



Arbenigwyr mewn Busnes
Experts in Business

25 August 2021

Culture, Communications, Welsh Language, Sport and International Relations Committee
Senedd,
Pierhead St,
Cardiff
CF99 1SN

Dear Delyth Jewell MS,

RE: Priorities for the Committee

FSB Wales is the authoritative voice of businesses in Wales, with around 10,000 members. It campaigns for a better social, political, and economic environment in which to work and do business. With a strong grassroots structure, a Wales Policy Unit and dedicated Welsh staff to deal with Welsh institutions, media and politicians, FSB Wales makes its members' voices heard at the heart of the decision-making process.

FSB welcomes the opportunity to respond to the committee's call for views on its priorities. Committees serve a vital role in providing scrutiny of the government, in providing a key role in influencing policy development, and as a constructive engagement point for evidence and understanding between the legislature and civil society, including our role in representing small businesses.

With continuing issues arising from Covid, the possibility of further disruptions, and the legacy of the damage the pandemic has wrought alongside the impetus to build an economic recovery, the role of committees will be of even more importance this term.

As such, insofar as possible, it is important that the Senedd's capacity and abilities are used to the full in this process, and that the structure allows committees – and their Chairs - to be agile and able to respond quickly to events this Winter, as well as in providing scrutiny and policy development for the challenges ahead. It is in the spirit of supporting this democratic process and committees as the engine room of Welsh democracy that we respond to this consultation.

The committee covers areas of priority for FSB Wales and we look forward to working with you over the coming term.

Ways of Working

We note that the new Committees structure includes the following:

- The Sixth Senedd has for the moment opted for smaller membership in committees (4-6).
- This should allow members to build more specialism, but at the cost of more diverse voices in each committee (as was the case with larger committees).
- It is important to push for the advantages of building focused specialism is nurtured and maximised, but the diversity and small pool is mitigated (e.g., through cross-committee working).



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Potentially, this structure could allow for more agility which as there may well remain issues arising requiring quick reaction, policy response and scrutiny over the next period, could be extremely useful. This would require significant autonomy for committees to pursue their own path and ways of working.

However, the decision has also been taken to cut the number of committee meetings to be fortnightly rather than weekly.

- Smaller committees should allow MSs being able to populate across them better, but fewer meetings do not seem to add value in this respect.
- There are also dangers to scrutiny and policy development – the role of scrutiny (legislative and non-legislative) as we open up after Covid is important, with myriad issues across all policy areas important. Committees have an important role in this respect and halving the time for scrutiny in a stroke makes little sense. This is a particular issue for small business issues, as we are concerned that vital areas of economic recovery may not be properly addressed or scrutinised.
- There is a danger that the pressure will force committees to focus on necessary legislative scrutiny alone, while relegating wider scrutiny and policy inquiries to the margins (including on business issues and day to day issues around Covid, for example).
- Some Committees have wide and disparate subject areas, and there is a danger that whole policy areas will be relegated to the side-lines.
- As well as being the engine room of democratic scrutiny of Government, committees are a vital interface for contact and policy evidence from civil society – there is a danger that the pool of evidence is further narrowed, and a focus is on the narrower ‘usual suspects’ providing evidence posing a danger of group-think and less diverse views being taken in oral evidence.
- As noted above, committees will need to be agile in continuing to respond to Covid and the various issues raised by the pandemic will continue to impact for the Senedd term. These limits on their work may mitigate against that and undermine responsive policy development and scrutiny. As such, it makes sense to allow autonomy for Committees to pursue their own ways of working, including additional meeting and inquiries. As such, the two-week meetings should be seen as a baseline rather than a ceiling for activity and scrutiny.

Cross committee working will be vital to mitigate against small committees meaning a greater focus but a danger of silo working and loss of diverse offices bringing in a range of policy field lenses and understanding how they intersect. We therefore encourage cross committee inquiries as a minimum (and suggestions later in paper on subjects that span committees).

It is also possible to look at ways as a regular way of working and ensuring policy span through MSs from different committees could sit as non-voting ‘guests’ or bringing committee expertise and lens to particular meetings (e.g., climate change members sitting in on discussions on housing capital spending policy).



Arbenigwyr mewn Busnes
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This way of working will also be important in terms of scrutiny of the substance and operation of Welsh Government – through the ‘Super ministry’ of Climate Change as a central organising department looking to ensure cross departmental and holistic working, it is important that Senedd is able to mirror this and provide adequate scrutiny across policy areas accordingly.

Business concerns sit across many departments, and within intersecting policy subjects so it is important for FSB and small business concerns too.

Recommendations on ways of working

- That committees are allowed freedom (as decided unanimously by all their members) to look at the fortnightly meetings as a baseline and so can organise more meetings as suits them or for specific inquiries.
- We would urge a view to cross committee working on intersecting subject areas and inquiries – and that these can be on top of the fortnightly meetings.
- To mitigate against small committees being a small pool we would urge that committees can co-opt other MSs (including possibly spokespeople retain a right to attend and question) as non-voting members for individual sessions, and to be encouraged and incentivised to do so. These could also be as members of other committees to encourage cross sectoral views.
- It is vital, with continuing uncertainty on Covid over the Winter months (as well as ongoing issues and its legacy) that Committees are able to react with agility to raise issues, conduct inquiries and scrutinise reactively and quickly as needed. Committees and their Chairs should be able to do this with as much autonomy as possible over their schedules and ways of working (with necessary checks of unanimity in committee as appropriate).

FSB's key policy and areas of work for the Committee

- *What is the current impact of the COVID-19 pandemic on your sector, and what further support is needed from the Welsh and UK Governments both to mitigate the impact of the pandemic and enable the post-pandemic recovery?*

FSB represent a wide variety of SMEs, and include many self-employed and freelancers in our membership. As the Welsh Government Covid-19 business support comes to an end, we will be looking at the data to see what sectors remain affected and whether and where targeted support may be advisable.

In terms of the Committee's remit and subject areas, an important area to look at may be in terms of the performing arts and culture and whether there have been significant impacts on the skills available for a key sector of industry in Wales. This is an area often depends on skills of freelancers, and whether there are incentives and initiatives that may be needed to address any shortages identified for the future.



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In terms of exports and international relations, this remains an area of concern which also aligns with Brexit. Similarly, there are skills shortages for key areas (such as hospitality) that are reducing the ability of businesses to return at full capacity, where it is currently difficult to assess the relative impacts of the pandemic and/or Brexit on skills available.

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

The subject areas the committee deals with are key areas that reinforce each other in how Wales presents itself to the world and leverages our substantial contributions in culture, heritage and advantages such as the Welsh language to project our brand to the world. The committee may wish to look at the best means to align the 'soft power' with accessing the Welsh diaspora, links (such as with media and universities) and economic benefits such as investment and tourism. The Committee should scrutinise the implementation and priorities set out in the Welsh Government's Export Action Plan.

FSB have called for a new arm's length body to address these interlinked areas and ensure an approach that brings these strands together.

- *How does Brexit and the new UK-EU relationship affect you or your organisation? What support have you received to respond to the changes? What further support, if any, is needed from Welsh and UK Governments?*

Brexit remains an issue of concern, with continued delays and issues around supply chains and exports, as well as skills shortages. FSB have called for export vouchers to help SMEs navigate new costs and for training and support for new export regulations as they develop.

We will be releasing a new FSB UK report on export related issues in the near future, and will share with the committee when available.

Subject areas for Joint working with other committees

Our suggestions above advocate a dynamic and agile role in co-working and cross committee working, utilising all the backbench capacity and capabilities as much as possible, and reducing possible silos in policy scrutiny and development. The following list gives some indications of possible areas of work, although this is not exhaustive list, and priorities will be necessarily shaped by wider issues of Welsh Government priorities and external factors such as Covid-19 and Brexit. Working iteratively with other committees will also shape framing of subject areas, and we believe this would generally be positive for inquiries and scrutiny.



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Subject area	Possible partner committee(s)
<i>Welsh Brand, Exports and internationalising SMEs</i>	Economy, Trade and Rural Affairs Committee
<i>Freelancers in Culture and Arts and impact on skills in media industry</i>	Economy, Trade and Rural Affairs Committee

FSB Wales would welcome the opportunity to discuss this issue with your officials, should you deem it useful.

Yours sincerely,

Ben Cottam
Head of Wales
FSB