

# **Fifth Senedd Legacy Report**

March 2021



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# **Fifth Senedd Legacy Report**

March 2021



# About the Committee

The Committee was established on 28 June 2016. Its remit can be found at:  
[www.senedd.wales/SeneddEIS](http://www.senedd.wales/SeneddEIS)

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## Committee Chair:



**Russell George MS**  
Welsh Conservatives

## Current Committee membership:



**Hefin David MS**  
Welsh Labour



**Suzy Davies MS**  
Welsh Conservatives



**Vikki Howells MS**  
Welsh Labour



**Helen Mary Jones MS**  
Plaid Cymru



**Joyce Watson MS**  
Welsh Labour



# Contents

<b>Chair's foreword .....</b>	<b>5</b>
<b>1. Engaging with the people of Wales .....</b>	<b>7</b>
<b>2. Scrutiny in the Fifth Senedd.....</b>	<b>10</b>
Background .....	10
Economy.....	11
Infrastructure.....	14
Transport .....	15
Skills, research and innovation.....	16
Relationship with the EU/Wales after Brexit .....	18
Regular scrutiny items as required by Standing Order 16.1.....	19
<b>3. Legislation referred to the Committee .....</b>	<b>20</b>
Bus Services (Wales) Bill .....	20
Post-legislative scrutiny of the Active Travel (Wales) Act 2013 .....	20
Legislative Consent Memoranda .....	21
<b>4. Priorities for the Sixth Senedd .....</b>	<b>23</b>
The Economy.....	23
Infrastructure.....	25
Transport .....	26
Skills and research and innovation .....	27
Relationship with the EU/Wales after Brexit .....	28
General .....	28
Advice to future members.....	28

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## Chair's foreword

Whilst we were writing this report I cast my mind back to a strategy session we held as a newly formed Committee in 2016. As part of that session we discussed what we wanted people to think of the Committee in 2021 and put together some targets. They included being influential, producing meaningful recommendations, being respected by stakeholders and being able to change Government policy. I hope that is how we are seen today.

Back then I don't think anyone would have foreseen what the next five years would bring. This Senedd Term has probably been the most turbulent in the institution's history with public discourse first dominated by the result of the Brexit referendum and then the COVID-19 Pandemic. However during this turbulent time the Committee remained focused on our task of scrutinising policy and holding the Welsh Government to account, aspiring to be the Committee we envisaged when sitting in that strategy session.

The Committee has a wide and varied remit and ensuring we gave due time and attention to every element was a challenge, however one I believe we met. Our work on The State of Roads in Wales certainly captured the imagination of the public. One of my favourite memories of chairing this committee is judging the pot hole photography competition we held. Our Access to Banking inquiry grabbed headlines and highlighted the serious effects of bank closures on vulnerable people and small businesses. We also heard about the great research and innovation work happening in Wales and what needs to be done to strengthen the sector. It's clear to me research and innovation will be a key tool to help Wales rebuild stronger following the pandemic.

Whilst I hope that the next Senedd Term is a lot less turbulent than this, I know our successor committee or committees will still be very busy scrutinising issues like the future development of Transport for Wales, regional development including the progress of our four Growth Deals and the further development of our skills sector including the apprenticeship programme. This is of course alongside the frankly giant matters of recovery from the COVID-19 Pandemic and how to seize the opportunities and face the challenges presented by the UK leaving the European Union.

I have very much been honoured by the responsibility of, and enjoyed my time, chairing the Fifth Senedd's Economy, Infrastructure and Skills Committee. I would like to extend my gratitude to all the Members both present and former, everyone who has engaged with or provided the Committee with evidence over the past five years and the Committee support team at the Senedd.

A handwritten signature in black ink, reading "Russell George". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Russell George MS**

Chair, Economy, Infrastructure and Skills Committee



# 1. Engaging with the people of Wales

The Committee has worked hard over the past five years to build strong relationships with stakeholders and engage the public in its work in different ways tailored to the subject and audience for its inquiries. This included regular stakeholder events and a bulletin newsletter, external visits, focus group work, surveys and even a photo competition.

- 1.** The Committee published a total of 14 newsletter bulletins for stakeholders over the Fifth Senedd, and undertook 16 visits to take evidence for inquiries at various locations around the United Kingdom and Brussels.
- 2.** In 2016 the Committee held a business breakfast event at World of Boats, Cardiff Bay, as part of a one-day inquiry into Business Rate reform. In 2017 Members held a workshop event in Shrewsbury with support from Transport Focus, alongside a large online survey, as part of its inquiry into the new rail franchise. When considering the future development of Transport for Wales the Committee went to meet with Transport for Greater Manchester, Transport for the North and the Liverpool City Region Combined Authority.
- 3.** Members also visited Glasgow as part of work on City Deals. The Committee was grateful to the business owners who participated in a video made to support its report into digital infrastructure. And in 2017 Members had a packed one-day programme of meetings in Brussels to inform its Selling Wales to the World inquiry.
- 4.** In 2018 Members visited North Wales Enterprise Zones, and went to London to meet with Professor Graham Reid and experts at the Wellcome Trust, Scottish Government officials at Scotland House, and UK Research and Innovation (UKRI). For that inquiry the Committee also held an external meeting at the University of South Wales campus in Treforest, and visited the Wales Cancer Research Centre at the University Hospital of Wales. Within the business timetable Members also made visits closer to the Senedd, including to Cardiff and Vale College, Principality and Nationwide Building Societies, Cardiff University Supercomputing, Cardiff Airport and British Airways Maintenance Centre.
- 5.** The Committee held eight stakeholder events at Senedd Cymru. These were used to engage directly with stakeholders and gather views on a more informal

basis, both in relation to planned inquiries and to help steer the strategic direction of the work programme. In 2017 the Committee published the outcome of consultation seminars on Welsh Government's new Economic Strategy using **Adobe Spark**. Other stakeholder workshops related to Professor Diamond's review of higher education and student finance, the apprenticeships levy, infrastructure, regeneration of town centres and the White Paper on Improving Public Transport, as well as consulting on the Committee's work programme priorities.

**6.** The Committee conducted surveys and focus group work for its inquiries into Access to Banking and on the impacts of Covid-19. It also held a photography competition in order to promote public engagement with the Committee's work on 'State of the Roads in Wales'.

**7.** The Committee is extremely grateful to all those who have hosted and participated in our visits, meetings, focus groups and stakeholder events over the past five years. The Senedd outreach and communications team have worked hard to help us engage with the people we serve. We are also grateful to Kate Faragher of BeSpokeSkills for her excellent facilitation of sessions to set our strategic direction and improve the effectiveness of our scrutiny work. All your contributions and collaboration have strengthened our ability to hold this Welsh Government to account and better serve those we represent as Members.

# Economy, Infrastructure and Skills Committee

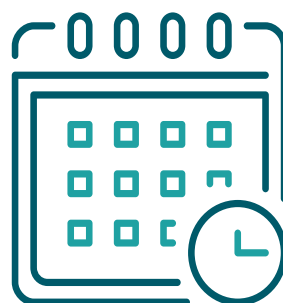
## Our work during the Fifth Senedd

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49

COMMITTEE  
REPORTS



142

COMMITTEE  
MEETINGS

463

WITNESS  
APPEARANCES



STAKEHOLDER  
EVENTS



16

20

COMMITTEE  
DEBATES



Senedd Cymru  
Welsh Parliament

## 2. Scrutiny in the Fifth Senedd

This section sets out a brief background of how the Committee operated through the Fifth Senedd. It is then followed by sections outlining key issues explored by the Committee, broken down into the economy, infrastructure, transport and skills remits.

### Background

8. At the beginning of the Fifth Senedd the Economy, Infrastructure and Skills Committee consulted on what its priorities should be, receiving 49 responses to inform the strategic direction of its work. Over the period 2016-2020 the Committee's work programme aimed for a balance of policy inquiry work across the three elements of its remit - economy, infrastructure (primarily transport infrastructure) and skills (which also includes research and innovation).
9. In March 2020 the COVID-19 pandemic forced a temporary suspension of all Senedd business, including that of the Economy, Infrastructure and Skills Committee. Following the Easter recess period, committee business resumed, however the meetings were reduced to a fortnightly basis and held via video conference. From the autumn term 2020 committee meetings returned to their normal pace of weekly meetings, however they continued to be held via video link.
10. From the resumption of business until mid-autumn 2020, Members felt it was important the Committee prioritised responding to the COVID-19 emergency; Members postponed planned inquiries and created an emergency work programme focusing on the pandemic's effects. In mid-autumn whilst the pandemic was still the Committee priority and focus, Members felt comfortable reintroducing an element of non-pandemic work and to finish off inquiry work that had been paused in March.
11. The Committee published three reports relating to the pandemic:
  - The Impact of COVID-19: Summary of Initial Findings – a short report outlining urgent concerns the Members had across the Committee's portfolio;

- The Impact of COVID-19: Skills – early findings – a second short report outlining in further detail concerns in the skills area of the portfolio;
- Long-term Recovery from COVID-19 – an in-depth holistic report on how recovery should look across the Committee’s remit.

**12.** Further details on the content of each is contained in the thematic sections below.

## Economy

**13.** The future of the steel industry was one of the highest profile economic issues at the beginning of the Fifth Senedd, a large driver for this was concerns over the future of Port Talbot Steelworks. One of the first pieces of work the Committee undertook was a one day session with business, unions and the Welsh Government. Following this session the Chair wrote to the Prime Minister. Concerns regarding the future of Welsh manufacturing, including steel, are still present particularly as a result of the Pandemic and are addressed in the Committee's recovery report.

**14.** **Business Rates** have been a key topic of interest for this Committee since the start of the Fifth Senedd. The Committee's first report was released following a one day inquiry on Business Rates held in October 2016. Most recently the Committee discussed the need to extend business rates relief on hard hit sectors. On 3 March the Welsh Government made an announcement they would be extending the business rates holiday for leisure, hospitality and retail.

**15.** In the spring of 2017, anticipating Welsh Government’s development of a new economic strategy, the Committee held seminars and published a report on some ‘alternative voices’ views on what the strategy could contain.

**16.** The Committee has regularly examined the topic of regional economic development. In November 2017 the Committee published its first report on ‘City Deal activity’ in Wales. At the time there were only two city deals in Wales, however the North Wales Economic Ambition board was “leading the charge” for what would eventually develop into the North Wales Growth Deal, and in mid Wales attention was turning to what would become the Mid Wales Growth Deal.

**17.** As the Deals developed the Committee continued to follow their development and progress, holding annual scrutiny sessions with the leaders of each Deal. The most recent of these was held on 3 March 2021.

- 18.** As well as the City and Growth Deals the Committee has looked at other aspects of regional economic development. In 2018, five years after their establishment, the Committee published a report on Enterprise Zones. In 2020 the Committee started an inquiry into the Valleys Taskforce; however the inquiry only completed its consultation stage before being overtaken by events and Members decided to reprioritise to focus on the COVID-19 pandemic.
- 19.** The Committee also held an evidence session with Maria-Varinia Michalun, author of the OECD's report on the future of regional development and public investment in Wales, in December 2020.
- 20.** The Committee scrutinised Welsh Government's policy and approach to regeneration over the course of the Fifth Senedd, with Town Centre Regeneration: Five Years On in February 2018. The Committee also considered the role of the Transforming Town Centres programme in relation to Welsh Government's policy on future remote working.
- 21.** In August 2018 the Committee published a report intitled Industry 4.0 – the Future of Wales. This report explored the 'Fourth Industrial Revolution', advancements in automation and artificial intelligence. It looked at their impact and the risks and opportunities they present to Wales.
- 22.** In September 2018 the Committee published Selling Wales to the World. This was a report looking towards the UK's exit from the European Union and examining how Wales sold itself to the World in terms of tourism, education, and trade and inward investment.
- 23.** Problems with the use of Compulsory Purchase Orders came up both in scrutiny of Welsh Government's work on town centre redevelopment, and active travel, leading to a Committee report in June 2019.
- 24.** There was a high level of public engagement with the Committee's 2019 inquiry into Access to Banking and its findings received national press coverage. The inquiry looked at the impact on individuals, business and communities of reduced access to cash and bank branches; significant issues of digital exclusion; and Welsh Government's support for a proposed new Community Bank, Banc Cambria. Several issues identified in the report, for example a move to cashless payments, have been greatly expediated by the pandemic.
- 25. Procurement** - The Committee made wide-ranging recommendations to Welsh Government in 2020 on the role of Public Procurement in the Foundational Economy and scrutiny of progress with responding to this, and the

Future Generation Commissioner's review - **Procuring Well-being in Wales** - will be important in the Sixth Senedd to help drive a fair and green economic recovery.

**26.** As already mentioned, in March 2020 the **COVID-19 pandemic** forced the temporary suspension of the Committee's business. When business resumed the Committee embarked on an emergency work programme focusing on the pandemic's effects. In June 2020 the Committee published a **summary of its initial findings**.

**27.** The report looked at the initial response, what should happen next, and highlighted gaps in business support and workplace safety concerns. Two key issues from that report that remain very relevant are sector-specific support and monitoring and evaluation of the response.

**28.** The Minister for Economy, Transport and North Wales had told the Committee he wanted to 'build back better' following the pandemic. Members decided to embark on a large-scale examination of what that should mean across the whole Committee remit.

**29.** On 3 March 2021 the Committee published a comprehensive report on **Long-term Recovery from COVID-19**. At over 60 pages and including 53 recommendations it was the longest report the Committee published. The report should be read as a holistic document, however from an economic perspective it set out:

- how reconstruction funding should be used to revitalise and re-tool the Welsh economy, using recovery to address some endemic issues Wales faced before the pandemic, but also promoting a green recovery and preparing the economy for the future;
- ongoing support that will be required for sectors particularly affected by the pandemic;
- how to ensure equality in the recovery; and
- what the Welsh Government needs to do in order to head off a huge spike in youth unemployment.

**30.** During the first lockdown in Wales around 40% of people worked from home. This 'grand experiment' led to reduced congestion and air pollution as well as socio-economic gains for some. To lock in these gains the Welsh Government announced an **ambition** to have 30% of workers continuing to work from or close



to home on a regular basis. As a result of this stated ambition the Committee decided to hold an Inquiry - Remote Working: Implications for Wales.

**31.** Members were aware that the policy was very much in development so the Inquiry was designed to be a short and focused piece of work which would aid policy development and expand the evidence base. The inquiry looked at the positive and negative impacts of increased remote working across a number of areas, as well as looking at the development of proposed remote working hubs. The Committee also commissioned academic papers on the subject: Remote working – spatial implications in Wales and Outlining the contours of the ‘great homeworking experiment’ and its implications for Wales.

## Infrastructure

**32.** In 2016 the Committee scrutinised Welsh Government’s consultation on establishing a **National Infrastructure Commission for Wales**, to get clarity for stakeholders on how it would be taken forward and to influence the development of policy. In January 2017 the Committee released a report on the matter, including a recommendation that the chair should subject to a pre-appointment hearing with a relevant Senedd Committee.

**33.** This recommendation was accepted by the Government and on 7 June 2018 the Committee held a pre-appointment hearing with the preferred candidate for Chair, John Lloyd Jones. The Committee then held further scrutiny sessions with the Commission on its development and initial findings.

**34.** A further expected pre-appointment hearing for an incoming Chair of the NICW was postponed after the incumbent Chair’s appointment was extended to the end of the Fifth Senedd, but the Committee wrote to the Minister for Housing and Local Government in August 2019 to outline concerns about the strategic direction of NICW and its future expectations for the status and functioning of the Commission and role of its Chair. The Committee did not hold a scrutiny session with the Commission on its 2020 Annual Report due to COVID-19 related pressures.

**35.** Responsibility for scrutinising the Draft National Development Framework, prior to its publication as Future Wales: the national plan 2040, was led by the Climate Change, Environment and Rural Affairs Committee. However infrastructure issues were scrutinised by the EIS Committee.

**36.** **Connectivity and closing the digital divide** was a focus throughout the Fifth Senedd, with reports on Digital Infrastructure in Wales in September 2017, and



**Mobile Action Plan Update** in January 2019. Broadband connectivity and digital inclusion were key issues in the Committee's reports on Access to Banking and Remote Working, and Ministers were scrutinised on their approach, most recently on **24 February 2021**.

**37.** While housing fell primarily within the remit of the Equality, Communities and Local Government Committee, the Committee reported on **Barriers facing small home building firms** in April 2020, and undertook joint work with the Finance Committee on **Retention Payments in the construction sector**.

## Transport

**38.** The Committee has focused on transport governance and delivery arrangements, scrutinising Welsh Government's ambition for an integrated transport network, and on its strategic approach to decarbonising transport and generating modal shift, including through promoting active travel.

**39.** **Decarbonisation of transport** and achieving modal shift were central to a wide-ranging inquiry and report published in July 2020. This was preceded by Committee recommendations on **Electric Vehicle Charging Infrastructure** in October 2019. Most recently, the Committee's Long-term Recovery from Covid-19 Report contains **four recommendations** for Transport Recovery priorities.

**40.** **The future of rail services** was a priority for the Fifth Senedd. In June 2017 the Committee published **On the right track? The Rail Franchise and South Wales Metro**. The Committee took a strong interest in **The Future Development of Transport for Wales** (TfW), reporting on its proposed remit, functions and future governance arrangements in May 2019. The report was followed up in regular scrutiny of the Minister for Economy, Transport and North Wales, as well as in evidence sessions with the Chief Executive of Transport for Wales, Keolis Amey, and Network Rail. The new TfW franchise got off to a rocky start in 2018, and the Committee published a report on 2018's **Autumn Rail Disruption** in May 2019. Although some measures of performance improved, including dealing with autumn related problems, the franchise was dogged by overcrowding problems until the Pandemic dramatically reduced passenger numbers.

**41.** **Bus services** looked set for an overhaul with proposed legislation on and delivery in the **Bus Services (Wales) Bill**. These were initially part of wider legislative proposals in the Improving Public Transport White Paper, which also included 'Joint Transport Authorities' and reforms to Taxi and Private Hire Vehicle licensing (see legislation section). The Committee consulted stakeholders and **responded to the White Paper**.

**42.** The Welsh Government-owned TfW is critical to delivery of an integrated network, and is significantly expanding its role to include work on bus services, highways, active travel, transport modelling and delivery of transport strategy and planning. Its relationship with the local government strategic bodies, the Corporate Joint Committees legislated for in the Local Government and Elections (Wales) Act 2021, will be vital. What was not envisioned before Covid-19 impacted services so dramatically was that by February 2021 Transport for Wales would also have taken over Wales and Borders rail operations as “operator of last resort”, and that Welsh Government would be supporting bus services through the Bus Emergency Scheme (mark II). The Committee has scrutinised these developments up to the end of this Senedd term and they will be a priority for the successor committee holding the transport portfolio.

**43.** Lord Burns briefed the Committee in February 2020 and 3 February 2021 on the work of the South East Wales Transport Commission (SEWTC) established following the First Minister’s decision not to proceed with the M4 Relief Road. Implementation of SEWTC recommendations will be a matter for scrutiny in the Sixth Senedd.

**44.** The Committee’s 2018 inquiry into The State of Roads in Wales included a popular ‘pot holes’ photographic competition - a light-hearted take on a serious subject for Welsh road users. A number of the issues considered in the Report continue to be important. These include how highway authorities ensure value for money when delivering maintenance programmes, and ensuring the new National Transport Delivery Plan includes a clear pipeline of major projects.

**45.** Welsh Government’s ownership of Cardiff Airport has been a regular scrutiny item. Most recently the Chair invited Members of the Public Accounts Committee to join the EIS session on 10 March 2021 to scrutinise the Airport support package announced the previous week.

## Skills, research and innovation

### Skills

**46.** The first major piece of work on skills the Committee undertook was an Inquiry into the Apprenticeship Levy in Wales which reported in March 2017. The Levy is a 0.5% charge on large employers’ pay bills. The levy is UK-wide and the inquiry looked specifically at the impact for Wales, and at cross border issues. In August 2018 the Committee published a follow up report The Apprenticeship Levy: One Year On.

**47.** Apprenticeships were a key theme of the Committee's skills work, including degree apprenticeships. In February 2018 the Committee published Apprenticeships in Wales; a report which built on some of the non-levy issues raised in the previous apprenticeship levy inquiry, and also followed up on the report by the Enterprise and Business Committee from the Fourth Assembly of the same name.

**48.** During the Fifth Senedd the Welsh Government proposed a Post-Compulsory Education, Training and Research (PCET) Bill (which became known as the Tertiary Education and Research Bill). To inform better scrutiny of the Bill, and to scrutinise Welsh Government funded university research and innovation activity and how it links with businesses, the Committee held an Inquiry on Research and Innovation in Wales which reported in June 2019. Plans for the Bill were eventually shelved as a result of COVID-19, it being published as a draft bill for consultation. However the report is still a useful analysis of the research and innovation landscape in Wales and the challenges and opportunities within it that remain perhaps more relevant than ever with the ending of EU funding now nearer.

**49.** In October 2019 the Committee released a report on Regional Skills Partnerships (RSPs). Members were very interested in the activities of the RSPs and the link between them and industry. Given their key role in the skills system, and their influence over a large proportion of further education and apprenticeship provision, RSPs became a regular feature of the Committee's skills scrutiny.

**50.** In November 2020 the Committee heard from each RSP regarding their role in recovery from the COVID-19 pandemic, this is covered further below, and Members were concerned about the lack of budget for a promised fourth Mid-Wales RSP in the 2021/22 budget. When asked about this in the Committee's scrutiny session the Minister said he would find the funding. The Committee was also concerned that the partnerships were not well understood by stakeholders and did not have the resources or capacity to undertake the sort of labour market analysis it felt was required.

**51.** At the end of 2019 the Committee launched an Inquiry into **Degree Apprenticeships**. This Inquiry was disrupted by the suspension of business and subsequent refocus on the pandemic. When businesses were suspended the Committee had completed its evidence gathering and had visited the Office of National Statistics Data Science Campus to meet with a group of degree apprentices, but had not been able to take evidence from the Government. In

November 2020, once the Members felt it appropriate to restart non-COVID-19 work, the Committee published a [report on the Inquiry](#).

**52.** The welfare of apprentices and people leaving education, and the continuation of skills provision, were a key concern for Members in the early days of the COVID-19 pandemic. Whilst it was ‘all hands to the pumps’ in certain sectors, especially for health and social care apprentices, other apprentices had been furloughed or redeployed and were left with very uncertain futures – both of these presented serious challenges for the student’s health and wellbeing and the attainment of their apprenticeship. The Committee had also heard worrying evidence about a spike in youth unemployment and around the erosion of skills and training infrastructure. To this end the Committee published [The Impact of Covid-19: Skills – Early Findings](#) in June 2020.

**53.** As outlined above, Members decided to undertake a holistic inquiry into what recovery from COVID-19 should look like across the Committee’s portfolio. The [report](#) on this was published in March 2021 and from a skills, and research and innovation perspective highlighted:

- How a skills-led recovery can revitalise and re-tool the economy;
- The importance of research and innovation investment in recovery, including how this can strengthen resilience to future shocks;
- How skills can support a green, future proofed, recovery; and
- The importance of both ensuring training opportunities are available to everyone, no matter their background, and encouraging people to take training opportunities which will lead to jobs in fields where people like them are under-represented.

## Relationship with the EU/Wales after Brexit

**54.** During the Fifth Senedd the External Affairs and Additional Legislation Committee (EEAL) led work on Ports and Trade as it related to the UK’s relationship with the EU and the impact of Brexit on [Welsh Ports](#). Where matters were raised during EIS scrutiny these were taken up in correspondence with the Minister for Economy, Transport and North Wales. The Committee has been monitoring the development of Common Frameworks falling within the it’s remit, primarily in relation to late payments and public procurement. Scrutiny of finalised frameworks and implications for Wales will be a matter for the Sixth Senedd.

## Regular scrutiny items as required by Standing Order 16.1

**55.** Committee scrutiny as required under Standing Order 16.1(i) of the “expenditure, financing, administration and policy of Welsh Government, and “associated public bodies”, has included:

- General Ministerial scrutiny on a termly basis;
- In-year and annual budget scrutiny;
- Annual scrutiny of the Development Bank of Wales; and
- Scrutiny of the priorities of the National Infrastructure Commission for Wales (NICW) and pre-appointment hearings for any Chairs appointed, further details are in the infrastructure section above.

### 3. Legislation referred to the Committee

The Committee was referred a relatively small amount of legislation. The only Senedd Bill was the Bus Services (Wales) Bill, which was subsequently withdrawn by the Government due to COVID-19.

#### Bus Services (Wales) Bill

**56.** The Bill was introduced by the Minister for Economy, Transport and North Wales on 16 March 2020 and remitted to the Committee for scrutiny. The policy objective was to provide local authorities with an improved range of tools to use when planning and delivering local bus services within their area, and to improve the availability of information on bus services.

**57.** The Bill made provision for the creation of Welsh Partnership Schemes (WPS), Welsh Franchising Schemes (WFS), and for local authorities to run their own bus services. Local authorities would be able to use any or all of these options to improve bus services within their area. The Bill also sought to require operators to provide data about local bus services ('open data') which could be used to give the public access to more consistent, reliable and up-to-date information on bus services. It also sought to give local authorities the power to request information, including fare, revenue and passenger data, from bus operators on routes they have proposed to alter or withdraw.

**58.** Scrutiny of the Bill was paused due to the pandemic, and on 1 April 2020 the First Minister issued a written statement on the Government's approach to legislation in light of Covid-19. The Bill was not prioritised for progression but remained under continual review. On 15 July 2020 the Minister for Economy, Transport and North Wales, in Charge of the Bill, notified the Llywydd that the Bill was being withdrawn in accordance with Standing Order 26.79.

#### Post-legislative scrutiny of the Active Travel (Wales) Act 2013

**59.** Post legislative scrutiny of how the Act was being implemented built on initial post-legislative scrutiny undertaken by the predecessor Enterprise and Business Committee in the Fourth Assembly (Active Travel: the start of the journey - February 2016.) This work included engagement activity with focus groups, a survey and a short film, and a report published in November 2017.

## Legislative Consent Memoranda

**60.** The Committee reported on seven Legislative Consent Memoranda. Five were on UK legislation relating to non-domestic rates (i.e. business rates), including moving the dates of revaluation following COVID-19. Another was on ticket tout enforcement relating to the Birmingham Commonwealth Games Bill, and one concerned provisions in the Financial Services Bill relating to debt management and advice.

**61.** The Committee was satisfied that all of the Memoranda it reported on related to Bills which made provision for purposes within the legislative competence of the Senedd. Therefore, the Committee did not object to the Senedd approving the Legislative Consent Motions associated with any of them.





**Top left:** Launch of the Regional Skills Partnership Report at Cardiff and Vale College.

**Top right:** Members judge a pothole photography contest as part of the State of the Roads in Wales inquiry.

**Middle:** The Committee visiting British Airways Maintenance Cardiff.

**Bottom left:** Oscar Asghar MS on a Committee visit to Cancer Research UK's facility at University Hospital of Wales.

**Bottom right:** Members visiting Canton rail maintenance depot.



## 4. Priorities for the Sixth Senedd

Based on its inquiry work and engagement with stakeholders during the Fifth Senedd, the Committee considers the issues set out below to be important priorities for the successor Committee(s) of the Sixth Senedd.

### The Economy

#### **Economic development and regeneration**

- Regional Economic Development and investment in regional economies. There are many actors and many policies in the regional economic development space. The continuing development of the City and Growth Deals, particularly the Deals that were signed in the Fifth Senedd, will be important.
- How the Welsh Government's regional economic development policies and infrastructure interact with the UK Government's levelling up agenda will be an important issue. This would include the replacement of EU funding with the Shared Prosperity Fund, the UK Community Renewal Fund, the Levelling Up Fund and the Community Ownership Fund. It would also cover the development and implementation of the Corporate Joint Committees and their role in promoting economic wellbeing.
- The implementation of the OECD's Future of Regional Development and Public Investment in Wales Report.
- Regeneration of Town Centres and Communities: Transforming Town Centres; the Valleys Taskforce and supporting the most 'left behind' communities.

#### **Covid-19 Recovery**

- As discussed earlier in this report the Committee published [a report](#) on COVID recovery setting out a detailed and holistic approach to reinvigorating and re-tooling Wales' economy. This report highlights several risks and opportunities which will need to be taken and addressed in the next Senedd Term including:

- Supporting hard hit sectors including tourism, hospitality, culture/arts and hair and beauty;
- Tackling the looming surge in youth unemployment to prevent a scarred generation;
- Equality in the recovery, both making sure no one is left behind but also using the recovery to promote equality aims;
- Promoting a green recovery; and
- The future of retail as a result of the changes in behaviour during the Pandemic.

### **The future of industry and work**

- **Manufacturing future for Wales** - ongoing support for Wales manufacturing industry, and recommendations made in the Committee's report on Long-term recovery from Covid-19 on support for long-term affected sectors including aerospace and steel.
- The continuing opportunities and risks of increased **Automation and AI**.
- **Remote Working: Implications for Wales** - progress with the direction and implementation of remote working policy and its socio-economic impacts, including response to the 15 recommendations in the Committee's report debated on 17 March 2021.
- The interplay between **caring and employment**, including parenting and unpaid care. In the fifth Senedd the **Equality, Local Government and Communities Committee** published a report on parenting and employment which is an issue that straddles both Committee remits. As remote working beds in this may give people more freedom to balance care and work but also may place more expectations particularly on women as they currently undertake the majority of caring work.
- **Fair work** - scrutinising implementation of the Fair Work Commission's recommendations and addressing Fair Work issues arising from the pandemic.

## The foundational economy and public procurement

- Supporting the Foundational Economy including programmes and any proposed legislation to strengthen and support the role of public procurement to drive social value and support local supply chains.
- As well as part of the foundational economy the role of **public procurement** more general this includes strengthening Wales' public sector procurement skills and promoting the status of the procurement profession.

## Other economic drivers

- **Business Rate reform** - progress and implications for Wales.
- **Access to Banking** - scrutiny of Welsh Government's support for Banc Cambria, following the October 2019 EIS report and mapping the decline in access to cash and bank branches in Wales and its impact on people and communities.

## Infrastructure

- **National Infrastructure Commission for Wales** - its future status, role, strategic direction and leadership.
- **Strategic Spatial planning**: Future Wales: the national plan 2040 and the development of Strategic Development Plans by local authorities and Corporate Joint Committees (responsibility for scrutinising the **National Development Framework** fell to the Climate Change, Environment and Rural Affairs Committee but infrastructure issues were scrutinised by the EIS Committee).
- **Closing the digital divide**, in particular the following questions:
  - Ultrafast broadband – how can Wales catch up with the UK average?
  - How close to 100% should the Welsh and UK Governments try to get superfast broadband coverage?
  - Does the UK Government do enough to improve broadband coverage in Wales, given telecommunications is a reserved matter?

- Will a third, large-scale Welsh Government funding broadband infrastructure scheme be needed?
- Does the Welsh Government do enough with its devolved levers (e.g. planning and business rates) to improve the commercial environment for telecommunications infrastructure?

## Transport

- Covid-19 Recovery priorities - as set out in the Transport Recovery section of the Committee's report Long-term Recovery from Covid-19.
- Transport Strategy and delivery of National and Regional Transport Plans.
- Progress on decarbonisation of transport targets; achieving behaviour change and modal shift.
- Scrutiny of TfW's governance, remit and functions, e.g. responsibility for active travel; bus; transport modelling; governance and delivery of the three Welsh Metro programmes; supporting development and implementation of the Wales Transport Strategy; and its relationship with the Corporate Joint Committees.
- The future of rail services – including scrutiny of nationalised TfW Rail operations, rail infrastructure priorities; delivery of the Metro programmes; and the outcome of the Williams Rail Review.
- The future of bus services – the operation of the Bus Emergency Scheme II and the need for new funding models and legislation.
- Progress with taxi and private hire licensing reform.
- Development of the Corporate Joint Committees and their role in delivering an integrated transport network (see also economy).
- Implementation of SEWTC recommendations by Welsh Government and Transport for Wales.
- Progress with implementation of the Active Travel (Wales) Act 2013.
- Road Safety, including progress of 20mph limit pilot schemes and proposed legislation.

- Cardiff Airport - scrutiny of the rescue and recovery plan announced in March 2021.

## Skills and research and innovation

- The Committee's Long-term Recovery from COVID-19 report sets out a vision of a **skills lead recovery**.
- The Welsh Government did not fully implement the recommendations of the Reid Review in the Fifth Senedd. **Research and innovation** is known to be a key driver of productivity and will have a fundamental role in the COVID-19 recovery, yet faces fundamental challenges in Wales due to the ending of EU funding. The lack of a strategic approach to research and innovation in Wales. The Committee is concerned the Welsh Government may not fully understand its own total levels and areas of spending on these activities as this information was not provided in the budget statements.
- Redevelopment of the **Employability Plan and Employability support programmes** with a particular emphasis on the effectiveness of the currently being procured employability programme,; understanding and tracking individual learners and any "churn" between employment, training and being NEET; and with a critical focus on the skills system role in preventing mass youth unemployment.
- The further development and capacity of **Regional Skills Partnerships**, and their role in supporting COVID-19 recovery and improving Wales' economy. Particularly the development of the Mid-Wales RSP.
- The **future of the new 2021 Apprenticeship** programme including the development of new apprenticeship frameworks, degree apprenticeships and diversifying entrance to apprenticeship programmes that are usually dominated by one gender or section of society.
- The role of **Skills** in encouraging people to pursue careers in fields where people from their background are under-represented, and thus **tackling structural imbalances in the workforce**. This is particularly key in light of the opportunities presented by COVID-19 recovery.
- **Skills for the future** – skills training for the future economy. Using skills training to support the development of growth areas of the economy and the prosperity and life chances of individuals. This particularly ties

in with the Committee's COVID-19 recovery recommendations and the idea of a 'Green Recovery'.

## Relationship with the EU/Wales after Brexit

- Selling Wales to the world. This includes fostering economic relationships including promotion of trade and attraction of inward investment as well as promoting Wales to visitors to support a recovering tourism sector.
- The future of Welsh ports, in a post Brexit world including the possible development of free ports here and in the rest of the UK.
- Scrutiny of Common Frameworks, including the framework for public procurement.

## General

**62.** Members felt that both monitoring and evaluation and ensuring a joined up approach came up as themes in many of its reports and recommendations. In particular:

- Effective monitoring and evaluation against meaningful outcomes which have been set at the beginning of projects and programmes will be vital, not least to ensure COVID Recovery spending makes the best possible impact; and
- There are so many different policies and actors at play in regional development that a joined up approach will be vital to avoid at worst confusion, and at best competing and wasteful spend. Similar issues exist in transport around planning, land use and their interplay with transport policy and in research and innovation around funding sources and spend.

## Advice to future members

**63.** Whilst it is of course up to the Chair and Members of the successor committee or Committees to dictate its format and direction Members thought we would include a couple bullet points of advice as to what we found useful this Senedd term and what Members may wish to bear in mind for the Sixth Senedd:

- At the beginning of the Term the Committee held a scrutiny training session with an external facilitator. During this session we learnt a lot,

we set the goals for the Committee mentioned in the Chairs Forward and the session training helped us gel as a group. We recommend the successor committee looks to undertake a similar training and goal setting exercise.

- We talk about the need for the Government to have a joined up approach above. Joined up scrutiny is also important. Most Members in this Senedd term sat on multiple Committees and we all had our own varied constituency interests, membership of cross party groups and other non-Committee related areas of expertise. Bringing this wealth of knowledge to the table to allowed us to look at the big picture and wider effects, not just the detail, of the policy we were examining.