



House of Commons
Welsh Affairs Committee

Work of the Committee in 2003

Second Report of Session 2003–04



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Report and formal minutes

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The Welsh Affairs Committee

The Welsh Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Office of the Secretary of State for Wales (including relations with the National Assembly for Wales.)

Current membership

Mr Martyn Jones MP (*Labour, Clwyd South*) (Chairman)
Mr Martin Caton MP (*Labour, Gower*)
Mr Huw Edwards MP (*Labour, Monmouth*)
Mr Nigel Evans MP (*Conservative, Ribble Valley*)
Dr Hywel Francis MP (*Labour, Aberavon*)
Julie Morgan MP (*Labour, Cardiff North*)
Albert Owen MP (*Labour, Ynys Môn*)
Adam Price MP (*Plaid Cymru, Carmarthen East and Dinefwr*)
Mr Mark Prisk MP (*Conservative, Hertford and Stortford*)
Mrs Betty Williams MP (*Labour, Conwy*)
Mr Roger Williams MP (*Liberal Democrat, Brecon and Radnorshire*)

The following were also members of the Committee during the Parliament.

Mr Chris Ruane MP (*Labour, Vale of Clwyd*)
Mr Bill Wiggin MP (*Conservative, Leominster*)

Powers

The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/parliamentary_committees/welsh_affairs_committee.cfm. A list of Reports of the Committee in the present Parliament is at the back of this volume.

Committee staff

The current staff of the Committee are James Davies (Clerk), Paul Derrett (Committee Assistant) and Sarah Colebrook (Secretary).

Contacts

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Introduction

1. This Report is the fourth annual report from the Welsh Affairs Committee to the House and covers the work of the Committee during 2003.¹

2. In our Report for 2002 we noted the Liaison Committee's recommendations to establish common objectives for select committees to be reflected in select committees' Annual Reports to the House.² We noted in our report that the role of the Wales Office did not correspond closely to the role of other government departments. It is worth repeating that the Wales Office considers itself "a small policy department with few executive functions".³ Therefore many of the common objectives do not apply to this Committee. Where they are relevant they are reflected in this report. Furthermore, we have set out our work within the context of devolution, as the Welsh Affairs Committee has an important role to play in establishing closer working relations between the National Assembly for Wales and Westminster.

Reports and Inquiries

3. During 2003, the Committee was involved in six major inquiries, and published four Reports. The inquiries covered were Transport in Wales, the Primary Legislative Process as it Affects Wales, the Empowerment of Children and Young People in Wales, the draft Public Audit (Wales) Bill, the Provision of Rail Services in Wales, and Manufacturing and Trade in Wales. These inquiries cover the work of the Home Office, Department for Education and Skills, the Department for Transport, the Department for Trade and Industry and the Foreign and Commonwealth Office, demonstrating the breadth of our work in 2003.

Transport in Wales and the Provision of Rail Services in Wales

4. The first Report published in 2003 was *Transport in Wales*.⁴ The Report considered the state of all major forms of transport in Wales—rail, road, marine and air transport—and the complex network of shared responsibilities and powers between the UK Government and the National Assembly for Wales. As the provision of rail services in Wales was a central part of our Report, we felt it appropriate to hold the press conference for the Report on board a train in North Wales. This was a novel venue for a press conference and it captured the imagination of the Welsh media. The result was extensive coverage of the Report in the Welsh press and on Welsh television.

5. One of the Liaison Committee's recommendations was that Committees should place a greater emphasis on following up recommendations from previous Reports. We were

1 The first annual report (Welsh Affairs Committee, First Special Report of 2000-01, *The Work of the Committee Since Devolution* (HC 81)) was published on 21 December 2000. The second annual report was published as Appendix T to the First Report from the Liaison Committee, Session 2001-02, *Work of Select Committees 2001*, (HC590). The third annual report (Welsh Affairs Committee, Third Report of Session 2002-03, *Work of the Committee in 2002*, (HC263)) was published on 6 February 2003.

2 Welsh Affairs Committee Third Report of Session 2002-03, *Work of the Select Committee in 2002*, HC263, Para 2.

3 Welsh Affairs Committee Third Report of Session 2002-03, *Work of the Select Committee in 2002*, HC263, Para 2.

4 Welsh Affairs Committee, Second Report of Session 2002-03, *Transport in Wales*, HC205.

unimpressed with a number of the Government's responses to our recommendations relating to the rail services in Wales. Therefore, we agreed to a follow-up inquiry that would concentrate on the provision of rail services in Wales, and on the award of the new Wales and Borders rail franchise. During the course of the inquiry we took evidence from the Strategic Rail Authority, Network Rail, Virgin Trains, First Great Western, Arriva Cymru, the Rail Passengers Committee and Dr Kim Howells MP, Minister of State for Transport. We expect to publish a report early in 2004.

The Primary Legislative Process as it Affects Wales

6. Our second Report published in 2003 was on the Primary Legislative Process as it affects Wales.⁵ We decided to scrutinise this issue following representations from Assembly Members, including the Panel of Committee Chairs and in the light of the Assembly Review of Procedure.⁶ We took evidence from Parliamentary Counsel; the Presiding Officer and Deputy Presiding Officer of the National Assembly; the First Minister of the National Assembly; and the Secretary of State for Wales.

7. Our report did not seek to comment on the devolution settlement for Wales. Rather it considered the effectiveness and efficiency of the current process of passing legislation for Wales, at Westminster. Our recommendations and conclusions fell into two categories. One set of recommendations was directed at Government, while the other set was directed at the House of Commons. In the first, we made a number of recommendations to improve access to information on Bills that affected Wales. These recommendations were broadly welcomed by the Government in its response to the Report. The second set of recommendations addressed current limitations for joint working between Parliament and the National Assembly for Wales. In particular, we recommended that House of Commons' procedures should be amended to allow for formal joint working between the Welsh Affairs Committee and the Committees of the National Assembly on issues of mutual interest; for an annual joint meeting between the National Assembly for Wales and the Welsh Grand Committee; and for a mechanism for Assembly Members to be able to register formally their views on legislation passing through Parliament that directly affected Wales. We have written to the Procedure Committee with our proposals for such changes, and look forward to that Committee's consideration of our proposals in due course.

8. Later in 2003, we held a joint meeting with the Panel of Chairs of the National Assembly who declared its support for our recommendations. As a result of that meeting, a joint letter was sent by the Chairman of the Welsh Affairs Committee and the Presiding Officer of the National Assembly to the Procedure Committee reinforcing the support of both this Committee and the Panel of Chairs for formal joint working.

Empowering Children and Young People in Wales

9. Our major inquiry in 2003 was the Empowerment of Children and Young People in Wales. The inquiry focused on political participation; citizenship and active communities; diversity; youth justice; the UN Convention on the Rights of the Child; and the relationship

5 Welsh Affairs Committee, Fourth Report of Session. 2002-03, *The Primary Legislative Process as it affects Wales*, HC79

6 www.wales.gov.uk

between the National Assembly for Wales and Westminster on policy development. We held eight oral evidence sessions and visited Wales on three times during the course of the inquiry. We expect to publish our report on the Empowerment of Children and Young People in Wales early in 2004.

10. We were conscious that any inquiry into children and young people would be devalued if it did not canvass the views of children and young people. Therefore in addition to meeting children and young people in an informal setting, we took formal evidence on two occasions from young people; from sixth formers at Pantycelyn School and from Funky Dragon, the Welsh Youth Assembly. Young People also attended evidence sessions, alongside adult witnesses, as representatives of organisations directly involved with children and young people.

11. When we took evidence from representatives from Funky Dragon at Westminster, we were aware that at least one of our witnesses spoke Welsh as a first language. Therefore we supplied simultaneous translation for the duration of that evidence session. It is a practice that we have often used when we take evidence in Wales. However, this was the first time that a witness had given evidence in Welsh to a Select Committee at Westminster.

Manufacturing and Trade in Wales

12. On 17 July we announced our inquiry into Manufacturing and Trade in Wales. This will be the Committee's major inquiry for 2004. The inquiry will concentrate on the transformation of traditional industrial and rural economies; UK Government and EU involvement and assistance; UK Government policy on manufacturing and trade in Wales; the impact of trade tariffs on Wales; the maintenance of existing Foreign Direct Investment in Wales, and encouragement of new Foreign Direct Investment; the role of Research and Development in job and wealth creation; support for small and medium sized enterprises; and links between Universities and the productive economy.

13. We held one evidence session on this inquiry in 2003. We also visited Los Angeles, Atlanta and New York where we met with a large number of US companies who were significant investors in Wales. A full programme of evidence is planned for the first half of 2004.

Oral Evidence

14. Our programme of work for 2003 concentrated predominately on inquiries that were planned in advance. However, there are occasions when we need to react to current events. In June 2003, Members with Welsh Constituencies were contacted by staff and Trades Unions at Customs and Excise in Wales about the reorganisation of Customs and Excise in Wales. We decided that the management of this reorganisation in Wales merited scrutiny. Therefore we took evidence from both the Trades Union and Customs and Excise officials on the management of the reorganisation, and its effects on the patrolling of ports and the coastline in Wales.⁷ We will continue to monitor this issue during the new year.

⁷ Minutes of Evidence and Written Evidence for Tuesday 1 July 2003 *Changes in Customs and Excise Operations in Wales*, Session 2002-03, HC916

Legislation

Draft Public Audit (Wales) Bill

15. The Liaison Committee recommended that select Committees play a more prominent role in pre-legislative scrutiny. This is a task that the Welsh Affairs Committee takes seriously. The Government has made clear its intention to publish one draft Bill for Wales each parliamentary year and we have undertaken to scrutinise each these draft Bills as and when they are published.⁸

16. In 2002, the Government published the draft National Health Service (Wales) Bill. Despite the short timescale, we held a short inquiry, and published a Report in time for the debate on the draft bill in the Welsh Grand Committee.⁹

17. The Government published the second draft Wales only Bill, the Draft Public Audit (Wales) Bill on Thursday 3 April 2003. The draft Bill set out the Government's proposals to create a more unified public accountability framework for Wales. We took evidence from the Auditor General for Wales and the Audit Commission; representatives of Welsh Local Authorities and the Welsh Local Government Association; Sue Essex, Assembly Minister for Finance, Local Government and Public Services; and Don Touhig MP, the Parliamentary Under-Secretary of State for the Wales Office. The Report was published on 10 July,¹⁰ in time for the debate on the draft Bill in the Welsh Grand Committee on 15 July. The Government's response to our Report welcomed a number of our recommendations.¹¹

18. At the time of this Report we have not received any formal advance indication of the timing or subject matter for the draft Wales only Bill for this Session.

Future Programme

19. Our main inquiry for the first half 2004, will be into Manufacturing and Trade in Wales. We will also continue to promote our proposals for closer working relations with the National Assembly for Wales.

Government Responses

20. In our last Annual Report we were pleased to note that the Wales Office had improved its performance and, in general, responded to last year's Reports within the two-month deadline. However, over the last 12 months its performance has slipped. While the responses to our Report on Broadband in Wales¹² and Transport in Wales¹³ fell just within the two month deadline, the Government Response to our Report on the Primary

8 Welsh Affairs Committee, Third Report of Session 2002-03, *Work of the Committee in 2002*, (HC263), para 15.

9 Welsh Affairs Committee, Fifth Report of Session 2002-03, *the draft Public Audit (Wales) Bill*, HC763, para 1.

10 Welsh Affairs Committee, Fifth Report of Session 2002-03, *the draft Public Audit (Wales) Bill*, HC763.

11 Welsh Affairs Committee, First Special Report of Session 2003-04, *The Government Response to the Fifth Report of the Committee Session 2002-03: The Draft Audit (Wales) Bill*, HC87.

12 Welsh Affairs Committee First Special Transport in Wales: Response of the Government to the First Report of the Committee of Session 2002-3, HC413.

13 Welsh Affairs Committee Second Special Transport in Wales: Response of the Government to the Second Report of the Committee of Session 2002-3, HC580.

Legislative Process as it affects Wales¹⁴ was nearly two months late. Furthermore the Government Response to the report on the Draft Public Audit (Wales) Bill was three months late. That delay represented a longer period of time than that which we were given for scrutiny of the draft Bill.

21. The Welsh Assembly Government continues to respond to our reports by means of an oral statement at the National Assembly. We welcome its continued interest in our work.

Devolution

22. The Committee is keen to continue to play an active part in post-devolution Wales. In 2002 the Chairman of the Committee, along with the Chairmen of the Northern Ireland Affairs and Scottish Affairs Committees, gave evidence to the House of Lords Constitutional Committee on its inquiry into the working of devolution.¹⁵ This year the Committee was invited to meet with the Richard Commission which is considering the powers and electoral arrangements of the National Assembly for Wales. The meeting focused on the Committee's report on the Primary Legislative Process as it affects Wales.

23. In addition to *ad hoc* meetings with National Assembly Committees, this Committee and the Panel or Chairs of the National Assembly have agreed to hold twice yearly meetings to discuss issues of mutual interest.

Examination of the expenditure and administration of the Wales Office

24. On 25 June 2003 we took evidence from the Secretary of State for Wales and his senior officials on the Wales Office Departmental Report.¹⁶ In advance of the evidence session we requested a memorandum from the Wales Office that covered the detailed information on the policy, finance and administration of the Department. This gave us the opportunity to question the Secretary of State and his officials on wider issues and themes. Two particular issues emerged. One was the Secretary of State gaining the additional role as the Leader of the House. The other issue was the development of relationships between the Wales Office and the newly created Department for Constitutional Affairs. It is too early to judge the impact that the Department for Constitutional Affairs will have on the Wales Office; this will be an area that we will monitor over the next year.

Visits to Wales

25. Six of our thirty four formal meetings were held in Wales. We also held many informal meetings with individuals and organisations in Wales. Over the course of the last year we met with nearly 300 representatives from Wales in Llandudno, Bangor, Rhyl, Llandovery, Ammanford, Llanelli, Swansea, Cardiff and Newport. We regard these meetings as vital to

14 Welsh Affairs Committee Third Special Transport in Wales: Response of the Government to the Third Report of the Committee of Session 2002-3, HC989.

15 Welsh Affairs Committee Third Report of Session 2002-03, *Work of the Select Committee in 2002*, HC263

16 Minutes of Evidence for Wednesday 25 June 2003, *The Wales Office Departmental Report 2003*, HC883 of Session 2002-03.

our inquiries and they ensure that we can accurately gauge the views and concerns of the people of Wales.

Relations with the National Assembly for Wales

26. Wherever possible, we consult with our colleagues at the National Assembly. We continued this practice during 2003. We took evidence from Sue Essex, the Assembly Minister for Finance, Local Government and Public Services when we considered the draft National Health Service (Wales) Bill. We also took evidence from Jane Hutt, Assembly Minister for Health and Social Services, Children and Youth Justice during our inquiry into the Empowerment of Children and Young People in Wales.

27. In addition to those formal meetings we also held informal meetings with National Assembly Committees, and Ministers as part of our inquiries into Railways in Wales and Manufacturing and Trade in Wales. Furthermore, Christine Gwyther AM, the Chair of the National Assembly's Economic Development and Transport Committee joined us on our visit to West Wales during our scrutiny of the reorganisation of Customs and Excise in Wales. These meetings are useful but as we mention earlier in this Report, formal joint meetings would offer a far better opportunity for really effective joint working.

Conclusion

28. We have continued to monitor Government policy as it affects Wales and to provide a voice for Wales at Westminster. We have also offered proposals to enhance cooperation between the two institutions and to improve the scrutiny of policy that affects Wales. We look forward to continuing this role during the next year.

Formal minutes

Tuesday 6 January 2004

Members present:

Mr Martyn Jones, in the Chair

Mr Martin Caton
Mr Nigel Evans
Mr Hywel Francis

Ms Julie Morgan
Mrs Betty Williams

The Committee deliberated.

Draft Report (Work of the Committee in 2003), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 28 read and agreed to.

Resolved, That the Report be the Second Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

Ordered, That the provisions of Standing Order No.134 (Select committees (reports)) be applied to the Report

[Adjourned till Wednesday 14 January at 3.00pm.]

Reports from the Welsh Affairs Committee since 2001

The following reports have been produced by the Welsh Affairs Committee in the 2001 Parliament.

Session 2003–04

First Special Report	Government Response to the Fifth Report of Session 2002–03, The Draft Public Audit (Wales) Bill	HC 87
First Report	The Empowerment of Children and Young People in England and Wales	HC 177 i&ii

Session 2002–03

First Special Report	Government Response to the First Report of Session 2002–03, Broadband in Wales	HC 413
Second Special Report	Government Response to the Second Report of Session 2002–03, Transport in Wales	HC 580
Third Special Report	Government Response to the Fourth Report of Session 2002–03, The Primary Legislative Process as it affects Wales	HC 989
First Report	Broadband in Wales	HC 95
Second Report	Transport in Wales	HC 205
Third Report	Work of the Committee in 2002	HC 263
Fourth Report	The Primary Legislative Process as it affects Wales	HC 79
Fifth Report	Draft Public Audit (Wales) Bill	HC 763
Minutes of Evidence	The Wales Office Departmental Report 2003	HC 883
Oral and Written Evidence	Changes in Customs and Excise Operations in Wales	HC 916

Session 2001–02

First Special Report	Government Response to the First Report of Session 2000–01, Wales in the World	HC 270
Second Special Report	Response of the National Assembly for Wales to the First Report of Session 2000–01, Wales in the World	HC 311
Third Special Report	Response of the National Assembly for Wales to the Third Report of Session 1999–2000, Social Exclusion in Wales	HC 604
Fourth Special Report	Response of the Government and the Welsh Assembly to the Second Report of the Committee of Session 2001–02, objective 1: European Funding for Wales	HC 1169
Fifth Special Report	The draft National Health Service (Wales) Bill: Response of the Government to the Third Report of the Committee of Session 2001–02	HC 1215

First Report	The Children's Society in Wales	HC 525
Second Report	Objective 1 European Funding for Wales	HC 520
Third Report	The Draft National Health Service (Wales) Bill	HC 959
Fourth Report	The Children's Society in Wales: Responses from the Government and The Charity Commission to the First Report of the Committee of Session 2001-02	HC 989
Minutes of Evidence	The Wales Office Departmental Report 2002:	HC 1216