



Canolfan
Llywodraethiant Cymru
Wales Governance
Centre

Culture, Communications, Welsh Language, Sport and International Relations: Priorities for the Sixth Senedd

Consultation response by Wales Council for Voluntary Action (WCVA) and the Wales Governance Centre (WGC).

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Introduction

1. We would like to thank the Culture, Communications, Welsh Language, Sport and International Relations Committee for the opportunity to feed into the setting of its priorities for the Sixth Senedd. This response has been written in collaboration by WCVA and the WGC in the context of the Wales Civil Society Forum on Brexit – a partnership project to support the voluntary sector in Wales with the UK's withdrawal from the EU and relates to the International relations part of the committee's remit, most notably in relation to Brexit. Co-ops & Mutuals Wales and Cytûn have also contributed input.
2. **WCVA** is the national membership organisation for the voluntary sector in Wales. Its vision is for a future where the third sector and volunteering thrive across Wales, improving wellbeing for all. Its purpose is to enable voluntary organisations to make a bigger difference together.
3. The **WGC** is a research unit sponsored and supported in the School of Law and Politics, Cardiff University. It undertakes innovative research into all aspects of the law, politics, government and political economy of Wales, as well the wider UK and European contexts of territorial governance.
4. This response is based on our work in relation to the UK's withdrawal from the European Union and is specific to the committee's international relations remit, including Wales' relationship with European and global partners as well.

What issues should the committee prioritise in planning our work programme for the immediate and longer term?

1. In the field of international relations, the EU-UK Trade and Cooperation Agreement (TCA) creates a complex institutional structure to oversee and review the UK/EU relationship. This includes Specialised Committees, Working Groups, the Trade Partnership Committee and the Partnership Council. It also requires both parties to consult with civil society on the implementation of the Agreement. Domestically this is to take place through Domestic Advisory Group(s) (DAG) and transnationally through the Civil Society Forum (CSF).¹ Given the intersections between the TCA and devolved competence, it is important that UK representation in these structures is inclusive of perspectives from Wales. However it is unclear at the moment how this will take place or how the Welsh Government is to be involved in the other governance bodies. We recommend that the Committee scrutinise the Welsh Government's efforts to secure meaningful, structured and timely input. This will also facilitate coordination and engagement with civil society in Wales ahead of key TCA meetings.
2. The TCA's provisions on parliamentary cooperation include the optional establishment of a Parliamentary Partnership Assembly, to exchange views between Members of the European Parliament and the UK Parliament on the implementation of the Agreement. We recommend that the Senedd, with its counterparts across the UK, consider how devolved input will also be facilitated into this structure.
3. We welcomed the launch of the International Strategy for Wales last year and the Welsh Government's commitment to establish Wales as an outward looking and globally responsible nation. Although there is no dedicated ministerial portfolio for international relations currently, the ambitions and visions set out in the strategy remain relevant. In the context of Brexit having a negative impact on the underlying conditions for civic society cross-border cooperation, the Welsh Government will need to foster an environment that empowers organisations to identify and seize opportunities to collaborate both with the EU and globally.
 - 3.1 The desire to maintain existing links and build new connections with European partners after the UK's withdrawal from the EU, and for Wales to retain its international outlook has been highlighted as one of the top post-Brexit priorities for our sector. These relationships provide a valuable opportunity for organisations to share learning and best practice, and to collaborate on shared interests and concerns. The UK's withdrawal from the EU, and from most EU programmes may inhibit momentum in this area and will create gap in the provision of cross-border cooperation activities.

¹ UK / EU Trade and Cooperation Agreement, articles 12-14. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/982648/TS_8.2021_UK_EU_EAEC_Trade_and_Cooperation_Agreement.pdf

3.2 In response to these concerns, we welcomed the Welsh Government's efforts to support cross-border cooperation via the recent SCoRE Cymru call which aims to facilitate access to Horizon Europe and to increase Irish Sea cooperation thus mitigating the eventual cessation of the Wales Ireland ETC programme. We are also aware that the Welsh Government has sought to address these concerns under the Framework for Regional Investment. This contains a dedicated international and cross-border working section which discusses an 'Agile Fund' to invest in small-scale cross-border and international opportunities and an 'Agile Fund Plus' to invest in larger scale opportunities. We suspect these plans may have been hindered by the passage of the UK Internal Market Act which it appears is facilitating a centralisation of replacements for EU Funding that bypasses the Welsh Government. We recommend that the Committee scrutinise the Welsh Government's continued efforts to ensure that the landscape in Wales is supportive of cross-border opportunities despite these challenges.

3.3 As reflected in the International Strategy as well, building relationships with partners outside the UK is not limited to the EU and Europe, for example Wales already has well established programmes in Africa. It is important to note that civic society makes a significant contribution to building these links, which often happens outside the formal structures as relationships develop irrespective of the government but these operate in a climate clearly supported by Ministers and should not be neglected. For example, Co-ops & Mutuals Wales reflected to us that during 2021-2022 they plan to explore important opportunities for peer-to-peer learning between Welsh and Malaysian High Schools. They also noted wider interest amongst schools in developing international links, with one head teacher highlighting the value of existing links their school has with a School in Lesotho. Cytun have also noted in discussions on Brexit, that opportunities like twinning remain possible and should be encouraged.

3.4 We welcome the Welsh Government's plan to launch a new International Learning Exchange programme which will include staff mobility and strategic partnership as well, however, it is unclear whether international volunteering will be an eligible activity under this programme. The loss of access to the European Solidarity Corps is a significant blow for these volunteering opportunities in Wales, and we hope that the Welsh Government will address this gap in the programme.

How does Brexit and the new UK-EU relationship affect you or your organisation?

Systemic effects on landscape the voluntary sector operates within

1. WCVA and the WGC have been engaging the voluntary sector in discussions on the impact of Brexit prior to and after the end of transition. Since the end of the transition period several themes have emerged from these conversations. Brexit is fundamentally altering the landscape and territorial governance within which our sector operates, leading to systemic changes. How the sector prioritises which policy levels it monitors and engages with to influence is likely to also need reconsidering for some. The UK Government is centralising the control of post-EU funding streams and establishing new teams in Cardiff (including from MHCLG, BEIS and DIT). The sector will need to understand these changing patterns and build relationships where necessary with, for example: MPs who will have a new role to play in funding, the UK Government itself in Cardiff and Whitehall and new bodies being established like the Office for Environmental Protection and the Independent Monitoring Authority on EU citizens' rights. Crucially this new balance includes changes in how organisations work across European, UK and Welsh levels.
2. Brexit continues to be a source of uncertainty as we have yet to feel the full effect of many changes:
 - 2.1 EU funding does not fully end until 2023 and some impacts have been delayed or masked by Covid-19 (limits on international mobility for example)
 - 2.2 Not all expected changes have been implemented (the governance mechanisms of the TCA for example)
 - 2.3 and potential changes to the domestic legal landscape at the UK level are ongoing
3. There are several defining features of this new policy landscape contributing to this uncertainty and which place new demands on our sector's already very limited capacity. These include potentially complex interactions between the novelty of the TCA's level playing field provisions and new opportunities for changes resulting from competencies returning to the devolved and UK levels. There are also shifting patterns of devolution flowing from the UK Internal Market Act, the full effects of which are not yet understood but which are commonly believed to inhibit Wales' ability to effectively implement devolved policy, including responding to Brexit related changes. As an example of this, we note that the Welsh Government's efforts to include support for cross-border cooperation initiatives in its Framework for Regional Investment, are likely to be undermined if replacements for EU funding continue to be centralised by the UK Government.
4. Organisations have highlighted capacity challenges in monitoring and scrutinising these changes domestically and transnationally. Yet monitoring the EU landscape for changes that communities in Wales would otherwise have benefited from is viewed as important

in informing the formulation of domestic policy. Early examples of this might include upcoming changes like the EU Accessibility Act² and improvements around equal pay.³ There is also wider interest in monitoring the effects over time of potential active and passive policy divergence. This might include the impact of no longer being within the remit of the EU's mainstreaming of rights. This has improved policy for disabled people for example and we note that the EU is soon to ratify the Istanbul Convention – something the UK has been delaying. Further examples are starting to emerge, with early signs being highlighted by environmental organisations in the area of chemicals regulations.⁴

5. Continued cross-border cooperation with EU civil society organisations is seen as more important than ever to facilitate this scrutiny and to continue learning from each other's policy innovations. However, fewer resources will be available to do so due to the loss of EU funding, the absence of cross-border cooperation as a priority in UK level replacement funding, the need to redirect more sector resources to UK level engagement and responding to the institutional requirements of the TCA.
6. Our sector has expressed a particular interest in the governance of the TCA and the formal structures it creates for civil society: the CSF and DAG. We are currently in conversation with partners across the UK on how the voluntary sector, potentially in partnership with the trade union and private sectors, can mobilise themselves in and around these new opportunities for cross-border civic society deliberation. These structures have become common practice in EU trade agreements since the 2011 EU / South Korea agreement, though their application in practice varies from trading partner to trading partner. Given the pre-existing relationship between the UK and EU, and between their civil societies, our sector is keen for these to provide an ambitious platform for civil society in Wales and the UK to have a role in deliberating, monitoring, sharing information on, and influencing the development of the UK / EU relationship. Based on previous EU experience in this area, we anticipate several challenges however.

6.1 Except for the environmental sector, the voluntary sector in Wales has very little awareness of the role it can play in the democratic governance of international relations, and as a result, has little capacity and expertise. The UK Government has had to invest heavily in upskilling staff in this area – this will also likely be required for our sector as well, though resourcing it will be a challenge.

6.2 External relations and trade are a reserved matter, and these new bodies represent the UK as a whole, but implementation of the TCA cuts across devolved interests. We therefore recommend that the Committee monitors the Welsh Government's efforts

² European Commission, 'The European Accessibility Act', Available at: <https://ec.europa.eu/social/main.jsp?catId=1202>

³ European Commission, 'Questions and Answers – Equal pay: Commission proposes measures on pay transparency to ensure equal pay for equal work', available at: https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_961

⁴ Chemtrust, 'UK Reach Restrictions: First Signs of UK Regulatory Divergence on Chemicals', Available at: <https://chemtrust.org/uk-reach-divergence/>; see also

to ensure that these mechanisms include formal procedures to allow for structured devolved input. We believe we have the structures and practices in place in Wales to mobilise sector discussion with the Welsh Government in and around these civic society mechanism meetings, and around higher-level meetings like the Partnership Council and Trade Partnership Committee. However, being able to do so is dependent on significant change in how the UK Government engages with the Welsh Government and our sector. Indeed, domestic government willingness to work with its civil society is a common issue in the EU's other trading relationships. We require sufficient notice of upcoming meetings and agendas, as well as the transparent publication of minutes and other organisational matters to consult the sector in a timely fashion and to ensure that these exercises are useful to the UK and the EU. The UK Government's current consultation on this does not suggest this level of ambition however. We note that Lord Frost recently stated that: *'it is the nature of civil society that it does not need the Government's permission to develop such links and to work effectively with fora established under the treaties. We certainly hope that that would happen.'*⁵ However, in the EU's experience, the effectiveness of the civil society mechanisms in its trade agreements is to a large extent preconditioned on the willingness of the domestic government to engage continuously and in a structured fashion with civil society and to set these procedures up and resource them (in particular a secretariat) in such a way as to facilitate this.

- 6.3 The TCA calls for wider than usual civil society organisation representation – including for example human rights groups. We are concerned that a representativeness gap may emerge if the Welsh and UK Governments do not take proactive steps to ensure that a wide range of organisations are able to feed into this process. This includes both within and outside the formal structures. We have specific questions around the UK Government's negotiating down of the remit of the CSF to part two of the TCA (trade) because other parts of the treaty are clearly relevant to civic society interests (EU Programmes and law enforcement / judicial cooperation for example as these have human rights implications). We also note that the UK Government negotiated the removal of the requirement that civic society representation on the CSF be 'balanced', as this is a common feature of EU trade agreements. We are concerned this will unduly prioritise the private and trade union sectors to the detriment of the voluntary sector. To mitigate this, we hope to work with the Welsh Government to build more representative channels in Wales to feed into the TCA's governance.
7. The Common frameworks and the review of intergovernmental relations are also changing the way the Welsh and UK Governments work. Concerns have been highlighted initially around the transparency of the common frameworks process, and it is still unclear how these reforms fit within the wider context of intergovernmental work, for example on devolved input into the TCA bodies.

⁵ House of Lords, 'Civil Society Forum: UK Delegation', 24 June 2021, available at: <https://hansard.parliament.uk/lords/2021-06-24/debates/DA278476-A591-4655-A19F-D352E29D2461/CivilSocietyForumUKDelegation>

Specific and thematic effects

8. Organisations are also highlighting specific thematic concerns. In our engagement with the sector since the end of transition, the most frequently mentioned issue is the loss of the European Structural and Investment Funds and the considerable impact this will have on the voluntary sector in Wales.

8.1 The sector has secured over £190million directly from the Welsh European Funding Office (under the current 2014-2020 Programmes) with more funding drawn down through contracts. The impact of the loss of the ESIFs is not restricted to the amount of funding withdrawn but also the leverage the funding has enabled.

8.2 The viability of some voluntary organisations in receipt of ESIF funding is uncertain. *“We’ve been able to grow partly because of the role our major [ESIF funded] projects [have played in] supporting our core activities. If a number of these projects are lost, the effect could be catastrophic for the organisation”.*⁶

8.3 Some anticipate the economic impact of the pandemic, the withdrawal of the ESIFs, in conjunction with the existing pressures presented by austerity, will push local authorities towards self-preservation - at the expense of the voluntary sector. *“If Local Authorities and Welsh Government batten down the hatches and pull delivery in house, [voluntary sector] organisations will go”.*⁷

8.4 Brexit, the withdrawal of the ESIFs and the transition to their replacements has forced the voluntary sector to re-evaluate its relationship with the UK Government. Over the last 20 years, many of the sector’s points of influence have centred on the Welsh Government and the European Commission. Through the partnership principle, the voluntary sector has been an active, equal partner in the design, delivery and management of the ESIFs in Wales. The financial assistance powers within the UK Internal Market Act are having a significant impact on Wales and, in many ways, it’s transported us back to pre-devolution days. As a sector we need to rebuild and refocus our engagement and influencing, to secure the voluntary sector’s participation in the replacement programmes.

9. The second most cited effect by organisations in our early post-transition engagement relates to a series of impacts flowing from the loss of freedom of movement.

9.1 Stakeholders are considering the long-term needs of EU citizens in Wales now the deadline for EUSS has passed. The Welsh and UK Governments currently fund organisations to provide support. However, it is unclear how long this will last and the most vulnerable people will still need support in the years to come. Further needs are expected to emerge in due course as EU citizens must evidence a valid

⁶ Welsh Government and WCVA. (2019) *Empowering Communities in the Context of Brexit: Research findings, analysis and recommendations for support to third sector organisations in Wales*. Available at: <https://wcva.cymru/wp-content/uploads/2020/04/Empowering-Communities-Brexit-Final-report.pdf>

⁷ Ibid.

reason for missing the deadline and those who have secured pre-settled status will face personal deadlines to transition over to fully settled status.

9.2 Mobility generally has been highlighted as a significant concern for the Arts and Culture sector which faces the triple burden of reduced cross-border cooperation initiatives (Creative Europe), loss of EU structural funds and significant new barriers to international mobility. This is also a concern for disabled people's organisations,⁸ which have highlighted challenges for the social care sector and the recruitment of European personal assistants due to new immigration rules. There are further ramifications for the future of international volunteering in Wales which now faces a funding vacuum resulting from the UK's withdrawal from the European Solidarity Corps. There is a considerable risk that increased barriers and costs (such as visas, the healthcare surcharge, passport requirements for EU citizens wishing to volunteer in Wales, translation of documents for the visa process) will prevent young people from disadvantaged backgrounds from being able to access these opportunities.

9.3 New requirements on European travel have also been highlighted to us as having a disproportional impact on certain groups, particularly people travelling with disabilities. For example the landscape for using UK blue badges in the EU is disparate,⁹ and Guide Dogs UK have highlighted increased costs with taking assistance dogs abroad.¹⁰

10. The third most commonly cited Brexit related concern to us in our engagement with the sector is a desire to deepen and build new international connections (including for example strengthening Wales' involvement in the Council of Europe) and for the sector to be supported to explore opportunities for cross-border and transnational collaboration with the EU and globally.

10.1 The lack of resources and capacity is a significant barrier for many in this area. Capacity has become even more limited due to the pandemic which has put a huge pressure on voluntary organisations to meet the increased demand on their services while struggling with financial sustainability. The loss of EU programmes fostering cross-border and international cooperation (e.g. Interreg, Erasmus+, European Solidarity Corps) which the sector has been involved with, will add further barriers.

10.2 In addition to the participation in territorial cooperation programmes, the voluntary sector has also been actively involved in Erasmus+ and the European Solidarity Corps programme. Although the UK Government has launched the Turing Scheme to replace Erasmus+, participation in this new programme is limited to student mobility,

⁸ <https://dpac.uk.net/2021/01/pas-and-care-workers-in-uk-after-brexit-please-sign-our-letter/>

⁹ <https://www.gov.uk/government/publications/blue-badge-using-it-in-the-eu/using-a-blue-badge-in-the-european-union>

¹⁰ https://e-activist.com/page/73938/action/1?ea.tracking.id=website&_ga=2.53875048.1750904895.1629994417-558010977.1628608772

excluding staff exchanges and international volunteering opportunities. Activities under two further strands of Erasmus+ have also been omitted from the Turing Scheme: strategic partnership projects enabling organisations to collaborate with international partners to foster innovation and exchange of good practices (Erasmus+ Key Action 2 projects) and strategic activities supporting policy reform across the EU in education, training and youth (Erasmus+ Key Action 3 projects).

11. Finally, organisations have also highlighted questions around potential post-Brexit changes to the VAT regime and ongoing changes to procurement. In the latter case the landscape is seen as increasingly complex due to new TCA rules, as well as reforms at the UK and Welsh levels and a new common framework. Questions are also being raised in relation to wider potential changes to the UK Human Rights framework, as well as labour and environmental standards.

What support have you received to respond to the changes?

Support from the Welsh Government

1. The Welsh Government has supported the sector with regular engagement which has:
 - 1.1 helped to inform our development of information for the sector throughout the Brexit process
 - 1.2 facilitated coordination specifically around the EU Settlement Scheme
 - 1.3 and enabled us to help target the financial support the Welsh Government has also provided to the sector via the EU Transition Fund.
2. WCVA obtained funding from the Welsh Government's EU Transition Fund for the Empowering Communities in the Context of Brexit project. The funding enabled WCVA to undertake research on the effects of the loss of the ESIFs and the impact this could have on the Welsh voluntary sector's sustainability and service delivery.
3. The project also funded a networking visit to Brussels for a group of voluntary sector representatives, aiming to explore how the Welsh voluntary sector can develop and strengthen its links with European partners post Brexit. During the visit the delegation engaged in conversations on a wide range of issues with various European organisations, networks and institutions.
4. WCVA also received £430k from the EU Transition Fund to support the initial development and subsequent upgrade of the Third Sector Support Wales (TSSW) Knowledge Hub. The Hub is a Wales wide resource bank with information, guidance, networking and learning, enabling the voluntary sector to grow, build resilience and enhance their impact in communities, creating a long-term legacy post Brexit.
5. Disability Wales in partnership with WCVA's and the WGC's Brexit Forum Project received £72k funding from the EU Transition Fund to help disabled people prepare for the implications of Brexit on their lives, by providing accessible engagement

opportunities, information and signposting material. The Welsh Government also provided funding to Wales Arts International for its Infopoint UK project which we supported the establishment of.¹¹ This project aims to enhance artists' mobility in the post-Brexit landscape.

Support from the UK Government

6. Apart from the statement confirming the continuation of operations approved under the European Structural and Investment Funds programmes, the UK Government initially offered very little information about what might come next. This lack of transparency meant an inability to plan ahead and has left many voluntary organisations unprepared to deal with the end of the ESIFs.
7. While, to the best of our knowledge, the UK Government took its approach to planning and developing its replacement funding policies 'in-house', the Welsh Government openly consulted on its Framework for Regional Investment and established cross-sector steering groups to guide the development of its replacement funding policies.
8. Over recent months and with the release of its Levelling Up, Community Renewal and Community Ownership Funds, the UK Government's engagement with the sector has somewhat improved. For example, we recently requested the UK Government to deliver a session specifically for the Welsh voluntary sector on the Community Ownership Fund in partnership with WCVA – notifying groups of the opportunity, the application process and with an opportunity to address the sector's questions – the UK Government responded quickly and positively to this request. More collaborative working is needed in this way.
9. We anticipate this improved engagement will continue, following the recent establishment of the joint MHCLG and BEIS Wales team. So far, this team has proved accessible and receptive to engaging with the voluntary sector. Although we are mindful of the size of this team and the limitations this may present.

What further support, if any, is needed from Welsh and UK Governments?

1. This regular engagement we have had with the Welsh Government throughout the Brexit process will be essential to supporting the voluntary sector to navigate the administrative, legal and constitutional changes resulting from Brexit as they begin to take shape. This is particularly the case given that there are many new governance structures tied to the TCA that will benefit from devolved input from the Welsh Government and the voluntary sector. We believe that a high level of coordination of discussions around the ongoing impacts of the UK / EU relationship between the sector and the Welsh Government will facilitate this input at the UK level.

¹¹ See Wales Arts International's website for further information: <https://wai.org.uk/news-jobs-opportunities/arts-infopoint-uk>

2. With the replacement funds operating UK wide using the financial assistance powers in the UK Internal Market Act, we're aware that the Welsh Government's role in the shaping of these funds, to the advantage of the sector in Wales, is limited.
3. All ESIF delivery will end in 2023, with no comparable funding stream to replace it. It will leave sizeable holes in the Welsh Government's budgets and inevitably cause the voluntary sector to lose capacity and expertise. The Welsh Government will need to make difficult decisions about future services and the voluntary sector must be engaged in these discussions, as the sector closest to Wales' most disadvantaged individuals and communities. The Welsh Government and the voluntary sector must work in partnership to ensure those services funded by the ESIFs do not just stop in 2023, leaving those already vulnerable without a lifeline.
4. Ministerial departments within the UK Government are encouraging stakeholders to suggest recommendations to improve future funding rounds of the Community Ownership and Levelling Up Funds and the intended Shared Prosperity Fund. WCVA has submitted formal and informal feedback, following extensive consultation with the voluntary sector in Wales. The recommendations suggested must be listened to and actioned. These are suggestions informed by many years of delivering European, UK and Welsh Government and multiple other funding provider's projects and services. The principles outlined will enable the sector to access the funding streams and deliver effective outcomes for the betterment of our communities. The levelling up agenda's ambition cannot be achieved without full participation from the voluntary sector.