Media presentation - speaking notes

<u>Introduction</u>

- Welcome to the Millennium Centre and thank you for coming.
- Would like to introduce my fellow Commissioners Jane Davidson, Eurfyl ap Gwilym, Lord Bourne, Rob Humphreys, Helen Molyneux, Noel Lloyd and Trefor Jones. - [Introduce]. Members of the secretariat are also here.
- Purpose of this event is to provide you with a short presentation on the recommendations in the Commission's second report published today and invite questions.
- Hard copies of the report and executive summary are available to you, and the report is also available on line.
- You will be familiar with the background to our report.
- We have spent the past <u>fourteen14</u> months <u>considering looking at possible</u> modifications to improve Wales's devolution settlement.
- We <u>ha</u>'ve worked consensually, and this report has been fully agreed by us all.
- The Commission was set up by the UK Government, and we have also been supported by the Welsh Government, Presiding Officer and Assembly parties.
 We are very grateful to all of them.
- Our report has wide terms of reference and draws upon a wide breadth of experience and evidence. We were determined from the outset to identify a set of recommendations which would be in the best interests of both Wales and the UK as a whole. We believe our report does this.

Terms of reference

- Here are our terms of reference in case you are not familiar with them
- <u>They were —set by the UK Government butand</u> agreed with the parties in the Assembly
- And it is to the UK Government that we report

Process

- We wanted In undertaking our task, Wwe aimed to be open, transparent and consensual in all that we did.
- Some headlines:
 - Over 400 people attended the We travelled across Wales, holding sixteen 16 public events we held all over Wales with over four hundred 400 people attending
 - o , and We rRreceived 200 even more responses than in Part I over two hundred 200 evidence submissions, and more than five hundred 500 questionnaire responses more responses than in Part I.

-

- O <u>In addition-Wwe polled commissioned and published a professional opinion poll with-more than two thousand people for our opinion poll 2000 people surveyed.</u>
- 0 We invited experts <u>from a whole variety of fields</u> to oral evidence sessions
- O <u>We_from practitioners and business and held expert sessions at hosted by a number of universities throughoutin</u> Wales.
- O We visited Scotland and Northern Ireland to find out about their experience of devolution and to explore some issues given in evidence.
- O And Wwe also took evidence in England, including meeting MPs and Peers and officials from UK Government departments.
- Our recommendations emerged out of the evidence which we received.
- Our remit also required us to ensure a wide degree of support
- and <u>W</u>we have put forward recommendations only where we think there is such support.

<u>Vision</u>

- This is the vision we formulated as a basis for our work We began by considering a vision of what we understood our task to mean.
- <u>It Our vision is set out here and</u> was refined in the light of discussion <u>atin</u> our public consultation events.
- We believe that our recommendations will help achieve this vision

Principles

- And also agreed supporting principles against which we assessed the case for change, based on the evidence we received.
- They are broadly similar to our principles in Part I.
- We <u>also wanted our report to were keen that any revised settlement case for change to the current settlement should</u> be based on clear principles, <u>drawn</u> from the evidence we received.
- Here are those principles simple, powerful ideas and ones against which we judged all our recommendations—

These were based on the evidence we received.

The themes of empowerment and responsibility run through both our reports.

Our findings

- Let me-now summarise what we found-from our evidence.
- The Welsh devolution settlement is not well understood by the public.
- It is not as clear has a lack of clarity compared to the settlements for , and is less clear than those of Scotland and Northern Ireland.

•

- We heard that the settlement had developed without an overall scheme or set of principles.
- There is broad, solid support for devolution and the majority of people were in favour of further powers:
 - Sixty two (62 per cent in our opinion poll favoured more powers for the Assembly or independence;
 - thirteen 13 per cent wanted fewer powers or abolition of the Assembly; and
 - 0 <u>twenty four 24</u> per cent favoured no change).
- People's expectations are that, wherever power lay, governments and elected politicians should work together in the interests of the public.
- We did hear a significant minority view However some people were critical of the way devolution has operated to date, with some p-eople telling us that existing powers had not been exercised as well as they could have been, or that there had been too much focus on Cardiff and south-east WalesThey thought that powers used to date had not been used well and Wales had done badly under devolution relative to other parts of the UK.
- Additionally, some parts; and Also that particular areas of Wales feltneglected, suggestinghighlighting that with the focus was mainly usually on Cardiff: rather gaining more than anywhere else.
- It was not part of oBut it is very important to emphasise that it was not our job Our remit was not to say whether any government in Cardiff or London has done its job well.
- Our job was to recommend to evaluate the policies of the UK and Welsh
 Governments, rather where powers ought to lieay though w-e do want to
 see constitutional stability so that the debate about processes become a
 debate about outcomes
- However, But wWe did however look at the capacity of the Welsh public sector, to deliver devolution successfully and how scrutiny could be improved, and as well as how the UK Government and Parliament consider Welsh matters.

Recommendations

- These findings set theour agenda for our recommendations
- The cumulative effect of our recommendations will, which are:
 - 0 recommendations achievefor a clearer settlement;
 - o recommendations to make the distribution of powers more coherent and exercised at the right level;
 - 0 recommendations improve for better inter-institutional working; and
 - 0 <u>recommendations enhance</u>for improved scrutiny and performance.
- Let me amplify each of these points will now summarise our recommendations on each in turn.

To clarify settlement

- I will summarise our recommendations on each in turn.
- The single issue on which we received most evidence was the model of devolution.
- In Wales powers are held by Westminster unless <u>specifically</u> conferred <u>uponto</u> the National Assembly.
- In Scotland and Northern Ireland, everything is within the powers of the Scottish and Northern Irish legislatures and governments 's can do anything unless are limited only by what it is specifically reserved to Westminster.
- Interestingly, we could not find another state in the world which has both the conferred and reserved powers models operating. in different parts of the same union as we do in the UK.
- The evidence was overwhelmingly in favour of <u>a</u> reserved power model. But we still explored <u>the arguments on either side at some length</u> what possible arguments there would be for the present model.
- We <u>conclude</u>believe that the reserved powers model would be better for Wales.
 - O It would be clearer for the public, for the institutions and for civilsociety to understand that the National Assembly is responsible for everything unless Parliament has reserved it.
 - 0 <u>it</u>That would allow more confident, effective government
 - o it would improve accountability
 - o and moving to the new model would in itself bring about a better thought-through devolution settlement, and for the public to better understand who needs to be held to account.
- It would be foolish to present a move to a reserved powers model as some sort of panacea, but we are absolutely sure that it is a fundamentally important change
- <u>Change We found it difficult to see why in principle Wales should be different from the other two devolved administrations.</u>
- It would require a new act, which would offer the opportunity <u>for</u>of a proper_ly_ considered and simpler approach to a new devolution_ settlement, rather than the more expedited devolution acts we've seen.
- We would stress that this change It is not athe panacea to solve all the issues
 that were raised with us. And it does not in itself change the powers that
 Wales has. But it would be's a simpler, clearer basis for devolution.

Coherent powers

- <u>Does The next question is whether</u> the National Assembly has the powers it ought to have?
- We examined many areas.
- We did not hear much support for return of powers to Westminster. In addition

- <u>Wwe</u> think the majority of the powers currently with Westminster should <u>not</u> <u>be changed, remain there</u>_including:
 - o defence and foreign policy,
 - 0 -macroeconomic powers,
 - o social security,
 - o defence and foreign policy, and
 - 0 immigration.
- <u>There are other areas where But we do recommend that some further devolution powers should be devolved.</u>
- The next slides give <u>an outline</u>, <u>and</u> <u>some of the headline conclusions but</u> there is much more detail in the report.
- <u>Including a number of recommendations on a range of other subjects such as the devolution of teachers pay.</u>

Energy, water and transport

- <u>First, Wales's-natural resources: an important area that is overly complex-are-important—we are an exporter of energy and water.</u>
- To <u>make the management of our</u> natural resources more <u>efficient and clearly accountable</u>, <u>effectively</u>, we recommend further devolution of energy consenting powers increasing the threshold of devolved decision-making from 50MW to 350MW, creating a more devolved and simpler regime.
- We also recommend simplifying the <u>complexity around water.</u>, <u>including by T-making the national boundary should the basis of competence, though</u>, <u>currently complex powers in relation to water, including aligning the devolved competence of the National Assembly with the Welsh boundary, although <u>Wwe recognise more work needs to be undertaken on the practical implications</u> the need for more work by the two Governments on the details.
 </u>
- In order To make Tto allow the Assembly to take a holistic view of transport_planning more coherent to be considered more holistically, we recommend the devolution of ports, rail, bus and taxi regulation, speed and drink/drive limits and aspects of rail, including -
- We provide further detail in our report. For example, on rail we recommend the full transfer of funding for Network Rail devolution of the Arriva train franchise and funding Network Rail in Wales.

Broadcasting

- Broadcasting plays a key cultural and economic role in Wales
- Regulation of broadcasting should be done at a UK level, but with a stronger
 Welsh voice in Ofcom, but would not be suitable for full devolution. We-

- <u>recommend the maintenance of the UK wide responsibility for regulation of broadcasting.</u>
- <u>DWe recommend the direct government funding for S4C be transferred from the UK Government the Department for Culture Media and Sport to the Welsh Government.</u>
- But while preserving ithout changing the arms length relationship. and UK wide broadcasting regulation.
- A BBCReflecting the BBC's dominance in broadcasting in Wales, we recommend the establishment of a Wales Trust should established within the overall UK governance structure of the BBC. While we do not recommend devolving powers to the Assembly in relation to the BBC, we do recommend strengthening the Welsh dimension of governance of the BBC within the UK Trust framework.

Policing and justice

- The largest area of responsibility we suggest be transferred is policing and justice.
- We believe that Devolution of policing would make allow crime and causes of criminality to be tackled together and bring responsibility for Welsh emergency and public services to be held together should be devolved to align more effectively policies for tackling crime, emergency services and public services that relate to crime and criminality.
- That said, we want policing to operate effectively throughout the United Kingdom, and that means that we believe that the powers of We are clear that the police should remain the same in Wales and England and that 's powers of the police to arrest, the National Crime Agency, with its work dealing with serious crime including counter-terrorism, work should not be devolved.remain responsibilities of the UK Government.
- On justice, we recommend that the youth justice system should be devolved.; aligning with devolved local government.
- We also see a persuasive case for devolving prisons and probation, though this would require a detailed review of how <u>itthis</u> should be implemented.
- We make a number of recommendations for improving the accessibility and visibility administration of justice in Wales.
- However Aat present, there appears to be an insufficient consensus to
 devolve the whole of the justice system, but like the courts and judiciary, and
 we recommend a further review within the next ten years. to be completed
 and implemented by 2025.
- We do however make a number of recommendations for improving the administration of justice in Wales.
- We also make a number of more specific recommendations on a range of other subjects such as the devolution of teachers pay.

To improve how devolution works

- Beyond modification <u>ofto</u> powers, we <u>have</u> also looked at how the <u>existing</u> devolution settlement could <u>be made to</u> work better <u>forin</u> Wales.
- We make a number of recommendations for improving intergovernmental relations.
- We propose, such as establishing a Welsh Intergovernmental Committee be established as a formal Wales-only inter-governmental mechanism to encourage to foster more effective joint working, including in relation to EU matters.
- We want to improve the way also make suggestions In addition there is scope for improving how the way in which the UK Parliament and National Assembly work with each other, and we make recommendations about this, including increasing awareness in the UK Parliament of what the National Assembly does, while respecting their two roles.
- For With regard to how We looked at the operation of the National Assembly itselfoperates, we and. The National Assembly is more heavily constrained than the Scottish Parliament and we want to see make a number of recommendations for removing outdated constraints removed allowing greater self-control by the Assembly of its own functioning arrangements.
- Cross border issues were raised with us, and Wwe heard a lot about cross-border issues, and we make a number of recommendations that should helpfor the citizen who lives in border areas to be better served by the two governments on cross border matters, for example, in healthcare and road investment.
- Some evidence People questioned whether the Welsh public sector has the capacity to deliver further devolution. Where powers are transferred, it is expected there would also be a transfer of administrative resources.
- We think that Welsh civil servants should continue to be part of the British civil service, and welcome efforts. But there is a need to improve the effectiveness of the Welsh public sector.
- We also make recommendations on how devolution can be handled better in Whitehall, and how civil society in Wales can be <u>better</u> engaged <u>in the</u> governance of Waleswith better.

To enhance scrutiny and accountability

- With increased powers comes increased responsibility. and www e make a number of recommendations to promote more effective scrutiny and performance.
- Much of the evidence called for more effective <u>scrutiny by the National</u> Assembly <u>scrutiny</u>.
- -We make recommendations for short term improvements within the National Assembly's existing powers, and beyond that for a larger National Assembly, although, though we do not recommend a specific size, partly because t

- However, the related issue of the implications for the electoral system wais
 outside our remit, and we chose to not suggest a specific size for the
 Assembly.
- However-Wwe do recognise the argument that any increase would need to be considered in the context of alongside reduced overall political representation in Wales - but, again, the number of Welsh MPs and Welsh councillors is not within our remit.
- There are a number of UK bodies which play a key role in Wales where we are not recommending devolution of powers but an enhanced focus on their role in Wales, including <u>Ofcom</u>the <u>BBC</u>, <u>the</u> Crown Estate, <u>and</u> research councils.
 and the Department for Work and Pensions.
- We were concerned by the recommend greater transparency and accountability. There is lack of clear and comparable data across the UK on the economy and public services, and we suggest improvements which we suggest should be improved on which we make recommendations for improvement.
- Our report also highlights the importance of identifying across the UK what policies that work best across the UK and of Governments being unafraid to learn from each other, as devolution matures. The role of the Wales Audit Office and National Audit Office in spreading best practice is important.

<u>Implementation</u>

- As required by our remit, we have also set out an implementation plan.
- This envisages We recommend a phased programme over ten years: --
- Our recommendations fall into with three categories of recommendations.
 - O <u>First, There are ilmprovements</u> to the administration of devolution which can be implemented immediately.
 - O <u>LSecond, There are some changes which require legislation in the Parliament elected in 2015 to introduce, including</u> the reserved powers model <u>- and further devolution</u> of more powers. While we do not think a referendum is necessary <u>if we do think</u> the changes <u>are need to be</u> endorsed in party manifestos at the next elections with <u>legislation in the next Parliament</u>.
 - O <u>AFinally there is the a</u> further review of <u>the administration of</u> justice, to <u>which should</u> be completed and implemented by 2025.
- Any transfer of powers would need to be accompanied by a fair and agreed transfer of resources.

Overall impact

- What is e have considered the overall impact of our set of recommendations?
- Our report delivers a stable, long-term settlement which will better serve and empower the people of Wales.
- There should not be significant additional costs this is about transferring responsibilities, rather than <u>duplicating them or</u> creating new ones.

- Our recommendations# provides the potential for better policy making in Wales by creating a more coherent policy framework, benefitting households and business alike.
- Our recommendations are It is consistent with developments across the rest of the UK and sets a clear path for Wales's future.
- Our remit <u>was to recommend how</u>is about the people of Wales <u>could bebeing</u> better served
- On the basis of careful consideration of the evidence we have made —our recommendations say how we think institutions and politicians can better serve Wales, and
- <u>lit</u> is now for the UK Government <u>(and parties in their manifestos)</u> to consider and respond to our recommendations.
- Pleased that it has been unanimously agreed, and hope there will be continuing cross-party agreement on our proposals.

Over to you

- That is all I have to say by way of introduction.
- The Commissioners would welcome your questions.
- Perhaps you could also say who you are and where you are from.