

Resilience and preparedness: the Welsh Government's administrative and financial response to Brexit

Submission from the Wales & Europe Working Party of Cytûn – Churches Together in Wales

Cytûn (Churches Together in Wales) brings together the main Christian denominations of Wales, and a number of other Christian organisations, to work together on matters of common concern. The 17 member denominations have around 165,000 adult members in every community across Wales, and regular contact with many more adults, children and young people. A full list of member churches and organisations can be found at: <http://www.cytun.cymru/us.html>

The Wales & Europe Working Party was founded in the aftermath of the June 2016 referendum to enable the churches to work together in responding to the result and the many resulting changes in the life of the nation. All member churches of Cytûn are involved. Resources published by the Working Party can be found at: www.cytun.cymru/waleseurope. We would welcome the opportunity to be involved further in the work of the Committee. Any queries should be directed to the Revd Gethin Rhys, National Assembly Policy Officer for Cytûn, at gethin@cytun.cymru. This response may be published in full.

1. What are the main issues facing your sector as a result of the UK's withdrawal from the European Union, and how should the Welsh Government respond to these?

- 1.1 Probably the most pressing issue for the Christian churches in Wales is the uncertainty facing those members of our congregations who are citizens of other European Union countries, and who are living legally in Wales by virtue of that citizenship. From immediately after the referendum, Cytûn and our member churches have been urging the UK Government to secure the position of these citizens in UK law. We are grateful for the reassuring statements which both Welsh and UK Governments have issued in this regard, but we would urge the Welsh Government to continue to press for immediate resolution of these questions. We are concerned at any proposals for future 'settled status' for EU citizens which might depend on the economic status of these individuals, e.g. by being tied to employment or to having the private means to sustain themselves without recourse to the state. We believe that existing citizens and their dependent families – including those who might become dependent on them in future (such as elderly parents in other EU countries) should be assured of the right to live legally here and to access health, social care and social security.
- 1.2 Although Christian churches are less dependent than many other parts of the third sector in Wales on public funding, we are concerned both on our own behalf and on behalf of the wider society regarding the uncertainty regarding the future of external funding for schemes which benefit our society. The loss of EU structural funds is a particular concern in Wales, as the uncertainty imperils a range of schemes from very small grants to community groups up to major infrastructure projects and projects supporting employability of unemployed and economically inactive people. We are especially concerned about:

- suggestions that the proposed UK Shared Prosperity Fund will be allocated solely by the UK Government, and the current role of Welsh Government in allocating EU funding may be much curtailed or removed altogether. We would urge Welsh Government to assert that the principle of subsidiarity should continue to apply with regard to allocating any UK wide funding of this kind.
- suggestions that a funding formula may be introduced for distributing the UK SPF which is not purely needs-based, as at present, but which aims to disperse funds more widely by using a partly population-based formula. This would inevitably reduce substantially the funds available to West Wales and the Valleys.
- the potential watering down or loss of social, as opposed to purely economic criteria, for allocating funding, as with the current European Social Fund. While we support funding for economic regeneration, we believe as Christian churches that tackling the long-term social causes of economic deprivation—such as disability and long-term illness, dependency, offending - should be addressed through the ‘shared prosperity’ of the UK. This is an urgent issue for Wales given that in the West Wales and the Valleys LEP spend in the ESF round 2014-20, as allocated by April 2016, is £101.53 per person, more than double any other area in the UK.¹

1.3 Our churches and chaplains serving the rural community continue to report deep concern and uncertainty amongst the farming community and those economically dependent on it regarding the future of agricultural support payments. The fear expressed to us by members in rural churches is that rural communities could suffer a disproportionate ageing population, unsustainable health services, young people moving east for jobs and a fragmented way of life with great damage to the sustainability of the Welsh language. We therefore believe that any new system of financial support should be targeted at sustaining agriculture as one of Wales’ few remaining primary producing industries. This will in turn sustain other vital elements of the rural economy. We are aware that the current uncertainty as to whether these matters will be decided at UK or Welsh level causes difficulty for the Welsh Government, but we would urge that contingency preparations be made on the assumption that key decisions will need to be made by the National Assembly and Welsh Government.

2. What advice, support, or assistance have you received from the Welsh Government to date in preparation for Brexit?

We are not aware of any specific advice being given. We are aware that some local authorities which fund church-based projects have been engaged in some liaison in relation to planning for future funding arrangements and work has been done to alert UK Government to the funding needs that will still exist once EU funds end. This is positive and constructive but, as far as we are aware, it has met with no response from UK government at this stage.

¹ <http://policyinpractice.co.uk/brexit-whats-next-esf-local-authorities/>

3. What financial considerations have arisen as a result of UK's withdrawal from the European Union and what should be done to prepare for these?

See para 1.2 above.

4. What advice or support would you like to see from the Welsh Government that will help you and your sector to prepare for Brexit?

We are aware that the difficulty facing the Welsh Government in this situation is that which faces the whole UK, viz. that it is very hard to prepare for the unknown. We are aware of the efforts being made through the JMC (EN) and in other ways to put pressure on UK government to firm up positions and progress negotiations more quickly.

We are aware also from debates in the Senedd chamber that any discussion of preparations for leaving the EU remains highly charged politically, and that much of the debate has failed to move on from the arguments used by either side in the June 2016 referendum. While we appreciate the difficulty facing all those in political positions at this time, we would urge that every effort be made to seek cross-party consensus and, more importantly in this instance, consensus between those who campaigned to Remain and those who campaigned to Leave, in order that united leadership may be offered to the public and to the UK Government on at least on certain key issues (such as the issue of EU citizens, as seen in 1.1 above).

We are aiming to arrange some public meetings during 2018 in various parts of Wales to see if we as churches can contribute to a more constructive and reconciled public debate.

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Parch./Revd Gethin Rhys

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