

Board Paper to note



Llywodraeth Cymru  
Welsh Government

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**Minutes of the Board Meeting, 11 January**

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**Present:**

Shan Morgan  
Andrew Goodall  
Tracey Burke  
Des Clifford  
Andrew Slade  
Natalie Pearson  
Gawain Evans  
David Richards  
Peter Kennedy  
Jeff Godfrey  
Gillian Baranski  
Jeff Farrar  
Gareth Lynn  
Ann Keane  
Ellen Donovan  
Charlotte Cosserat  
Helena Bird

**In attendance:**

Piers Bisson  
Simon Brindle  
Helen Morris

Secretariat:  
Helena Bird

**Apologies:**

None

**1. Welcome**

- 1.1 The Permanent Secretary welcomed everyone to the meeting and introduced the new shadow board member, Charlotte Cosserat.

**2. New First Minister and Cabinet**

- 2.1 The Permanent Secretary fed back from her first two bilaterals with the new First Minister, and the Quintet also provided feedback on their initial meeting.
- 2.2 The Permanent Secretary also provided feedback from the first two Cabinet meetings under the new First Minister. There would now be

'Discussion' Cabinets every other week, which will adopt more of a debating style format.

- 2.3 Cabinet Secretaries will once again be called Ministers and Deputy Ministers.
- 2.4 It was highlighted that the First Minister saw his leadership manifesto as completing and extending Prosperity for All and that work had been commissioned to assess the timescale for delivery for all commitments in the manifesto.
- 2.5 The Permanent Secretary confirmed that she had invited David Davies, the First Minister's new Special Advisor to attend the Senior Leaders Group.
- 2.6 The Permanent Secretary also updated the Board on the Voluntary Exit Scheme arrangements. The closing date for applications is 21 January and a careful balance would need to be struck between letting people leave and retaining essential skills.

### **3. EU Transition**

- 3.1 Piers Bisson and Simon Brindle joined the meeting.
- 3.2 The Permanent Secretary updated the Board on her recent Wednesday Morning Colleagues meeting in London that had focused on Brexit. It appeared that there was a lack of a majority for any current particular deal and the media reporting is largely up to date on the current situation.
- 3.3 Piers outlined the current situation and explained that the EU have confirmed the backstop is not supposed to be permanent, but the EU were currently unwilling to revisit the legislation on this.
- 3.4 Potential issues with the flow of goods between Great Britain and Northern Ireland was discussed, along with workers rights.
- 3.5 The Meaningful Vote is expected to be held in parliament next Tuesday and if the Government lost the vote they would have to come back in 3 days with a revised course of action.
- 3.6 Piers outlined that the UK Government had established a new Cabinet Committee and an associated officials group.
- 3.7 Piers and Simon outlined the progress with 4 key strands of work:

- (1) UK wide preparedness projects
- (2) Statutory Instruments
- (3) Civil Contingencies
- (4) Work over and above participation in UK projects

3.8 It was confirmed that each Cabinet will have a standing item on Brexit, a new Brexit Minister had been appointed, there would continue to be a Cabinet subcommittee on Brexit and the Permanent Secretary had established an officials led BrExCo meeting, which would take place once a fortnight.

3.9 Piers highlighted that there had recently been a push on communications. The 'Prepare Wales' website would be going live soon and this was aimed at helping businesses and the public prepare and understand where they may have an interest. There was discussion around what other forms of communication may also be needed. The need to also ensure our Sponsored Bodies were adequately prepared was also discussed.

There was a discussion around how issues are being prioritised.

3.10 Next week the Counsel General and Minister for Brexit will be making an oral statement on Brexit and there will also be an opposition debate. On 22 January there would also be a series of statements on No Deal preparedness in the Plenary.

3.11 Tracey Burke Confirmed that WG is currently planning to stand up the ECC(W) from mid February.

#### **4. Finance Report**

4.1 Gawain Evans presented the Finance Report to the Board. The discussion largely focused on table 4 and the Welsh Government Reserves. It was noted that the Reserve contained nearly the amount WG are allowed to carry over – options to overcome this issue were discussed, including increasing the Reserve itself and re-profiling borrowing. Consequentials from UK Treasury late in the financial year were partly the reason for the amount in the Reserves.

4.2 Gawain highlighted that progress had been made on underspends this year, but would look to improve further next year. It was agreed that further transparency and collaboration was needed across Welsh Government to ensure spend was accurately profiled throughout the year.

**5. People Survey Results**

- 5.1 Natalie Pearson was joined by Sharon Cross to present the analysis of the People Survey Results to the Board.
- 5.2 The results were better than last year and showed Welsh Government in a good place compared to the rest of Whitehall.
- 5.3 It was agreement that leadership, Learning and Development and Change Management were areas where Welsh Government could particularly look to improve scores further.
- 5.4 The Permanent Secretary highlighted that she also wanted to improve the bullying and harassment scores and had launched a campaign to improve dignity and respect in the workplace to help tackle this issue.
- 5.5 Each Director General gave an overview of the work currently being undertaken in their respective groups to improve and further understand the results for their various departments. It was proving a useful management tool and had aided performance discussions in some areas.
- 5.6 Jeff Farrar highlighted that if the Welsh Government results were benchmarked against other public services in Wales it would show Welsh Government in a very positive light.
- 5.7 The Permanent Secretary highlighted that she would also like to do more to improve visibility so that this would also be reflected in future results.

**6. Internal Audit and Risk Management within the Welsh Government – key findings and solutions**

- 6.1 Helen Morris joined the meeting and gave an overview of the Review of Risk Management undertaken by Internal Audit and explained that a full report on this would be available shortly. She explained that due to the changes in the governance arrangements during 2018 the current policies and procedures for risk management no longer met the needs of the organisation.
- 6.2 Helen highlighted the headline issues identified in the review by Internal Audit and discussed with the Board that the ability of the Risk Improvement Officer to change risk management practice within Welsh Government has been constrained by a lack of resource to support risk management activities at a corporate level. It was expected that a new person would be in post shortly to help manage this work.

- 6.3 The Board discussed the need for an appropriate risk management framework. It was agreed that a full framework is one of the first steps in embedding risk management in Welsh Government and ensuring there is consistency at a corporate and Group level.
- 6.4 The Board discussed the need for the Report to be discussed at the Group ARaCs and for potential resource implications to be discussed at ExCo.
- 6.5 The Board also discussed the Route Map contained in the report and agreed that further work should be done on this and that this work should be reflected in the Term of Reference for the People and Corporate Services Subcommittee and Finance Subcommittee.

**ACTION 1** – Helen Morris to update the Route Map

**ACTION 2** – Secretariat to update ToR for People and Corporate Services Subcommittee and Finance Subcommittee

- 6.6 The Board felt that a risk plan needed to be put in place as soon as possible and Helen was invited by the Board to attend the next meeting to present a project plan.

**ACTION 3** – Helen Morris to present project plan to next Board meeting.

## **7. Perm Sec Items and Sub-committee items**

- 7.1 The Permanent Secretary outlined that it was her priority to build a relationship with the new First Minister and to further understand his priorities for the government.
- 7.2 The Permanent Secretary also discussed with the Board the work she was about to commission on measuring the organisational performance of Welsh Government. This work would be brought to a future session of the Board.

**ACTION 4** – Organisational performance to be put on future Board agenda

- 7.3 Ann Keane gave an overview of the last ARaC meeting and discussed that she was pleased to see assurance report from PSG and OFM.
- 7.4 The agreement to hold an annual stocktake with the Auditor General Wales was highlighted as a positive step.

7.5 Jeff Farrar provided an overview from the Remuneration Committee – this included a paper on the SCS pay proposal, improving the agenda and diversity in SCS posts and that 4 Director posts had been agreed.

7.6 David Richards let the Board know that the Legislation Programme Board had not met since their last meeting. However there would be a Cabinet meeting on the legislative programme soon.

**8. Any other business**

8.1 Andrew Goodall provided an overview to the Board on the latest situation with winter pressures for the NHS.

**Actions arising at Board meeting, 11 January 2019**

| ACTION  | LEAD OFFICER | LATEST POSITION |
|---|--------------|-----------------|
| ACTION 1: Helen Morris to update the Route Map  | Helen Morris | Closed          |
| ACTION 2: Secretariat to update ToR for People and Corporate Services Subcommittee and Finance Subcommittee | Secretariat  | Closed          |
| ACTION 3: Helen Morris to present project plan to next Board meeting  | Helen Morris | Closed          |
| ACTION 4: Organisational performance to be put on future Board agenda                                       | Secretariat  | Closed          |