

Board Paper to note



Llywodraeth Cymru
Welsh Government

Minutes of the Board Meeting, 5 July 2019

Present:

Shan Morgan
Ellen Donovan
Ann Keane
Jeff Farrar
Gareth Lynn
Andrew Goodall
Tracey Burke
Des Clifford
Natalie Pearson
Gawain Evans
David Richards
Jeff Godfrey
Gillian Baranski
Charlotte Thomas
Dean Medcraft
James Owen
Helena Bird

Apologies:

Andrew Slade
Peter Kennedy

In attendance:

Peter McDonald
Lucy Corfield
Sharon Cross
Iona Hannagan Lewis

Secretariat:
Charmain Watts

1. Welcome

The Permanent Secretary welcomed everyone to the meeting

1. Decarbonisation programme and the climate change “emergency”

1.1 Peter McDonald and Lucy Corfield joined the meeting.

1.2 Peter outlined the current situation and explained that decarbonising Wales affects nearly every aspect of our country and how we govern it. It would be hard to achieve in any event, but it is an even greater challenge because the technology to make it possible is still being developed.

1.3 Discussion focused on Welsh Government capability and Peter McDonald highlighted the importance of securing WG analytical capacity in the medium term, he further outlined the current approach which is to: pass responsibilities onto policy teams, buy in external analytical capacity and seek guidance from the UK Climate Change Commission (CCC).

1.4 The Board welcomed the approach and encouraged joint working with the Climate Change Commission to seek guidance and explore the possibility of securing a person on secondment. They also considered whether there was scope for WCPP to take forward the analytical work. Des Clifford agreed to discuss this further with the First Minister.

1.5 The Board recognised how important this work is to Ministers and proposed it be discussed further at a future Ministerial-Civil Service Group meeting.

ACTION 1: Seek advice form the Climate Change Committee and explore the possibility of obtaining a person on secondment.

ACTION 2: Explore the use of WCPP to take forward analytical work once Des Clifford has discussed the proposal with the First Minister

ACTION 3: Explore whether Decarbonisation Programme and the climate change “emergency” can be discussed at a future Ministerial-Civil Service Group meeting.

2.1 Des Clifford provided an updated on the recent political developments and advised that the outcome will be announced on 24 July.

2.2 He further advised that there was still a risk of leaving the EU without a deal on 31 October, he explained that there were three possible options going forward:

1. Leave with a ‘No Deal’ on 31 October
2. Stay longer in the EU before leaving
3. The UK remain in the EU permanently

3.2 Des further explained that leaving in the autumn would bring about different issues to leaving in the spring, this includes warehouses being stored with more products for Halloween and Christmas, leaving limited space for Brexit stockpiles.

3.3 The Permanent Secretary advised that the extension had given us an opportunity to reflect on the work that had been done to date and to take forward a lessons learnt exercise. She also advised that this gave us some time to re-calibrate and allow progress of decelerated work due to Brexit to ensure we deliver on the First Minister's priorities.

3.4 The Board noted the risk of a 'No Deal' was still a possibility and Welsh Government had to remain prepared.

3. Finance Report

3.1 Gawain Evans presented a Finance Report which focused on the period 1 April 2019 to 31 May 2019 (month 2) and is the first of the current financial year. It includes forecast outturn figures set against the Final Budget 2019-20 which was published on 18 December 2018 and approved by the Assembly on 16 January 2019.

3.2 The report also summarises the main financial issues flagged by Welsh Government Heads of Finance at this time.

3.3 Further discussions largely focused on:

- Revenue pressures
- Capital pressures
- Position of current reserves
- Current DEL budget
- Unallocated DEL reserves

3.4 The Board discussed tax revenue and asked for an agenda item at the next meeting to discuss the meaning of tax powers. Gawain Evans advised that he was liaising with the Welsh Revenue Authority and Treasury on this.

ACTION 4: Include an agenda item on tax revenue at a future Board meeting.

3.5 Gawain also provided an update on the Welsh Government Consolidated accounts, he advised that they had been submitted to the Welsh Audit Office by the deadline. The Board welcomed this.

4. Board Review – Self assessment questionnaire results

4.1 Sharon Cross and Iona Hannagan Lewis joined the meeting.

4.2 Sharon outlined the background and explained that Board is subject to an annual review in order to ensure that it continues to operate effectively. The review was held in May 2019 via a self-assessment exercise and summarised the findings:

- The exercise identified that the Board considers it has the right balance of skills and experience, that it receives the information needed to exercise its role effectively and that it is well supported by the Secretariat. The Board considered itself to be strong on governance (particularly relating to its inclusion of Non-Executive Directors), its provision of financial oversight, and its consideration of corporate and strategic issues.
- Board members generally felt that the Board was strong on inclusivity, both in terms of including all members at meetings and of supporting equality and diversity within the wider organisation, noting however that membership of the Board could be more diverse.
- The assessment identified a strong working relationship between the Board and Executive Committee (ExCo), the Board also felt that it was important for there to be proper synchronisation between agendas for Board and ExCo to ensure that the Board was able to make an input at the appropriate time.
- Other areas for development identified included improved action point tracking from Board discussions, enhancing the information provided to the Non- Executive Directors from ExCo meetings and revising the agenda structure to allow more time for discussion on key corporate. Board development sessions will be scheduled which will be informed by the self-assessment findings.

4.3 The Board discussed the findings further and proposed that the Board be more visible across the organisation by inviting observers or filming particular sessions. The Non-Executive Directors asked KAS to explore whether a separate summary could be drafted on the views of Non-Executive Directors and Board agreed that Shadow Board members would also contribute to the Board review.

ACTION 5: Secretariat to explore ways of making Board more visible.

ACTION 6: KAS to draft a separate summary of the views from the Non-Executive Directors and interview Shadow Board members.

5. Feedback from KPI workshop

5.1 Jeff Farrar provided an update on the Key Performance Indicators project. An extraordinary Board meeting was held on 20 June to test the approach taken (an outline of the proposed performance framework model) and to define what good looks like against the components of the framework.

5.2 He explained that he has drawn upon the existing material ensuring to capture all of the relevant material held across all Departments and a workshop will be held in July to test this approach with Group Directors.

5.3 The Permanent Secretary explained the importance of being able to measure our performance and thanked Jeff Farrar for his work so far, she also expressed an interest in attending part of the workshop that is being held on 23 July.

ACTION 7: Secretariat to invite the Permanent Secretary to the KPI workshop on 23 July.

6. Perm Sec Items and Sub-committee items

6.1 The Permanent Secretary provided an update on the development of the policy on the use of Welsh language which was a significant item at the last Board meeting.

6.2 The Permanent Secretary advised that she was attending the Culture, Welsh Language and Communication Committee next week to announce the ambition and next steps. A Challenge Session has been arranged for the 16 July and a paper will return to Board on 13 September, following this the Executive Committee will agree the approach and next steps. The Permanent secretary asked for further information around Welsh language training and development and recruitment and Welsh Language policy.

ACTION 8: Natalie Pearson to provide statistics on Welsh language the training and development.

ACTION 9: James Owen to provide information on the policy on recruiting Welsh speakers.

6.3 Ann Keane provided feedback from the last ARaC meeting and advised that the:

- committee had agreed a more systematic approach to sharing information.
- ToR have been revised and will be finalised at the next meeting.
- reports on the progress being made on the annual report and accounts will be presented and discussed at the next meeting.
- findings from the audit reports were discussed at the last meeting alongside a discussion around a process for ensuring the recommendation are taken forward by each group.

6.4 Ann further advised that arrangements were in place for the Welsh Government Non-Executive Directors to meet the Scottish Government Non-Executive Directors to share learning, discuss priorities/challenges and to compare governance models.

6.5 Jeff Farrar provided an overview on the Remuneration Committee. Discussions at the last meeting focused on governance, pay and reward for SCS and succession planning. He also advised that the Director Generals will be attending meetings from September.

6.6 David Richards provided an update on the Legislation Programme and summarised the RAG reports of the Government Bills. He advised that the First Minister was considering an additional Bill around Social Partnership. The Board discussed the governance of the Legislative Programme Board, David Richards advised that any issues or key decisions will be escalated to the Executive Committee, updates will continue to be tabled at Board meetings.

Actions arising at Board meeting

ACTION	LEAD OFFICER	LATEST POSITION
ACTION 1: Seek advice form the Climate Change Committee and explore the possibility of obtaining a person on secondment.	Peter McDonald	Awaiting steer from HR / Ops teams on the potential to bring in secondees.
ACTION 2: Explore the use of WCPP to take forward analytical work once Des Clifford has discussed the proposal with the First Minister.	Des Clifford	Latest position: this was considered by the FM and in the short term his preference is to focus on practical actions that

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		WG is taking to help combat climate change.
ACTION 3: Explore whether Decarbonisation Programme and the climate change “emergency” can be discussed at a future Ministerial-Civil Service Group meeting.	Peter McDonald/ Secretariat	To be confirmed
ACTION 4: Include an agenda item on tax revenue at a future Board meeting.	Secretariat	Will be included on the October Agenda
ACTION 5: Secretariat to explore ways of making Board more visible.	Secretariat	Secretariat is exploring a process for inviting observers.
ACTION 6: KAS to draft a separate summary of the views from the Non-Executive Directors.	Sharon Cross	Closed
ACTION 7: Secretariat to invite the Permanent Secretary to the KPI workshop on 23 July.	Secretariat	Closed
ACTION 8: Natalie Pearson to provide statistics on Welsh language the training and development.	Natalie Pearson	Closed
ACTION 9: James Owen to provide information on the policy on recruiting Welsh speakers.	James Owen	Closed

Actions brought forward from 17 May 2019

ACTION	LEAD OFFICER	LATEST POSITION
Action 1: Establish a policy group and consult widely across the organisation as a policy is developed, so that any policy change is fully evaluated and challenged, and including the TUS in those discussions.	Dylan Hughes/ Bethan Griffiths	In progress – A challenge session will be held on 16 July on Welsh language internal policy.

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<p>Action 2: Exploring the use of technology as a means of supporting bilingual working within the organisation.</p>	<p>Dylan Hughes/ Bethan Griffiths</p>	<p>A work stream has been established to lead on exploring technology as a means of facilitating the use of Welsh. The work stream, which is led by Dr Jeremy Evas of the Welsh Language Division in EPS, met for the first time on 29 August.</p>
<p>Action 3: Employing behavioural change theory to encourage more use of Welsh in the workplace</p>	<p>Dylan Hughes/ Bethan Griffiths</p>	<p>Natalie Pearson is leading a work stream to consider how leadership, clear messaging and “winning hearts and minds” will contribute to delivering the policy. The work stream held its first meeting on 3 September.</p>
<p>Action 4: Ensure that strong and visible leadership is at the heart of developing the policy</p>	<p>Dylan Hughes/ Bethan Griffiths</p>	<p>The Permanent Secretary is chairing the Programme Board established to steer this work, and will be central to communicating updates on this work to staff. A submission will be made to the First Minister and the Minister for International Relations and the Welsh Language once a policy has been developed, and it will also be</p>

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		<p>considered by the Welsh Government's Executive Committee in November.</p>
<p>Action 5: Consider a policy over the longer term, with gradual milestones in place which will allow for pause and reflect periods, to allow for evaluating interventions and agreeing objectives for the next period.</p>	<p>Dylan Hughes/ Bethan Griffiths</p>	<p>Initial findings provided by the work streams will be developed over the next weeks into a work programme for the first initial five year period. However, significant consideration is also being given to the longer term, with KAS colleagues leading on data modelling in order to develop a trajectory to 2050, so that the necessary interventions needed to achieve the vision over the longer term can also be considered.</p>
<p>Action 6: Re-evaluate the Welsh language training on offer to staff.</p>	<p>Natalie Pearson /Dylan Hughes/ Bethan Griffiths</p>	<p>We have undertaken an initial review of our Welsh Language training offer and the new workstream on Welsh L&D has met and agreed an action planning to support the overall vision and milestones through enhanced</p>

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		learning and development
Action 7: An update paper to be returned to a future Board which responds to the discussion at this meeting.	Dylan Hughes/ Bethan Griffiths	On the agenda for 13 September