gefn os bydd angen.</p>	<p>Mae hyn yn rhan o'r ffordd y mae WEFO yn parhau i reoli risgiau gweithredu.</p> <p>Yn 2009, cytunwyd gyda'r Comisiwn Ewropeaidd ar lefelau ymyrryd diwygiedig yr UE sy'n caniatáu mwy o hyblygrwydd i leihau'r pwysau ar arian cyfatebol posibl.</p> <p>Mae Pwyllgor Monitro Rhaglen Cymru Gyfan wedi gofyn i gael eu hysbysu ynghylch effaith yr Adolygiad Cynhwysfawr o Wariant ar arian cyfatebol ac yn ei gyfarfod ym mis Mawrth 2011, trafodwyd papur diweddarau: (wefo.wales.gov.uk/programmes/allwalespmc/pmcmarch2011/?lang=en)</p>
<p>Argymhelliad 19. Dylid herio WEFO i weithio mewn partneriaeth â'r holl brosiectau yn Rhaglenni 2007-13 i greu atebion cynaliadwy ar gyfer y cymunedau ac unigolion yr effeithir arnynt pan ddaw'r prosiectau hyn i ben.</p>	<p>Fel rhan o'r broses gynllunio busnes, mae disgwyl i bob prosiect drafod cynaliadwyedd eu gweithgareddau yn y dyfodol a/neu ddatblygu strategaethau ymadael addas. Bydd llawer o brosiectau presennol yn parhau i gyflwyno gweithgareddau o dan y rhaglenni presennol hyd 2015. Bydd offerynnau ariannol fel JEREMIE a JESSICA yn hwyluso'r gwaith o ailgylchu cronfeydd y tu hwnt i gyfnod presennol y rhaglen.</p> <p>Mae'r effaith cynaliadwy a gaiff buddsoddiadau yn ystyriaeth bwysig wrth ddewis prosiectau a bydd buddsoddiadau fel prosiectau sy'n ymwneud â hyfforddi ac uwchsgilio pobl, ynni adnewyddadwy a thrafnidiaeth gynaliadwy yn creu buddiannau yn yr hirdymor.</p>

Eitem 4

Y Pwyllgor Menter a Busnes
22 Medi 2011

EBC(4)-02-11 Papur 3

Tystiolaeth gan Edwina Hart, y Gweinidog Busnes, Menter, Technoleg a Gwyddoniaeth

PAPUR I'R PWYLLGOR MENTER A BUSNES

1. Cyflwyniad

Hoffwn ddiolch i'r Pwyllgor Menter a Busnes am y gwahoddiad i amlinellu blaenoriaethau'r portffolio Busnes, Menter, Technoleg a Gwyddoniaeth a rhoi'r diweddaraf ar faterion yr adroddiad etifeddiaeth. Nid yw'r papur hwn yn cynnwys meysydd portffolio'r Dirprwy Weinidog Amaethyddiaeth, Bwyd, Pysgodfeydd a Rhaglenni Ewropeaidd, gan fy mod yn cael ar ddeall bod y Pwyllgor wedi rhoi gwahoddiad iddo hefyd.

2. Amseru

Mae'r papur hwn yn cael ei baratoi cyn sesiwn y Cynulliad. Felly er mwyn bod o gymorth i'r Pwyllgor rwyf wedi cymryd y cyfle yn y Papur hwn i amlinellu'r Ymrwymadau Llywodraeth allweddol yn fy mhortffolio a symud ymlaen gyda'r rheini. Byddaf yn gallu rhoi diweddariad llafar ar y cyd-destun polisi a'r materion ehangach i Aelodau'r Pwyllgor yn y cyfarfod ei hun.

3. Camau Gweithredu'r Adroddiad Etifeddiaeth

Argymhelliad 20. Dylid parhau i graffu ar waith Llywodraeth Cymru ar y cyd â Llywodraeth y DU i egluro amserlenni a sicrhau digon o arian i ddarparu band eang y genhedlaeth nesaf ar draws Cymru gyfan erbyn 2015.

Yn dilyn ein trafodaethau gyda Llywodraeth y DU, cyhoeddwyd ym mis Gorffennaf y bydd Cymru'n derbyn £56.9m (mae hyn yn cynnwys y £10m a ddyrannwyd eisoes ym mis Chwefror) o gronfa band eang o £530m, sydd i'w fuddsoddi yn y tymor Seneddol hwn. Bydd y cyllid hwn yn cefnogi prosiect Band Eang y Genhedlaeth Nesaf i Gymru i gyflwyno band eang cyflym ar draws Cymru. Byddwn hefyd yn sicrhau buddsoddiad sylweddol gan y sector preifat i'r prosiect hwn, yn ogystal â chael cyllid o Gronfa Datblygu Rhanbarthol Ewrop.

Ar 15 ac 16 Awst, cyhoeddodd Llywodraeth y DU y dyraniadau cyllid oedd yn weddill i'r Alban, Gogledd Iwerddon ac awdurdodau lleol Lloegr. Dim ond cyfanswm o £425m sydd wedi cael ei ddyrannu, gyda'r £105m yn cael ei gadw fel cyllid wrth gefn i'w ddyrannu'n ddiweddarach. Rwyf wedi gofyn i'm swyddogion weithio'n ofalus gyda Llywodraeth y DU i bwysu am ragor o gyllid o'r £105m sy'n weddill.

Argymhelliad 21. Dylid parhau i ddwyn Llywodraeth Cymru i gyfrif: yn gyntaf i sicrhau bod dadansoddiadau cost a budd yn cael eu cynnal cyn gwneud unrhyw

newidiadau i strategaethau datblygu economaidd, ac yn ail i fesur a gwerthuso llwyddiant Rhaglen Adnewyddu'r Economi yn drylwyr.

Gall dadansoddiadau cost a budd gynnig cyfraniadau pwysig o ran gwerthuso opsiynau strategaeth a pholisi amgen. Mae hefyd angen ystyried y dystiolaeth ehangach i sicrhau bod strategaethau a pholisïau'n cynnig ymyriadau gwerth am arian, a hefyd yn seiliedig ar resymeg gadarn. Rwy'n gwbl ymrwymedig i sicrhau monitro a gwerthuso effeithiol, yn enwedig o ran sicrhau gwerth am arian.

Argymhelliad 31. Dylai pwyllgor yn y dyfodol hefyd graffu ar y polisi gwyddoniaeth newydd i Gymru, sy'n cael ei arwain gan y Prif Gynghorydd Gwyddonol, i sicrhau ei fod yn cyfrannu at fasnacheiddio syniadau Cymreig ym mhynciau gwyddoniaeth, technoleg, peirianeg a mathemateg.

Mae ymgynghoriad yn cael ei gynnal ar hyn o bryd ar adroddiad ac argymhellion 'Gwyddoniaeth ar gyfer Cymru', a baratowyd gan Brif Gynghorydd Gwyddonol Cymru a'r Cyngor Cynghori ar Wyddoniaeth Cymru, sy'n amlinellu cynigion ar gyfer y polisi newydd. Bydd yr ymgynghoriad gyda rhanddeiliaid allweddol yn para tan ddiwedd mis Medi. Yna bydd cytundeb ar y polisi terfynol cyn ei gyhoeddi. Bydd y polisi'n strategaeth gyffredinol ar lefel gymharol uchel. Bydd cynlluniau cyflawni'n dilyn ar gyfer amryw agweddau ar y polisi, fel sy'n briodol.

4. Ymrwymadau allweddol

Band Eang

Ymrwymiad – ceisio sicrhau bod gan bob eiddo preswyl a busnes yng Nghymru fynediad i fand eang y genhedlaeth nesaf erbyn 2015, gyda'r uchelgais o fynediad i 100Mbps ar gyfer 50 y cant neu fwy.

Rydym yn ymrwymedig i sicrhau y bydd gan bob busnes ac eiddo preswyl yng Nghymru fynediad i fand eang y genhedlaeth nesaf erbyn 2015. Disgwylir y bydd gan 50% neu fwy ohonynt fynediad i 100Mbps. Nod prosiect Band Eang y Genhedlaeth Nesaf i Gymru yw sicrhau bod pob busnes a chartref yng Nghymru yn gallu cael mynediad i fand eang cyflym erbyn 2015. Mae proses gaffael fawr yn mynd rhagddi ar hyn o bryd i brynu datrysiad band eang y genhedlaeth nesaf i rannau o Gymru lle na fydd y farchnad yn gofalu amdanynt. Gan ddefnyddio'r weithdrefn gystadleuol, disgwylir dyfarnu'r contract ym mis Mawrth 2012. Mae ymgeiswyr wedi cael eu gwahodd i gyflwyno cynlluniau ar gyfer band eang y genhedlaeth nesaf, a chaiff y cynlluniau hyn eu mireinio dros y misoedd nesaf mewn ymgynghoriad â rhanddeiliaid allweddol fel awdurdodau lleol. Disgwylir i'r gwaith o gyflwyno band eang ddechrau yn haf 2012.

Mae'r Cynllun Cymorth Band Eang hefyd yn mynd yn ei flaen yn dda. Mae'r cynllun yn cynnig grant o hyd at £1,000 i breswylwyr, busnesau a mudiadau trydydd sector mewn manau gwan ar gyfer derbyn band eang allu cael cysylltiad band eang gan ddefnyddio'r dechnoleg fwyaf priodol sydd ar gael. Mae nifer dda wedi manteisio ar y cynllun hyd yn hyn, ac rydym yn gweithio gyda nifer o gymunedau i ddod â gwasanaethau band eang da i'w hardaloedd am y tro cyntaf. Yn ddiweddar rydym

hefyd wedi cymeradwyo newidiadau i'r cynllun i symleiddio'r broses ymgeisio a chynyddu nifer y cwsmeriaid, gan gynnwys ymestyn y meini prawf o gysylltedd islaw 512Kbps i gysylltedd islaw 2Mbps a'r opsiwn i dalu cyflenwyr yn uniongyrchol.

Cymorth Busnes

Ymrwymiad – Cefnogi cwmnïau llwyddiannus o safon yn y rhannau hynny o'r economi a all greu gwaith, cyfoeth a Chymru gynaliadwy.

Mae chwe sector blaenoriaeth eisoes wedi'u sefydlu: TGCh, ynni a'r amgylchedd, deunyddiau a gweithgynhyrchu uwch, diwydiannau creadigol, gwyddorau bywyd, a gwasanaethau ariannol a phroffesiynol. Rwyf hefyd wrthi'n ystyried sefydlu tri sector arall – bwyd-amaeth, adeiladu a thwristiaeth.

Mae pob un o'r sectorau'n datblygu strategaeth wedi'i thargedu i wneud gwahaniaeth go iawn i'r sectorau hyn yng Nghymru. Mae gan bob un ohonynt banel sector, sy'n cynnwys pobl fusnes ac ysgolheigion llwyddiannus a gwybodus, i helpu i ddatblygu'r strategaethau hyn, llywio'r broses o'u rhoi ar waith a sicrhau bod safbwyntiau diwydiant yn cael eu hadlewyrchu yn ein blaenoriaethau cyflawni a'n dull gweithredu. Bydd y panelau'n rhoi cyngor ar adnabod blaenoriaethau a dulliau gweithredu'r sectorau i sicrhau ein bod yn cael y fantais economaidd orau bosibl.

Ymrwymiad – byddwn yn disgwyl bod unrhyw fusnes sy'n ceisio cymorth gan Lywodraeth Cymru,, gan gynnwys contractau caffael cyhoeddus, yn llofnodi'n hegwyddorion cyfrifoldeb cymdeithasol corfforaethol, gydag ymrwymiad i ddatblygu cynaliadwy, hyfforddiant ac arferion cyflogaeth da.

Bydd Llywodraeth Cymru yn disgwyl i unrhyw fusnes sydd am gael cymorth lofnodi'r egwyddorion cyfrifoldeb cymdeithasol corfforaethol ac annog cyflenwyr i wneud yr un fath. Fy nyhead yw bod yr Adran Busnes, Menter, Technoleg a Gwyddoniaeth yn gosod esiampl yn hyn o beth. Rwyf wedi gofyn i swyddogion ddechrau gweithio ar hyn gyda'r partneriaid cymdeithasol i bennu'r lefelau priodol ar gyfer cyfrifoldeb cymdeithasol corfforaethol.

Ymrwymiad – byddwn yn parhau i feithrin cysylltiadau cryf gyda'n cwmnïau angori ac yn datblygu perthynas gref sy'n gefnogol/buddiol i bawb gyda'r cwmnïau allweddol hyn, gan eu hymgorffori yn economi Cymru drwy feithrin cysylltiadau agos gyda'n sefydliadau addysg bellach ac uwch a gwneud y gorau o gyfleoedd y gadwyn gyflenwi.

Y nod yw meithrin cysylltiadau strategol gyda chwmnïau o'r fath, a mabwysiadu safbwynt Llywodraeth gyfan ar eu hanghenion. Mae cynnydd sylweddol wedi bod o ran sefydlu cwmnïau angori, gyda mwy na deg ar hugain o gwmnïau'n cael eu cymeradwyo ac yn derbyn y statws. Mae'n cydweithio â'r byd academaidd yn hanfodol. Hefyd un o brif flaenoriaethau gwaith yr Adran fydd mapio a deall effeithiau'r cadwyn gyflenwi a'r manteision sy'n deillio o hynny.

Ymrwymiad – ceisio sefydlu Uned Troseddu Busnes Cymru i fynd i'r afael â throseddu busnes.

Rydym am i Gymru fod yn lle gwych ar gyfer busnes ac mae hynny'n golygu mynd i'r afael â phryderon allweddol gan fusnesau a rhwystrau o ran twf busnesau. Gyda chost troseddu busnes yn cynyddu, rydym yn adolygu'r gwaith a wnaed yng Nghymru yn y gorffennol ar droseddu busnes a byddwn yn datblygu cynigion gyda'r gymuned fusnes, heddluoedd Cymru a grwpiau eraill sydd â diddordeb i sefydlu Uned Troseddu Busnes Cymru.

Entrepreneuriaeth

Ymrwymiad – byddwn yn adolygu'r cymorth entrepreneuriaid y bydd ei angen ar gwmnïau newydd a bach sydd â photensial gwirioneddol i ffynnu a thyfu, a sut gallwn ymgorffori diwylliant entrepreneuriaid yng Nghymru.

Ers dechrau yn y swydd, rwyf wedi bod yn trafod yn helaeth gydag arweinwyr busnes, entrepreneuriaid a chynrychiolwyr diwydiant ym mhob cwr o Gymru i drafod y rhwystrau y mae busnesau'n eu hwynebu a sut gallwn sbarduno'r adfywiad economaidd. Rwy'n cymryd camau i asesu gofynion micro-fenter a'r ymyrraeth sydd ei hangen gan lywodraeth i ddarparu'r cymorth angenrheidiol ar gyfer twf a chynaliadwyedd. Gan ystyried hyn, rydym yn ailasesu'r opsiynau ar gyfer darparu'r gwasanaeth cymorth busnes rhanbarthol yn y dyfodol.

Menter Gymdeithasol

Ymrwymiad – byddwn yn sicrhau bod y sector cydfuddiannol a chydweithredol yn gallu cael cyngor busnes priodol a thrylwyr ac y bydd yr arweinydd Gweinidogol yn Adran yr Economi.

Mae'r cyfrifoldeb dros ddatblygu rôl y sector cydfuddiannol a chydweithredol yn economi Cymru bellach yn rhan o'm portffolio i. Bydd ei osod ochr yn ochr â gweithgareddau busnes a menter eraill yn helpu'r sector, o gwmnïau cydweithredol bach i gyrff cydfuddiannol mawr, i gael yr ystod lawn o wybodaeth fusnes yn ogystal â chynngor wedi'i deilwra.

Twristiaeth

Ymrwymiad – rhaid datblygu marchnadoedd gweithgareddau ac arbenigol, yn ogystal â sicrhau manteision gorau posibl drwy ddigwyddiadau mawr yn ein lleoliadau uchel eu proffil.

Ymrwymiad – hyrwyddo Cymru fel cyrchfan sy'n cynnig cyfleusterau twristiaeth o safon uchel. Gweithio i ymestyn y tymor ymwelwyr a'r manteision cysylltiedig. Dod o hyd i gyfleoedd cyllid i wella'r seilwaith a'r cynnyrch i ymwelwyr yng Nghymru. Cefnogi buddsoddiad mewn hyfforddi a rheoli staff i gefnogi diwydiant o safon uchel.

Mae hyrwyddo Cymru fel cyrchfan yn dal i fod yn swyddogaeth allweddol, gyda chymorth cyllid yr UE dros y blynyddoedd nesaf. Bydd y Cynllun Gweithredu Marchnata Strategol 2010-13, y cytunwyd arno ac y datblygwyd gyda'r diwydiant, yn parhau i ganolbwyntio ar weithgareddau marchnata twristiaeth yn y dyfodol. Bydd datblygu potensial digwyddiadau a gwyliau gweithgareddau yn parhau'n flaenoriaeth i helpu i ymestyn y tymor ymwelwyr. Yn y cyd-destun hwn, bydd cymorth cyllid yr UE

ar gyfer creu saith canolfan ragoriaeth yn helpu i wella'r gweithgareddau a gynigir yng Nghymru.

Mae'r Cynllun Cymorth Buddsoddi mewn Twristiaeth newydd gael ei ymestyn i roi cymorth i brosiectau seilwaith i ymwelwyr a phrosiectau capasiti newydd i sicrhau y caiff profiadau ymwelwyr eu gwella. Mae rhaglenni adfywio a datblygu gwledig eisoes yn gwneud buddsoddiadau sylweddol mewn cynlluniau seilwaith lleol.

Mae'r pedair Partneriaeth Twristiaeth Ranbarthol yn arwain ar ddarparu hyfforddiant i fusnesau yn eu hardaloedd. Bydd prosiect peilot cyfredol, a gaiff ei ariannu drwy Gronfa Gymdeithasol Ewrop (dros 18 mis hyd at fis Rhagfyr 2011) a'i weinyddu gan People 1st, y Cyngor Sgiliau Sector Lletygarwch a Thwristiaeth, yn cael ei adolygu ddiwedd y flwyddyn i benderfynu ar y cymorth ar gyfer diweddarau sgiliau ar wahanol lefelau ar draws y sector lletygarwch a thwristiaeth.

Cymru Ddigidol

Ymrwymiad – rhoi strategaeth Cymru Ddigidol gan Lywodraeth Cymru ar waith gan ddefnyddio technolegau digidol. Mae'r ymrwymiad yn cynnwys galluogi cyfleoedd, sicrhau mwy fyth o atebolwydd a thryloywder, a sefydlu porth ar y we i'r hyn sydd gan Gymru i'w gynnig.

Mae strategaeth Cymru Ddigidol yn ceisio manteisio ar y cyfleoedd a rheoli'r risgiau sy'n codi o dwf yr economi a'r gymdeithas ddigidol yng Nghymru. Mae'n tynnu nifer fawr o weithgareddau, materion a thargedau ynghyd o amgylch pum thema strategol: cystadleurwydd, sgiliau, cynhwysiant, gwasanaethau cymdeithasol a seilwaith. Er mwyn cyflawni'r targedau bydd angen i bartneriaid y sector cyhoeddus a'r sector preifat ledled Cymru gymryd camau a rhoi cymorth ar y cyd.

5. Crynodeb

Rydym yn bwriadu cefnogi cwmnïau llwyddiannus o safon ym mhob rhan o'r economi a all greu gwaith, cyfoeth a Chymru gynaliadwy. Er mwyn adfer yr economi mae angen cymryd camau i adeiladu dyfodol cynaliadwy, tecach a chreu swyddi. Mae'n rhaid i'r economi fod yn flaenoriaeth dros bopeth arall yn y tymor nesaf.

Mae angen cymryd gwahanol gamau ym mhob portffolio i helpu i adfer yr economi. Mae hyn yn cynnwys cynigion i wella sgiliau, lleihau diweithdra ymysg pobl ifanc a rhoi'r cymorth angenrheidiol ar gyfer amgylchiadau economaidd gwell yng Nghymru. Caiff rhagor o fanylion am fy mlaenoriaethau yn dilyn fy adolygiad eu cyhoeddi'n fuan.

Leighton Andrews AC / AM
Y Gweinidog Addysg a Sgiliau
Minister for Education and Skills



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref : SF-LA-5496-11

Andrew R T Davies AM
Chair, Enterprise and Business Committee,
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

29 July 2011

Dear Andrew

Thank you for your letter of 15th July following attendance at the Enterprise and Business Committee. You requested some additional information on three topics and I am pleased to be able to respond to these requests.

Enclosed you will find an update covering each element of the Youth Engagement and Employment Action Plan. There is much progress to report here. For example, three Intermediate Labour Market pilots have now commenced in North Wales, West Wales and the Heads of the Valleys. These are supporting young people aged 16-17 into paid employment. The pilots will create at least 180 placements and the learning generated through the pilot will help inform our approach to delivery of the Welsh Jobs Fund.

I hope that you will agree with me that we are also making real strides in reducing drop-out rates for apprenticeships. The headline figures here are a drop from 27% in 2007/08 to just 16% in 2009/10. The information provided gives a full breakdown by programme type.

Finally, in responding to your request for more information on the gender split in construction training, I attach information from our Work-based Learning programmes. The challenge of raising the level of engagement by females in the construction sector is significant in Wales, as it is across the UK. Information on actions in Wales to support greater female engagement is provided.

I hope that this information provides a full response in line with the expectations of the Committee and I look forward to working with you and the Committee over the course of this term.

*Yours sincerely,
Leighton Andrews*

Leighton Andrews AC / AM

Y Gweinidog Addysg a Sgiliau
Minister for Education and Skills

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YOUTH ENGAGEMENT AND EMPLOYMENT ACTION PLAN
2011 – 2015 (July 2011 update)

No.	Youth Engagement and Employment Action Plan	Timing	Update
1	<p>Ensure Welsh Assembly Government initiatives enhance but do not duplicate programmes introduced by DWP welfare reforms.</p>	<p>April 2011</p>	<p>Work Programme launched in Wales 16 June 2011. Both successful delivery providers invited to attend the Joint Employment Delivery Board helping to ensure that WP activities align and do not duplicate Welsh Government Provision;</p> <ul style="list-style-type: none"> - WEFO has issued revised eligibility criteria for ESF projects delivering under the Increasing Employment and Tackling Economic Inactivity Priority in order to ensure additionality of ESF projects over and above Work Programme provision; - Work ongoing to develop a better understanding of core DWP/ Welsh Government products for employers and to promote a better understanding with respective employer facing 'advisers' - Welsh Government engaged with the DWP Innovation Fund for Youth Employment to ensure it complements Welsh Government and other youth provision and services.

No.	Youth Engagement and Employment Action Plan	Timing	Update
2	<p>Pilot a new 'Pathway to Work' for 16-17 year olds which is not a new programme but the creation of a single, flexible and coherent 'routeway' for young people. This route would combine current approaches, enhanced where necessary, into a programme which offers a flexible but integrated and continuous journey towards sustainable employment or other positive outcome. Achievements of the young person will be celebrated at key points along the pathway, including soft skills achievements.</p>	November 2011	<p>A Steering Group has been established to provide advice and support to the Welsh Government on the development and implementation of the Pathways to Work concept across Wales. The next meeting will take place on 27th July.</p> <p>A marketing company has been contracted to support the marketing and communication of Pathways to Work. Initial marketing visuals and communications concepts have been completed and are currently being market tested with young people. A feasibility study has been completed on developing an online community for Pathways to Work.</p> <p>An initial review of NEET delivery commenced via initial mapping exercise to understand what provision underpins the Pathway to Work is to be followed up by more detailed analysis to be completed end of December 2011.</p>

No.	Youth Engagement and Employment Action Plan	Timing	Update
			<p>Supplementing the Pathway to work concept:</p> <ul style="list-style-type: none"> Three Vacancy matching pilots have been established to test whether a personalised, individual-to-vacancy matching approach backed up by post-employment training and mentoring, could get more unemployed young people into vacancies and then sustain employment. The projects are taking place in partnership between Welsh Government, Careers Wales and Job Centre plus in Blackwood, Cardiff and Haverfordwest and Pembroke. To further promote the service with employers and young people, employer engagement events are taking place in June and July across the 3 pilot areas. Intermediate Labour Market Programme (ILM) – 3 pilots have commenced (North Wales, West Wales and Heads of the Valleys) and will support young people aged 16-17 into paid employment at minimum wage or above for a 6 month period. This will create at least 180 placements.

No.	Youth Engagement and Employment Action Plan	Timing	Update
3	Carry out a review of existing funding and provision for young people who are NEET from across Wales, including European Social Fund programmes, to inform and introduce a revised process for the approval of the youth engagement and employment projects ensuring that resources and activities meet need, are not duplicated and offer the best possible service to the young person.	March 2012	Review of NEET delivery commenced via initial mapping exercise, to be followed up by more detailed analysis to be completed end of December 2011.
4	Seek to extend the opportunities available for young people to enter apprenticeship programmes, including development of the Pathways to Apprenticeships initiative and Young Recruits programme as part of the apprenticeship offer.	March 2011	Pathways to Apprenticeships and Young Recruits programmes developed and implemented as part of the broader apprenticeship offer. Online Apprenticeship Vacancy Matching Service rolled out as an all-Wales pilot on 15 th June 2011.
5	Introduce the use of social clauses in Welsh Assembly Government and wider public sector procurement contracts to create youth employment, work experience and training opportunities wherever practical, including assistance for those in receipt of grants and government support.	Ongoing	Work is underway to promote social clauses/community benefits in contracts across the Welsh Government. The Youth Engagement and Employment Team have been involved in the promotion of social benefits to create opportunities for young people in development of new contracts within the Welsh Government, for example, the new Housing Project.

No.	Youth Engagement and Employment Action Plan	Timing	Update
6	<p>Increase opportunities for work experience for those ages 14-24 across Wales, including extending opportunities within the Welsh Assembly Government, wider public sector, private and voluntary sector.</p>	Ongoing	<p>The Youth Engagement and Employment Unit also is a member of the sustainable benefits board, which is chaired by Value Wales.</p> <p>We have established the 'Real Conversation' which aims to support young people into employment by bringing employers, young people and practitioners together to improve work experience and employment opportunities for those aged 14-24. The Real Conversation hopes to promote the real benefits and value of work experience for a young person to enable them to gain a satisfying career in the future. A steering group has been established, from internal and external organisations, to develop and support the delivery of the Real Conversation.</p> <p>The first event took place in Cardiff in March and the delivery of actions is underway. The next Real Conversation event will be held in West Wales in the autumn and will focus on the labour market intelligence Project, specifically looking at the potential of developing a rating system of jobs across Wales</p>

No.	Youth Engagement and Employment Action Plan	Timing	Update
7	Establish a new team with overarching responsibility for youth engagement and employment.	October 2010	Youth Engagement & Employment Unit established in October 2010.
8	Seek to set the overall approach to youth engagement and employment in Wales. This will incorporate opportunities for vulnerable young people and those with additional learning needs, and will inform local authority leadership arrangements by building on positive initiatives from across all sectors (including private, voluntary and public sectors) and analysing NEET hotspots with a view to sharing good practice.	March 2012	<p>Youth Engagement and Employment Action Plan published in January 2011. Implementation of Action Plan being overseen by Youth Engagement and Employment Delivery Board.</p> <p>In January 2011, working closely with the Department for Education and Skills, the Welsh Government's Efficiency and Innovation Programme Work Stream commissioned a study of the approaches being taken in the local authorities of Swansea and Wrexham, as two areas that have reported some of the best and most improved results in Wales in terms of reducing the proportion of young people not in education, employment or training.</p> <p>The comprehensive study has involved semi-structured interviews and focus groups with staff at all levels in Wrexham and Swansea, a focus group with young people, a literature review on the costs of young people not in education, employment of training and the development of a cost appraisal model.</p>

No.	Youth Engagement and Employment Action Plan	Timing	Update
			<p>A final report and summary is now available and Delivery Board members have been requested to consider the information in respect of their respective areas of policy development. The report is due for publication on the Welsh Government's website in July 2011.</p> <p>Review of NEET delivery commenced via initial mapping exercise, to be followed up by more detailed analysis to be completed end of December 2011.</p>
9	<p>Ensure Children and Young People's Partnerships are working effectively and that all are brought to the standard of the best.</p>	<p>Ongoing</p>	<p>Children and Young People's Partnerships have completed consultations on their draft CYP Plans for 2011-14 and final versions are either published or being finalised. Comments from officials on draft versions were summarised and sent to each Partnership, enabling lead officials to provide feed back on their policy and programme areas. Further work to establish systems to evidence performance of partnerships awaits the result of current consideration by the WG of the wider landscape of partnerships and plans with a view to possible reduction in complexity.</p>

No.	Youth Engagement and Employment Action Plan	Timing	Update
10	Consider the role of the Youth Service in Wales and update guidance regarding its role in delivering the NEET agenda.	March 2012	The draft updated National Youth Service Strategy 2012 – 2015 contains a key objective on the theme of employability. The draft Strategy & Action Plan will be published for consultation, subject to Ministerial approval, later this year. It includes a range of suggested roles for youth workers to provide work based learning opportunities, foster volunteering opportunities and entrepreneurship skills in order to prevent young people from becoming NEET.
11	Develop an integrated approach to assisting families whose children may be at risk of becoming NEET.	Ongoing	The Families First initiative aims to establish the best ways to support families, improving the delivery of front line services and helping to focus on better outcomes for children and families. Two initial pioneer learning consortia areas were established across six LA areas in July 2010, one consortium in South Wales and one in North Wales. A further three consortia were established from 1 April 2011 bringing the total number of LAs involved in the pioneer phase of Families First to 14. An interim report on the learning so far, from the pioneers and from external analysis outside Wales, is due to be reported shortly. Full roll out of Families First is expected from 1 April 2012.

No.	Youth Engagement and Employment Action Plan	Timing	Update
12	<p>Through the continuous professional development (CPD) of teachers, ensure awareness of dealing effectively with pupils at risk of becoming NEET.</p>	Ongoing	<p>Officials have completed the review of professional standards, performance management and continuing professional development. The outcome of the review concluded that the current arrangements for professional standards, performance management and CPD for all practitioners need to change so that they work together more holistically and coherently with a clear and consistent focus on learner outcomes and wellbeing. As a result, the Learning Improvement and Professional Development Division are currently working on proposals to develop new structures for:</p> <ul style="list-style-type: none"> + Induction and Early Professional Development for newly qualified teachers + Leadership and the NPQH + CPD + Professional Standards - specifically the standards for Induction and Headteachers + Performance Management for teachers and headteachers.

No.	Youth Engagement and Employment Action Plan	Timing	Update
13	Strengthen planning and provision for young people making the transition from primary to secondary school and from education to employment.	December 2011	14-19 Learning Pathways – Data received from Careers Wales Online has confirmed that all young people at post-16 have been offered a minimum of 30 choices. The Local curriculum offer takes into account the needs of the local labour market. This means that the young people will leave education with the skills and qualifications that both employers and universities require.
14	Further develop the basic skills of young people and ensure adults have access to appropriate basic skills provision.	Ongoing	Evaluation of adult basic skills provision to commence shortly with a view to informing post-16 basic skills policy and delivery from 2012 onwards, taking into account findings from the National Survey of Adult Skills in Wales, 2010 (Statistical First Release to be published on 13 July 2011 and followed by a more detailed analysis later in the year). Initial advice will be submitted to Ministers in September 2011.
15	Pilot an extension to 14-19 learning coach provision, with particular emphasis on supporting young people during their transition from primary to secondary school, with a view to informing best practice.	March 2012	The Welsh Government will undertake a learning coach pilot for children between the ages of 11-13 to investigate the relative costs and benefits of rolling out across Wales. Welsh Government officials have been working with stakeholders to develop a delivery mechanism for the pilot

No.	Youth Engagement and Employment Action Plan	Timing	Update
16	<p>Deliver targeted activities and events to stimulate interest and participation in entrepreneurship, particularly to those who are unemployed and/or economically inactive.</p>	<p>Ongoing (2010-2015)</p>	<p>focusing primarily on transition between primary and secondary education i.e. years 6 and 7. The Pilot will commence in September 2011.</p> <p>Meeting held with NTFW Board members on 17 May 2011 to discuss how they could engage with the Youth Entrepreneurship Strategy (YES). Providers were notified that information is available at: www.bigideaswales.com and is no longer password protected.</p> <p>Work Based Learning provider resource packs are being put together and are planned for distribution in July to the 25 organisations delivering Apprenticeships, Traineeships or Steps to Employment programmes from 1 August 2011.</p> <p>The initial YES Action Plan – Welsh Government Officials Meeting was held on 8 June 2011 to discuss how progress is being made against the actions contained within the YES plan. Minutes of this meeting are available for further reference.</p>

No.	Youth Engagement and Employment Action Plan	Timing	Update
17	<p>Set up a sustainable specification for the new Dormant Accounts Programme in Wales (to be launched in 2011) to support young people who are NEET.</p>	December 2011	<p>BIG Lottery Fund is undertaking a consultation on the three broad areas of proposed NEET activity included in the outline specification for the Dormant Accounts Programme.</p> <p>Advice will be submitted to Ministers shortly regarding proposed change of timescale as a result of delays in confirmation of funding and in order to allow the Programme to be informed by the current review of NEET delivery. It is therefore proposed that the Programme commence in September 2012.</p>
18	<p>Strengthen data management, statistical information, and sharing of information on young people who are not in education, employment or training between organisations to ensure a more joined up service is provided for the young person, including the development of a robust tracking system.</p>	March 2013	<p>The annual Statistical First Release "Participation of young people in Education and the Labour Market" will publish on 27 July 2011, and will include provisional estimates of young people who are NEET at year end 2010, alongside final estimates for year end 2009.</p> <p>Also on 27 July we will publish the quarterly update to our bulletin "Young People not in education, employment or training (NEET)", which includes additional but less robust analysis of data related to those NEET.</p>

No.	Youth Engagement and Employment Action Plan	Timing	Update
			<p>The Keeping in Touch project is now at the piloting stage. The four pilots will test ways of keeping in touch. The output of this work will be a core data set that can be used to identify young people who are at risk of not being in education or training or having a job. The outcome of the overall project will enable the more effective targeting of local action.</p>

Drop Out Rates for MA and FMA learning programmes

Source: Lifelong Learning Wales Record (LLWR)

Academic Year (AY)	Foundation Modern Apprenticeships			Modern Apprenticeships			All Apprenticeships		
	Learning Programmes Ending In AY (*)	Number of Learning Programmes Ending Before Completion	% Drop Out Rate	Learning Programmes Ending In AY (*)	Number of Learning Programmes Ending Before Completion	% Drop Out Rate	Learning Programmes Ending In AY (*)	Number of Learning Programmes Ending Before Completion	% Drop Out Rate
2007/08	12,135	3,165	26%	6,775	1,935	29%	18,910	5,100	27%
2008/09	11,305	2,340	21%	6,940	1,490	21%	18,250	3,835	21%
2009/10	10,210	1,645	16%	6,415	1,035	16%	16,620	2,680	16%

(*) This excludes learning programmes that ended within 6 weeks of commencing ("early drop-outs") or where the learner transferred to a new learning programme, continuing their learning programme at another learning provider or left their learning programme due to redundancy or death

Doc 5.

Currently in Wales, women account for approximately 11% of total employment in the construction sector. This figure is slightly lower, with the exception of Northern Ireland, than the proportion of women in total employment in the sector across the UK (13%), England (14%), Scotland (15%) and Northern Ireland (6%).¹

The proportion of women in manual trades is broadly comparable with other parts of the UK (1% in Wales (1%), Northern Ireland (1%), England (2%), Scotland (3%). The issue of gender imbalance is therefore an industry-wide rather than a Welsh specific issue.

The Welsh Government is aware of a number of schemes to help support and promote females into careers and employment in the construction sector. Details of four actions in support of this agenda are set out below. Also below are details of the numbers of females who have participated in various Work-based Learning programmes from 2007/08 to 2009/10.

CYT - Pink Ladies

Construction Youth Trust offers the Pink Ladies training sessions across South Wales in partnership with local authorities and community groups. Training looks at a variety of different skills including Plumbing, Tiling, Bricklaying and Painting & Decorating. The CYT scheme is about developing new skills, confidence and experience in working in the construction industry. The beneficiaries are young women aged 14 - 30 from a variety of different groups ranging from schools and colleges to young offenders and the homeless. The Welsh Government is not a direct funder of this project. ConstructionSkills Wales are, however, a partner.

Women in Construction network

Lead by Joyce Watson AM, Women in Construction is an interactive website aimed at providing useful tools for women considering starting a career in construction, and for those who want to share their experiences. Campaign partners include Construction Skills, Construction Youth Trust (CYT), Pembrokeshire College, Carmarthenshire College (Coleg Sir Gar), Powys College (Coleg Powys), Swansea College, Chwarae Teg, The Association of Women in Property (WiP), Federation of Master Builders (FMB), The Institution of Civil Engineers (ICE) and Women's Engineering Society (WES). The Welsh Government is not a direct funder of the project.

Single Equality Scheme

ConstructionSkills operate a Single Equality Scheme which aims to set out how it will deliver and promote equality within the Construction Sector. WG is mentioned as a partner along with Chwarae Teg. While this is not a specific project, the scheme does identify principles for how ConstructionSkills work will be governed in tackling diversity and equality issue.

¹ Figures taken from the ConstructionSkills Sector Skills Assessment 2010, which draws data from the Labour Force Survey 2009.

ConstructionSkills EIF Project

The project will provide employers with female only training courses in order to improve soft skills such as confidence building, career building, leadership training and networking. This is a UK-wide project via the UKCES Employer Investment Fund, although delivery will be supported in Wales. We expect that around 4% of the 350 beneficiaries to be from Wales. This has yet to be confirmed with ConstructionSkills.

Work-based Learning provision - learning programmes active during the academic year, by programme type and gender

Programme type	Gender	2007/08			2008/09			2009/10		
		All work-based learning provision		Construction	All work-based learning provision		Construction	All work-based learning provision		Construction
		Construction	All work-based learning provision		Construction	All work-based learning provision		Construction	All work-based learning provision	
Foundation Modern Apprenticeship (Level 2)	Male	3,120	12,065	0	3,110	10,905	0	2,560	9,350	
	Female	75	14,830	0	55	13,605	0	35	12,225	
	Total	3,195	26,895	0	3,165	24,510	0	2,590	21,575	
Modern Apprenticeship (Level 3)	Male	2,130	8,220	0	2,475	8,120	0	2,490	7,750	
	Female	25	9,745	0	25	9,245	0	25	8,915	
	Total	2,155	17,965	0	2,495	17,365	0	2,515	16,665	
Modern Skills Diploma (Level 4)	Male	0	690	0	0	515	0	0	495	
	Female	0	1,735	0	0	1,560	0	0	1,660	
	Total	0	2,430	0	0	2,075	0	0	2,155	
Skill Build (and predecessor programmes)	Male	605	7,360	0	565	8,400	0	720	10,865	
	Female	15	5,390	0	35	6,080	0	45	7,590	
	Total	620	12,755	0	600	14,480	0	765	18,455	
Other work-based learning programmes	Male	125	1,195	0	125	1,145	0	10	2,715	
	Female	*	1,150	0	0	1,640	0	0	1,580	
	Total	125	2,345	0	125	2,785	0	10	4,295	
All WBL programmes	Male	5,980	29,535	0	6,270	29,085	0	5,780	31,170	
	Female	115	32,855	0	115	32,130	0	100	31,970	
	Total	6,090	62,385	0	6,385	61,215	0	5,880	63,140	

Source: Lifelong Learning Wales Record (LLWR)

Notes:

(a) Construction sector based on a grouping of sector codes (LP16 values):

- 105 - Electrotechnical
- 116 - Construction
- 117 - Plumbing
- 212 - Heating, ventilation, air conditioning & refrigeration
- 221 - Housing
- 233 - Timber trade
- 282 - Building services engineers
- 284 - Fence installation industry
- 302 - Building products industry
- 314 - Dry stone walling
- 343 - Highways maintenance
- 344 - Fitted interiors
- 352 - Industrial Building systems
- 355 - Construction diploma

(b) Academic year runs from August 1st to July 31st.

(c) A learner enrolled on more than one programme throughout the course of the same year will be counted once on each programme.

(d) Figures less than 5 and greater than 0 are represented by "0", all other figures are rounded to the nearest 5.

(e) There may be some slight discrepancy between the independently rounded totals and the sum of the constituent parts.

Carl Sargeant AC / AM
Y Gweinidog Llywodraeth Leol a Chymunedau
Minister for Local Government and Communities



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref CS/5637/11

Andrew RT Davies
Chair of the Enterprise and Business Committee
National Assembly for Wales
Ty Hywel
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// August 2011

Thank you for your letter dated 15 July outlining the action points that arose following my attendance at the Enterprise and Business Committee meeting.

The information relating to each of the action points is detailed in the attached document numbered 1 through to 8.

Carl Sargeant AC / AM

Y Gweinidog Llywodraeth Leol a Chymunedau
Minister for Local Government and Communities

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Follow Up Questions from the Enterprise and Business Committee

1. Changes to the evaluation and monitoring of transport projects to control overspends

Sponsored Local Authority Schemes – Transport Grant

Historically, Local Authorities (LA) bid on an annual basis for funding from the annual Transport Grant bidding round. Bids were then scrutinised by officers who presented recommendations on funding for Ministerial approval. Once Ministerial clearance was received a grant offer letter stating the amount of funding that would be provided was issued.

LA's are required to provide monthly reports detailing progress against allocated funding. Since 2009 the Welsh Government caps its contribution to the figure stated in the offer letter regardless of the scheme cost.

The funding process has now been changed to require bids to be made on a Regional basis. This revised process requires the Regional Transport Consortia (RTC) to submit bids which are assessed for clear evidence of deliverability and Value for Money.

The funding to the RTCs is subject to challenge and scrutiny at quarterly All Wales Programme Management Groups. These meetings discuss the individual RTC's performance and have the delegation to transfer funds between the RTCs. Each Transport Consortia also holds monthly meetings to discuss their individual performance. Welsh Government Transport officials attend these meetings and provide scrutiny and challenge to ensure that the RTCs are delivering the benefits outlined in their submissions and that these remain aligned with the Welsh Government's objectives.

Internally Managed Major Construction Schemes

The payments for these schemes adopt a "target cost" approach which has been competitively bid. This means that the Welsh Government shares the burden of cost overruns or the benefit of cost savings below the "target cost"; therefore the interests of both parties to the contract are aligned unlike in traditional adversarial contracts. The management of the contract ensures active risk management allowing early identification of risk this avoids or minimises the potential impact of any risks.

The Welsh Government monitors the projects ensuring that optimum value is being obtained for the investment being made. The schemes are also monitored using Construction Excellence Key Performance Indicators (KPI's) to ensure that the quality service offered at tender is delivered. These KPI's are then used in future selection processes.

All Internal Control Projects use the OCG approved NEC version 3 forms of contract which inherently build in good risk, project and financial management. The project management structures also follow "PRINCE 2" principles as well as utilising the new Welsh Government Gateway Review

process. Transport has also introduced a more comprehensive risk management process to ensure the cost and time consequences of risk are extensively analysed prior to Gateway Reviews or Key Stage Boundaries. Key Stage Boundaries and /or Gateway Reviews have been established between all key decision points in the project providing Senior Management with comprehensive information on "project health" and its value for money.

2. Availability of Convergence Funding for the electrification of the rail link of London to Swansea, and responsibility for funding this work

I would like to once more stress my disappointment about the UK Government's announcement on 1 March to electrify the Great Western Main Line only as far as Cardiff – effectively ignoring the economic benefits and the economies of scale of electrifying the line between Cardiff and Swansea at the same time.

The UK Government stated that there was no business case to electrify the line between Cardiff and Swansea, identifying only modest benefits based on the current frequency of train service to Swansea. The Welsh Government believes that the business case for electrification between Cardiff and Swansea is stronger than that presented by the DfT and the Welsh Government is working to present a more positive business case.

Funding of UK rail infrastructure is non devolved and responsibility is retained by the UK Government on an England and Wales basis. It is therefore right and proper that the UK Government should fund the electrification to Swansea. I would not wish to see Convergence Funding used for this. Convergence Funding is money attributed to the most deprived areas of Wales, for projects which meet Welsh Government aims and complement our programmes. In addition, Convergence funding is only available until 2013 and as this work is not scheduled to be built until 2016/17 by then it would be too late to spend it.

3. The introduction of Bimodal trains, and the proposal to trial these on the Cardiff to Swansea route

I understand that the UK Government intends to use bimodal trains on a wider network than the Great Western Main Line between Cardiff and Swansea. When the Welsh Government has established that there is a business case for electrifying the line to Swansea, I would expect the UK Government to fund electric trains and not bimodal trains to operate to Swansea.

4. The need for improved rail infrastructure links past Cardiff

It is essential that there are strong rail links throughout Wales and improvements made to the infrastructure, where necessary, to support this.

I believe it is vital to the economy of South West Wales that the Great Western Main Line is also electrified between Cardiff and Swansea and we will make the case to the UK Government to state this, as I said previously.

Additionally, the main infrastructure problem west of Swansea is the single track bottleneck between Gowerton and Loughor. I am funding Network Rail to redouble this track, and this is linked to Network Rail's replacement of the Loughor Viaduct in spring 2013. This will improve the performance and reliability of existing train services and will enable future additional services to be provided west of Swansea at a later date.

I have also funded Network Rail to complete a detailed timetable and engineering feasibility study (Grip 3) to improve frequencies between Maesteg and Bridgend to half hourly. This is a pre-requisite to further extending these services between Bridgend and Cardiff, and the new Brackla Station. The initial report is expected by the end of summer 2011 and I will then be in a position to consider the business case, in prioritising the National Transport Plan (NTP) which I will publish in the autumn.

5. The previous UK Government's business case for rail electrification to Swansea, and what changes have occurred since this was produced.

I am enclosing the previous UK Government's electrification briefing of 13 May 2009 to electrify the Great Western Mainline to Swansea.

I am also enclosing the business case papers that the current Secretary of State for Transport, Philip Hammond, laid before the House of Commons Library this March which maintains that there is no business case to electrify the line between Cardiff and Swansea.

The business cases do not provide a like for like comparison, and, as you know, we are challenging the UK Government's position that there is not a business case to electrify the line between Cardiff and Swansea and we will present our findings to the UK Government by the end of this year.

6. The shift in balance of expenditure between road and rail projects, and plans for what this balance should be going forward.

The split in years between road and rail funding is detailed in the table below:

Year	2007-08	2008-09	2009-10	2010-11	2011-12
Road (£m)	229.361	256.286	256.451	234.195	202.314*
Rail (£m)	179.979	182.137	198.967	207.188	202.703*

* forecast figures

I am currently in the process of prioritising the National Transport Plan, which I intend to publish during the Autumn. This will provide further clarity of the split in funding between road and rail.

7. Progress on introducing an hourly service between Shrewsbury and Aberystwyth

We funded a project to increase the capacity of the railway infrastructure in order to facilitate a more reliable service as well as an hourly service, and this work has been completed.

Network Rail has now fully commissioned and implemented its ERTMS resignalling project. This has allowed the new infrastructure that we funded to be commissioned and brought into live operation. Network Rail has experienced some initial technical issues with the ERTMS project which has caused train delays and cancellations. It needs to be proven to be fully operational and reliable before I would consider additional trains.

Work is ongoing to complete a viable timetable option.

I will consider the case for an hourly service as part of the NTP prioritisation.

8. The National Improvement to rail stations programme

Nationally, responsibility and funding for improved accessibility are non-devolved and the Department for Transport (DfT) is responsible for the national improvement programme for England and Wales. This is known as "Access for All", and a number of stations are being improved by Network Rail with DfT funding. Welsh stations included in this programme are: Abergavenny, Bridgend, Neath, Prestatyn, Wrexham General and Severn Tunnel Junction.

I am also investing in improving station accessibility as I believe that it is the right thing to do. Any new stations funded by the Welsh Government are fully accessible for all passengers, including, for example, the new stations on the Ebbw Valley Line and the Vale of Glamorgan Line.

The Welsh Government is continuing its commitment to the Wales Station Improvement Programme (NSIP+). The £40 million programme - including £21 million of European Structural funds - seeks to provide exemplary accessibility for station improvement schemes. A scheme at Swansea Station scheme is well advanced and other projects are under preparation.

In addition, the Welsh Government has also funded a number of smaller schemes such as providing a lift to Platform Zero at Cardiff Central Station. Previous to this, Cardiff Central station had accessible lifts to all platforms except Platform Zero. Passengers with mobility problems had to either walk up a steep flight of stairs or else come out of the station concourse around to the elevated car park in order to access this platform. The lift was installed in December 2010.

I am also funding, together with NSIP+ grant, a series of Easier Access Scheme installations which will provide improvements to rural stations in Wales where there is a stepping heights issue between the station platform and the train. The programme will cover 29 platforms at 24 stations (some with 2 platforms) across both the Convergence Area and non-Convergence Areas along the North Wales mainline (including Anglesey), the Conwy Valley Line, Cambrian Coast Line, Heart of Wales Line and the south Wales mainline/Pembroke Dock line.

DfT and the railway industry need to do more to improve accessibility, and Arriva Trains Wales has recently bid for DfT funding for improvements for further stations in Wales.

I have also made it clear that improved station accessibility in Wales is a key priority for UK Government funding for the next Control Period (2014 – 2019). My officials have already held discussions with their counterparts in the DfT, and I will raise this matter when I meet with the Secretary of State for Transport. Network Rail is currently undertaking a feasibility study to determine the scope of works required at the most inaccessible stations in Wales and my officials are working with Network Rail as this develops.

Capital Cost and Business Case

£m Real May 09	1	2	3	4	5
Option	NR Capital Cost (£m)	NR Capital Cost incl 30% contingency (£m)	NR Capital cost incl 30% contingency + 50% OB (£m)	NR Capital cost incl 30% contingency + 66% OB (£m)	Economic Business Case on basis of Column 4
Scope					
Paddington to Oxford, Newbury, Bristol TM, Pk way	297	386	578	640	No net cost to govt in PV terms
GWML 2					
Paddington to Oxford, Newbury, Bristol TM, Pk way and Swansea	459	596	894	990	high vfm (BCR 2.5 to 3)
GWML 3					
St Pancras to Corby, Nottingham, Sheffield	332	431	647	716	No net cost to govt in PV terms
MML					
GWML 3 + MML	790	1028	1541	1706	

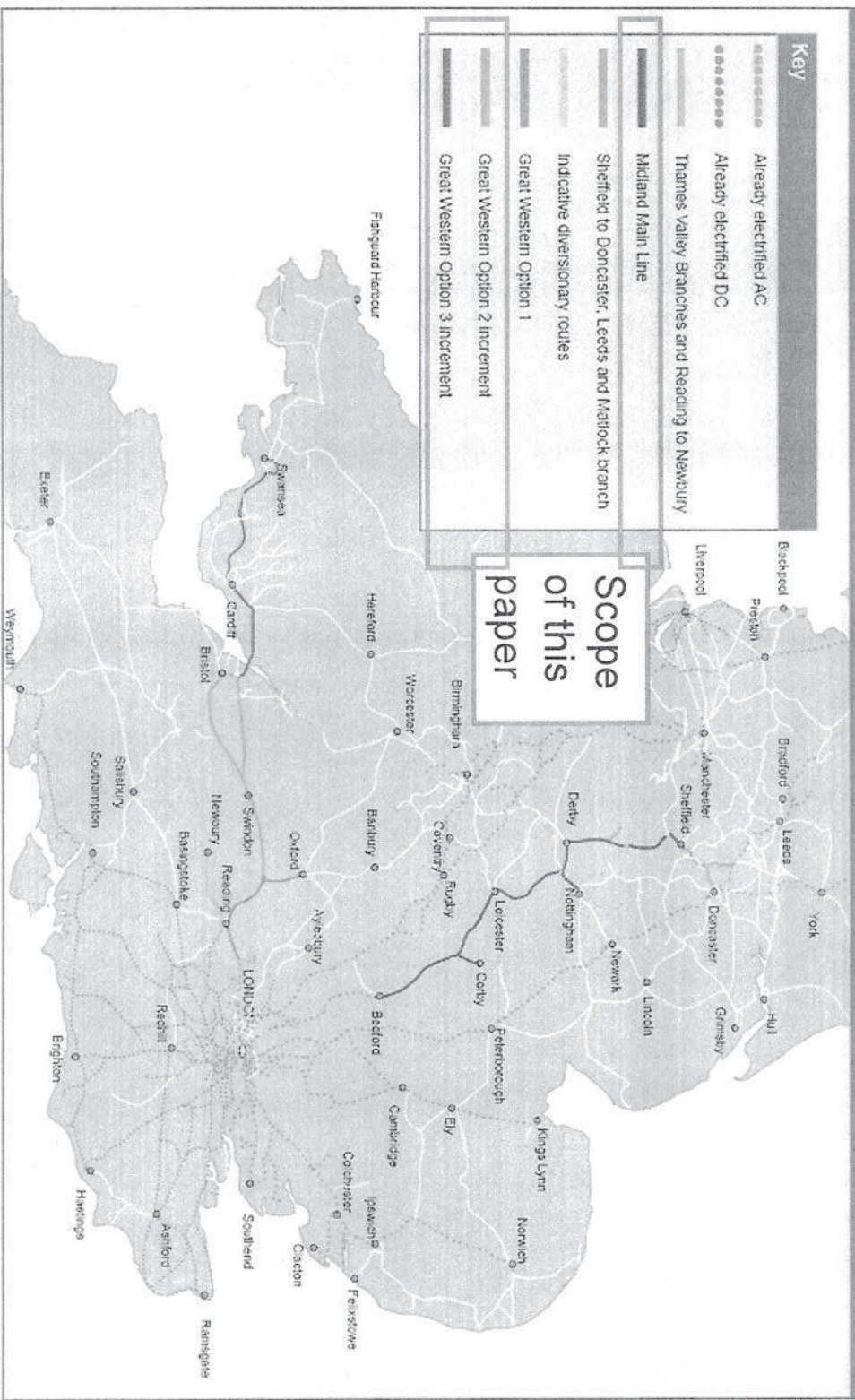
- Costs at GRIP 2-3 detail but not yet formalised in GRIP
- NR 30% contingency validated by QRA (potential upside)
- 50% OB applies at GRIP 2
- For prudence 66% OB applied to cash flow

Taken forward to
cash flow

WAG/ DfT electrification briefing
13th May 2009

Proposed Scope

GWML & MML Electrification



Electrification Benefits (GWML example)

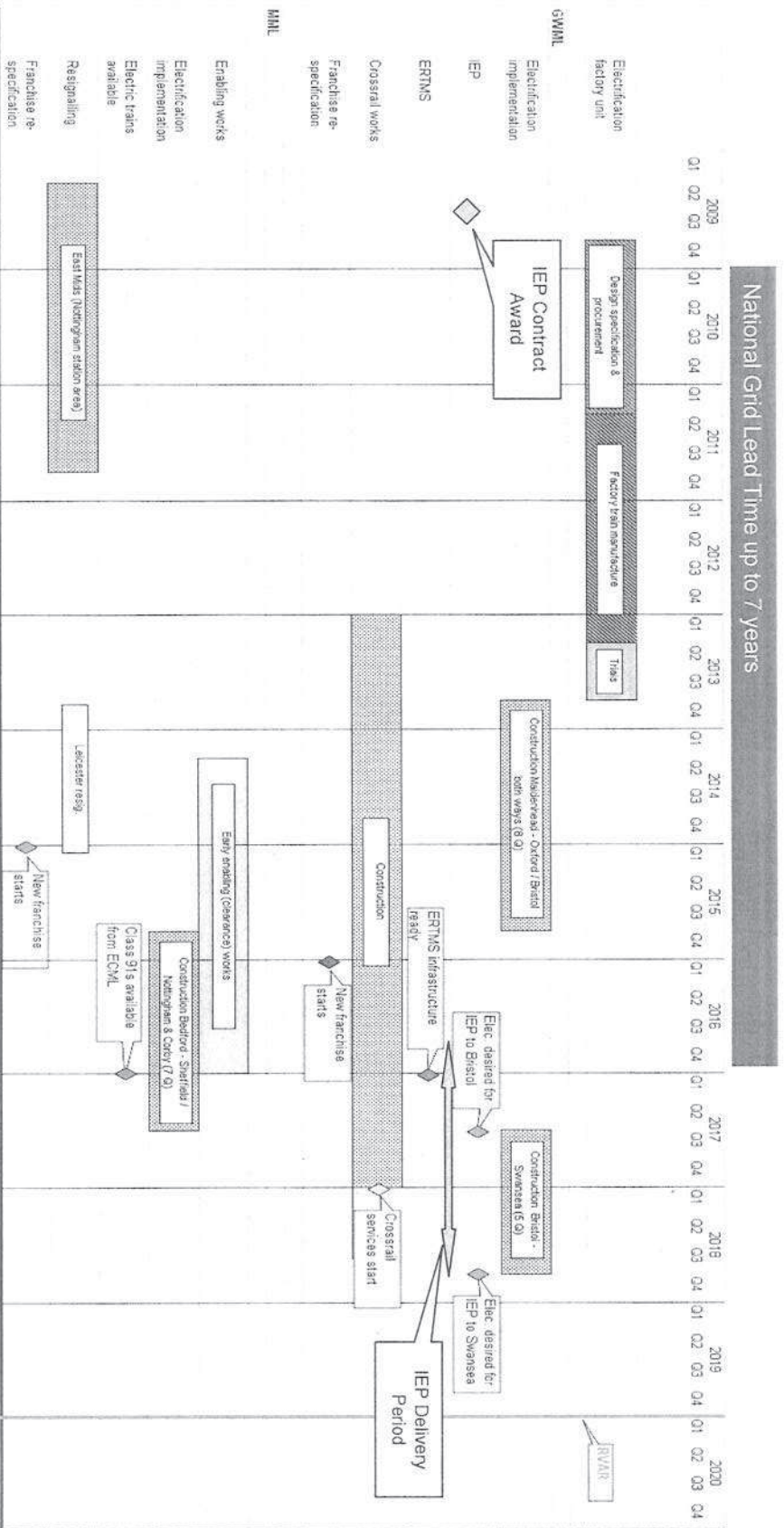
- **Passenger Benefits**
 - Capacity
 - (18% more seats per full length train than Diesel IEP)
 - Train reliability
 - 50% improvement
 - Route reliability >= today
 - Journey Time
 - (4 mins faster London to Swansea)
- **Industry Benefits**
 - Lower cost railway
 - (Financially positive business case to Bristol, high vfm case to Swansea)
 - (GWML element of IEP reduced by 7%/ £120m PV over 20 years)
 - Lower carbon emissions
 - Typically 25 – 30% lower than diesel equivalent
 - BUT carbon saving is not material in business case (0.02% UK)
 - Reduced track damage costs (27%)
- Electrification offers a step change in rail delivery and reduced cost on the busiest routes
- The optimum time to electrify is when rolling stock is life expired as is the case on GWML now

NR Capital Cost and Business Case

£m Real May 09		NR Capital Cost (£m)	NR Capital cost + 66% OB (£m)	Business Case on basis of Column 4
Option	Scope			
GWML 2	Paddington to Oxford, Newbury, Bristol TM and Bristol Parkway	386	640	No net cost to govt in PV terms
GWML 3	Paddington to Oxford, Newbury, Bristol TM, Bristol Parkway and Swansea	596	990	high vfm (BCR 2.5 to 3)
GWML 3a	Incremental Bristol to Swansea	210	350	Poor/ Med vfm (BCR <=1.5 dependent on fleet)
MML	St Pancras to Corby, Nottingham, Sheffield	431	716	No net cost to govt in PV terms
GWML 3 + MML		1028	1706	

- Costs at GRIP 2-3 detail but not yet formalised in GRIP
- NR capital cost includes 30% contingency validated by QRA
- 50% OB applies at GRIP 2 which NR anticipate reaching in July 2010
- In absence of formal GRIP status 66% OB applied

Network Rail Proposed Programme



- The break in GWML installation is to allow both MML and GWML to be completed to match rolling stock availability dates

Affordability: RAB funding for base programme

£m Nominal Option	Scope	CP4		CP5		CP6		CP 5												CP 6			
		Total	Total	Total	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24						
GWML 2	Paddington to Oxford, Newbury, Bristol TM, PWay	12	309	353	1993	1	11	37	62	70	70	70	70	70	71	71	71	71					
GWML 3	Paddington to Oxford, Newbury, Bristol TM, PWay and Swansea	12	365	531	3006	1	11	39	65	75	86	101	106	106	106	106	106	107					
GWML 3 a	Incremental Bristol to Swansea	1	56	178	1013	0	0	2	3	5	16	30	35	36	36	36	36	36					
MMML	St Pancras to Corby, Nottingham, Sheffield	0	204	394	2232	0	0	1	10	44	71	78	78	79	79	79	79	79					
GWML 2 + MMML		12	513	747	4225	1	11	37	73	113	141	148	149	149	150	150	150	150					
GWML 3 + MMML		12	569	925	5238	1	11	39	76	119	157	179	184	185	185	186	186	186					

- RAB funded assuming 6% return, 66% Optimism Bias
- Capital costs only, excludes OLE Maintenance
- Cumulative benefits exceed cumulative costs in CP11/12 i.e. Payback is 2045 to 2055

Affordability: Long Term Cash Flow

	CP4 09/10-14/14	CP5 14/15-18/19	CP6 19/20-23/24	CP7 24/25-28/29	CP8 29/30-33/34	CP9 34/35-38/39	CP10 39/40-43/44
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MML

Infrastructure Costs	0	-210	-420	-430	-430	-420	-390
Operating Cost Savings & Revenue	0	40	230	300	360	430	520
Net Impact	0	-170	-190	-130	-70	10	130

GWML OPTION 2 (Bristol)

Infrastructure Costs	-10	-320	-390	-390	-390	-380	-340
Operating Cost Savings & Revenue	0	90	260	300	360	420	500
Net Impact	-10	-230	-130	-90	-30	40	160

GWML OPTION 3 (Swansea)

Infrastructure Costs	-10	-380	-580	-590	-590	-570	-530
Operating Cost Savings & Revenue	0	90	300	350	420	490	580
Net Impact	-10	-290	-280	-240	-170	-80	50

INCREMENT (Bristol to Swansea)

Infrastructure Costs	0	-60	-190	-200	-200	-190	-190
Operating Cost Savings & Revenue	0	0	40	50	60	70	80
Net Impact	0	-60	-150	-150	-140	-120	-110

- Includes OLE Maintenance in Infrastructure Costs
- Cumulative benefits exceed cumulative costs in CP11/12 i.e. Payback is 2045 to 2055

Railway investment on the Great Western Main Line and in Wales

Introduction

On 1st March 2010 I announced the Government's plans for extension of electrification on the Great Western Main Line (GWML) in England and Wales and the procurement of a new fleet of trains. I have confirmed Agility Trains as preferred bidder to deliver a new fleet of trains to take full advantage of the electrification and to deliver better, faster and more comfortable services across the route.

In my statement, I committed to deposit a document in the House of Commons Library setting out the appraisal that assisted the Department in determining the extent of electrification. Department for Transport officials have worked extensively with their colleagues in the Welsh Assembly Government (WAG) to develop the business case for electrification into Wales.

At a time of significant pressure on public spending, I am determined to maximise the value of our expenditure. Passenger demand and revenue on the GWML is high and growing. That is why I have authorised electrification and the new train fleet.

I believe this investment and other improvements such as that taking place at Reading station represent a very significant improvement to the GWML for both passengers and freight customers.

I am very conscious that there has been some disappointment that I have not been able to commit to electrification between Swansea and Cardiff. In fact, the electrification of the line to Cardiff and the delivery of the new bi-mode trains is good news for people travelling to Bridgend, Port Talbot, Neath and Swansea with better, faster and more comfortable through services. Trains to London will be 20 minutes faster than today and more capacity will be provided. These significant improvements will bring Swansea and West Wales closer to London and Cardiff, help improve connectivity and boost the local economy.

The policy of the Government is to support a progressive electrification of the rail network in England and Wales. In conjunction with the Secretary of State for Wales I will keep under active review the business case for future electrification of the GWML between Cardiff and Swansea in the light of developing future service patterns.

Secretary of State for Transport

Improvements for passengers

The investment on the GWML delivers electrification between Maidenhead, Reading, Newbury, Oxford, Bristol and Cardiff along with new trains to operate long distance plus many regional, local and commuter services.

The GWML has seen significant increases in passenger demand with the Thames Valley and Greater Bristol both being key growth areas. Between 2000 and 2006 there was 20% increase in passenger numbers between the Bristol urban area and London. We anticipate significant demand continuing on the route.

When fully introduced alongside electrification of the route, the Inter City Express Programme (IEP) will deliver over 8,000 additional seats on services into Paddington over the peak three hours, representing a 31% increase compared with today. Trains will operate under electric power for most of their journeys. The bi-mode capability allows them to operate on new, cleaner and greener diesel engines over those sections of line that are not electrified, continuing to provide through services to London often with significantly reduced journey times.

The appraisal used by the Department for Transport (DfT) assumes the following indicative service patterns following electrification and the introduction of new trains. Final service patterns may be different following future franchise competitions.

Cheltenham & Gloucester

The IEP will be used to increase the frequency of London services to hourly all day. Cheltenham to London services are expected to be 20 minutes quicker once the new trains are in service.

Oxford and Newbury

IEP would be deployed on some services alongside other electric trains providing a significant capacity boost and some journey time reductions. It is planned that certain new bi-mode services would continue onto the Cotswold line to Worcester and from Newbury towards Exeter.

Bristol

Services from Bristol Temple Meads to and from London will increase from two to four trains per hour with new fast trains via Bristol Parkway completing the journey 22 minutes faster than today. Passengers from Bath can expect a seven minute reduction in journey time.

Newport and Cardiff

Services to and from London will continue at two trains per hour but with trains to Cardiff completing the journey 17 minutes faster than today. There will be a significant increase in capacity. Passengers from Newport and Cardiff can expect to start using the new trains in December 2016, with electrification completed and service improvements one year later in 2017.

Bridgend, Port Talbot, Neath, Swansea and West Wales

Services between London and Swansea will be 20 minutes faster than today, completing the journey in two hours and 39 minutes. The bi mode new trains will switch from electric to diesel power at Cardiff with no journey time penalty.

The investment in electrification and new trains compliments other investment on the route. The £16bn construction of Crossrail will extend electric train services from Essex and Central London to Slough, Heathrow and Maidenhead. The £850 million upgrade of Reading station provides a significant increase in passenger capacity and allows more room for services from the west to reach London.

Appraisal of electrification and the new train fleet

A key consideration in considering the extent of electrification is the frequency of diesel services that can be sensibly converted to electric operation and the likely growth of passenger demand. Because the infrastructure required for electrification is expensive, electric train frequency needs to be significant. Frequency also needs to be high to achieve the maintenance savings from the train fleet. This is why electrification of London to Oxford, Newbury, Bristol and Cardiff services is good value for money with some high frequency electric trains planned on these routes.

The case for electrification to Swansea was examined closely but could not identify more than one train per hour becoming an electric train. New intercity diesel trains and the proposed IEP bi-mode trains can achieve the same journey times as electric trains and consequently there would be no passenger benefits from electrification between Cardiff and Swansea. The new bi-mode trains will be able to accelerate quickly from the intermediate stations, curves and junctions on the route. They will switch seamlessly from electric to diesel operation when they leave Cardiff.

Network Rail has estimated that electrification between Cardiff and Swansea would cost £62m. It was found that, for a service of one train every hour in the off peak period, the business case was weak. There was no evidence of a pattern of demand that would lead to an imminent need to increase this frequency. Cardiff electrification by contrast will be used by four trains per hour, consisting of two from London and two regional services from Bristol.

Further ways in which to improve the case for electrification to Swansea were looked at, by examining whether other diesel services on this section could be converted to electric operation. However, significant changes were needed that would have required passengers to change trains, sometimes more often than once. The alternatives would also have increased train crew and rolling stock requirements.

A bi-mode operation to Swansea also assists with the resilience of intercity services to South Wales both during the period electrification is installed between Bristol and Cardiff and at times of service disruption. There are

occasions when the Severn Tunnel needs to be closed entirely in order that essential maintenance takes place. The alternative route (via Gloucester) will not be electrified and requires bi mode type trains to maintain the through South Wales – London service at these times.

To ensure this route is resilient, DfT is working with Network Rail to re-double the line between Swindon and Kemble by 2015. It was singled as an economy measure some 30 years ago. The approval for this scheme was given in the Budget speech on 23th March. This scheme will improve this diversionary route with more capacity for South Wales trains. The work would be ahead of the main electrification activity on the route via the Severn Tunnel when some disruption to passenger services is likely. From 2016 onwards services will use the new bi-mode fleet to maintain good through links between South Wales and London.

The results of the appraisal work is shown in Appendix 'A', which shows the business case for IEP trains and electrification between London and Cardiff (with bi-mode trains through to Swansea) and the incremental case for electrification on to Swansea and the deployment of all electric IEP trains on the Swansea trains.

Because the measurable outputs in terms of journey times and capacity are the same for Swansea in both cases, the additional value from electrification is limited to the change from diesel to electric mode of traction, with environmental benefits and reduced operating costs for those trains which extend to Swansea. Thus, the overall Benefit to Cost Ratio (BCR) for the incremental electrification is very poor (0.1).

Conclusions and next steps

DfT has now resumed the procurement of the IEP trains with the proposal that Agility Trains has put forward as preferred bidder. DfT will now work with Agility Trains with a view to reaching financial close by the end of 2011.

Over the course of the next six years, Network Rail will electrify the GWML.

Passengers in Oxford, Newbury, Swindon, Bath and Bristol will enjoy the benefits of electrification and the new trains in the first stage, with Newport, Cardiff and Swansea passengers enjoying the benefits shortly afterwards.

Network Rail has been asked to work closely with the train operators in mitigating the disruptive impacts of electrification work.

In the course of the examination of the case for electrification, it was established that, at an initial high level, there appears to be a good case for electrifying the key valley commuter lines north of Cardiff via Pontypridd and Caerphilly as well as the lines to Penarth and Barry Island. We will now work with the Welsh Assembly Government to develop a full business case. Provided the earlier findings are confirmed, there is then the possibility electrification of the Cardiff valley lines could take place during the next rail investment control period beginning in 2014.

In conjunction with WAG, we will also keep under active review the business case for future electrification of the GWML between Cardiff and Swansea in the light of developing future service patterns.

Appendix A. Details of economic case

	Electrification London to Cardiff and Bi-Mode IEP trains to Swansea	Electrification Cardiff to Swansea and IEP Electric Trains to Swansea*
(a) Time Benefits	470	0
(b) Crowding Benefits	550	0
(c) Highway User Benefits	605	0
(d) Environment Benefits	110	5
(e) Other Benefits *	160	0
(1) User Benefits (a+b+c+d+e)	1895	5
(f) Rail Revenue	1075	0
(g) Operating Costs	1270	-20
(h) Infrastructure Costs	555	65
(2) DfT Financial Impacts (f-g-h)	-750	-45
(3) Non DfT Financial Impacts	-200	0
NPV (1) + (2) + (3)	945	-40
BCR (1) / - [(2) + (3)]	2.0	0.1

Notes

- HM Treasury's 'Green Book' on the Appraisal and Valuation in Central Government sets down clear standards for the economic appraisal of spending and policies by Government departments. WebTAG is the DfT's transport specific guidance. BCR calculations are compliant with these documents.
- "User benefits" takes account of attributes such as time benefits arise from faster journeys for customers, crowding benefits arise from more capacity being provided and other benefits include reduced noise and increased quality benefits arising from the conversion from diesel to electric traction
- "DfT Financial Impacts" takes account of revenue generated by the investment and the operating and infrastructure costs incurred such as the capital costs of electrification.
- Figures presented are discounted £m 2002-03 prices
- Figures are rounded to nearest £5m
- Figures assume a cap in rail demand growth in 2032-33
- BCRs are calculated from unrounded figures

* Figures represent incremental benefits and costs of electrification Cardiff to Swansea compared to the Bi-Mode operation between Cardiff and Swansea, with GWML electrification extending from London to Cardiff only.