Alun Davies AC/AM Gweinidog y Gymraeg a Dysgu Gydol Oes Minister for Lifelong Learning and Welsh Language

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Llywodraeth Cymru Welsh Government

John Griffiths AM Chair Equality, Local Government and Communities Committee National Assembly for Wales

July 2017

New John,

Thank you for your letter dated 26 June 2017 about the three inquiries focusing on poverty, which the Equality, Local Government and Communities Committee are undertaking. It is timely that I provide you with an update about the work of the Ministerial Taskforce for the South Wales Valleys, ahead of the publication of our high-level plan "Our Valleys, Our Future" on 20 July. This follows on from the evidence I gave to the committee in September.

As I noted in September, the Valleys face a unique set of challenges and lags behind the rest of Wales in economic terms; in terms of quality and length of life and in educational attainment and skills. While poverty also presents in other communities across Wales, the problems are particularly acute across the South Wales Valleys as a whole. In addition this focus on the Valleys presents us with an opportunity to test new ways of working and use the learning to deliver prosperity for all across the whole of Wales.

We need to work differently to – and learn from – previous initiatives and programmes that have been targeted at the Valleys. The taskforce has not adopted a top-down approach – we have been working in partnership with people who live and work in the Valleys to develop the plan and will continue to do so as we deliver its ambitions.

I have been working with the Cabinet Secretary for Communities and Children; the Cabinet Secretary for Economy and Infrastructure and the Minister for Science and Skills to develop the Welsh Government's prosperity for all approach. As the Cabinet Secretary highlighted in his evidence, it is clear that poverty levels have remained stubborn across Wales – the taskforce provides a real opportunity to take a fresh look at this.

There is a lot the taskforce can learn from the Communities First programme, both in terms of what worked and didn't work and from the impact the winding down of the programme will have on Communities First areas in the Valleys.

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

The taskforce will publish a summary report of all the engagement activities undertaken alongside "Our Valleys, Our Future" on 20 July. This will present a clear evidence base of what people have told us and how it has shaped the plan. As part of the development of the plan, the taskforce considered evidence from a wide range of sources relating to tackling poverty, including: the Bevan Foundation; the Neath Economic Forum; OECD; the regional skills partnerships; the education consortia; the Joseph Rowntree Foundation; Oxfam Cymru; the What Works Centre for Wellbeing and Cardiff University.

"Our Valleys, Our Future" has been shaped into three priority areas – good quality jobs and the skills to do them; better public services and my local community. It sets out a series of high-level actions, which aim to provide a clear vision and direction of travel for the next four years.

Good-quality jobs and access to skills training was a clear priority for the people and businesses the taskforce spoke to. People told us there are not enough job opportunities within reach of their local communities and too often the jobs which are available are based on zero-hours contracts or are temporary or agency work. To address this, the taskforce has set the ambition that by 2021 we will have closed the employment gap between the South Wales Valleys and the rest of Wales. This means helping an additional 7,000 people into work and creating thousands of new, fair, secure and sustainable jobs in the Valleys.

The Minister for Skills and Science will be launching the Welsh Government's new agenda for employability. This will widen our efforts to support people who are economically inactive into jobs and create better conditions for work. The taskforce will ensure these commitments deliver maximum benefits for our Valleys communities.

We will target investment to create new strategic hubs in six areas across the Valleys. These will be areas where we focus public investment to create new jobs and further opportunities to attract private sector investment. We will work with local communities, local authorities and business to ensure the focus of each hub reflects the opportunities and demand in each area and their aspirations for the future.

These are some of the proposals in "Our Valleys, Our Future". Once published, we will work with communities and stakeholders to develop a delivery plan, which will be published in the autumn.

You query whether the taskforce has considered the impact of the winding down of Communities First on communities in the Valleys. The issue has been raised at the taskforce's public engagement events. Given the potential impact of welfare reform and the loss of EU funding, it is time for a new approach. International evidence from the OECD shows that focusing on skills and employment will help us achieve better outcomes.

Helping people into work will be supported through programmes such as Communities 4 Work, Lift and PaCE, which the Welsh Government has significantly invested in. Working collaboratively with the city deals and harnessing the wider benefits of the South Wales Metro provides us with a real opportunity to grow the Valleys economy.

Thank you for your interest in the Ministerial Taskforce for the South Wales Valleys. I will ensure the committee receives a copy of "Our Valleys, Our Future" as soon as it is published.

Alun Davies AC/AM

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