

Board Paper to note



Minutes of the Board Meeting, 13 September 2019

| Present: | | In attendance: |
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| Shan Morgan Ellen Donovan Ann Keane Jeff Farrar Gareth Lynn Andrew Goodall Tracey Burke Des Clifford Andrew Slade Peter Kennedy Natalie Pearson Gawain Evans David Richards Jeff Godfrey Andrew Jeffrey Fran Hill Helena Bird | | Dylan Hughes Bethan Griffiths Steven Marshall Yvonne Pawlin Secretariat: Charmain Watts |
| Apologies: Helen Lentle | | |

1. Welcome

- The Permanent Secretary welcomed everyone to the meeting, including Gillian Russell who was visiting from Scottish Government, Fran Hill the Shadow Board member (Fran's second meeting) and Andrew Jeffrey, this was his first meeting. It was noted Andrew Jeffrey has recently been appointed the Equality Champion, handed from Gillian Baranski. The Board acknowledged the good work to date carried out by Gillian.

2. Welsh Language Policy

2.1 Dylan Hughes and Bethan Griffiths joined the meeting. Dylan explained that since the Board's meeting on 17 May 2019, a lot of work was underway to further develop a policy for use of the Welsh language. The policy is intended to underpin an aspiration for the Welsh Government to become – by 2050 – an organisation where all staff can understand Welsh, bilingual working is enabled and there is a significant increase in the use of the language.

2.2 Dylan presented a paper which highlighted the detail of work over the past months including the set of milestones which will be taken forward before a policy is agreed later this autumn.

2.3 The Board noted that a challenge session was held on 16 July where 5 work streams were established to develop milestones over a cycle of 5 year periods up to 2050 and to develop an outline work programme for the first period of the policy: 2019-2024. It was also agreed that a programme board be established to oversee the work, chaired by the Permanent Secretary.

2.4 Dylan highlighted the key areas to ensure success of this policy, this included:

- Leadership and the need for senior leaders to lead by example.
- Technology to support the ambition
- Recruitment to ensure Welsh is seen as a positive asset
- Suitable training for all levels of Welsh learners

2.5 He further explained that it was important to engage with staff and introduce milestones gradually to ensure staff supported the change. The Board also recognised that any approach should not act as a disincentive on potential new talent joining the organisation.

2.6 The Board thanked Dylan and Bethan for their work, they agreed that it was heading in the right directions and welcomed the positive progress. The Board requested sight of the Welsh language statistics on capability and capacity.

ACTION 1: Statistics to be circulated on capability and capacity of Welsh language staff within the organisation and updates on progress to be reported annually.

2.7 The Board discussed the policy further and noted that a key barrier was confidence of staff using the language, Dylan explained that the use of technology was important to resolving this issue by allowing staff to translate their own documents which will provide practice and build on confidence.

2.8 The Permanent Secretary summarised the discussion and advised that vision and leadership was important and agreed that increasing confidence of staff was key. She explained that Welsh language needed to be seen as an asset when applying for posts and the timetable needed to be adhered to. The Permanent Secretary highlighted that all this would be central to ensuring that Welsh Government become an exemplar organisation by the agreed timeframe.

3.1 Des Clifford provided an updated on the recent political developments including the prorogation of Parliament, and the Supreme Court consideration of the legality of it next week.

3.2 He further advised that there was still a risk of leaving the EU without a deal on 31 October, and Welsh Government must continue to plan. The Prime Minister has stated that he will not accept a further delay beyond 31 October despite MPs passing a law requiring him to seek an extension if there is no deal by 19 October. Des also explained that there could be a call for an election soon but advised that any election will have to happen after 31 October because Parliament is suspended until 14 October. There must be at least 25 working days from the 14 October until a general election happens, which takes us into the middle of November at least.

3.3 The Board noted the publication of yellowhammer on the 12 September, which makes clear the real world impact of a no deal. Des advised that the Welsh Government will publish its No Deal Brexit Action Plan next week, which sets out the strategic risks and potential impacts associated with leaving the EU without a deal. The plan also provides an overview of measures and actions, which would help to mitigate these impacts as far as it is possible to do so.

3.4 Des gave an overview of engagement activity that was taking place with UK Government and explained that Ministers were being invited to meetings and the Permanent Secretary invited to the Heads of Departments. Des and Ellen Donovan attended the HoD on behalf of the Permanent Secretary yesterday, both found the meeting informative and useful.

ACTION 2: Welsh Government No Deal Brexit Action Plan to be circulated to the Board.

4. Finance Report

4.1 Gawain Evans presented a Finance Report which focused on the period 1 April 2019 to 31 July 2019 (month 4) and is the third of the 2019-20 reporting period. It includes forecast outturn figures set against the 2019-20 budget, which for this, and future periods, is the First Supplementary Budget 2019-20 which was approved by the Assembly on 9 July.

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

4.3 Further discussions largely focused on:

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

4.4 Gawain explained that period 5 will include more detail and Brexit costings will be captured. The Board agreed to have a substantive item on period 5 at the next Board meetings. Andrew Jeffreys provided a short update on the Budget development.

ACTION 3: Include a substantive Board agenda item at the next meeting on the period 5 finance report.

4.5 Reference was also made to the reports to be produced for ARAC offering assurance on financial management and control.

5. KPI Update

5.1 Jeff Farrar and Steven Marshall provided an update on the Key Performance Indicators project. Jeff explained that he had focused on the measurement of the performance of the Civil Service in Wales and the Permanent Secretary's responsibilities in running the organisation. He explained that owners now needed to be identified to take forward the detailed work.

5.2 He advised that the T&F group had identified that work had been conducted in establishing an International Civil Service Effectiveness (InCiSE) Index, which attempts to use internationally cooperative data across the Civil Service in 38 countries. Whilst this does not contain all of the important issues for the Civil Service in Wales, it is a valuable starting point to build on and has already established credibility with the current and previous Cabinet Secretary for the

Civil Service.

5.3 He explained that the framework he recommends represents a balance between the needs of organisational managers, internal and external stakeholders, customers and employees. The proposed performance framework should enable the measurement of performance improvement and provide necessary accountability.

5.4 He advised that he had drafted the first draft of his report that lists key recommendation. This will be sent to the Permanent Secretary shortly.

5.5 The Permanent Secretary thanked Jeff and Steven for their work. She also asked the Board to note that Welsh Government will not take part in the Civil Service People Survey this year, unfortunately the Survey no longer meets our needs, and does not allow us to include Welsh Government -specific questions that allow us to track responses relating to our Welsh language commitments, delivery of cross-Government priorities, and collaboration across Government and the ways of working that we are committed to as part of the Wellbeing of Future Generations Act.

6 Strategic Workforce Planning - Baseline Review

6.1 Natalie Pearson and Yvonne Pawlin advised that a baseline review of all posts in the organisation has been commissioned by the Permanent Secretary to inform early discussions with the First Minister and Minister for Finance and Trefnydd on resource pressures for 2020-2021.

6.2 The Review is being undertaken in a condensed timeframe as consistently, transparently and comprehensively as speed will allow so that the information collected can also inform the longer-term proposal being developed for Ministers on the future size, shape and capability of the organisation.

6.3 The review was commissioned on 6 September with returns expected by 18 September. Natalie explained the next steps which was to analyse and quality assure the data before feeding into a long term people strategy. The timeline is to present the information to the First Minister and Minister for Finance and Trefnydd at the start of 2020. Natalie advised that she will keep Board informed of developments and will invite the Non-Executive Directors to the workshops.

6.4 The Board noted that this work will have a cross over with the Corporate Services review and discussion focused on the Corporate Services functions and the funding proposals that will be the outcome of the baseline review.

ACTION 4: Invite Non-Executive Directors to the Baseline Review Workshops and involve Board in the discourse phase of the project.

7 Perm Sec Items and Sub-committee items

7.1 The Permanent Secretary provided feedback from the SCS event last week, which was very successful, the event focused on Brexit, the First Minister's priorities and the baseline work that was discussed at today's meeting.

7.2 David provided an update on the coroner response which had been published yesterday. The report lists a number of measures to enhance support provided to Ministers. David also highlighted National Suicide week and advised that it was important to support staff within the organisation.

7.3 Ann Keane provided feedback from the last ARaC meeting and congratulated all involved in the work around the Annual Accounts which was published by the required deadline. She advised that changes had been made to the Governance around the ARACS and a more systematic support function had been put in place. Risk policy will be discussed at the next meeting.

7.4 Jeff Farrar provided an update from the Remuneration Committee. Discussions at the last meeting focused on the 6 months trial of anonymity recruitment, agreement of 6 Deputy Director posts and succession planning. He also advised that the Director Generals will be attending future meetings.

7.5 David Richards highlighted the progress made since July's Legislative Programme Board (LPB) and summarised the RAG reports of the Government Bills. He highlighted some issues which related to staffing, challenges with capacity for ongoing policy development, the volume of work still to be completed, and the high demand for legal services.

Actions arising at Board meeting

| ACTION | LEAD OFFICER | LATEST POSITION |
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| ACTION 1: Statistics to be circulated on capability and capacity of Welsh language staff within the organisation and updates on progress to be reported annually. | Secretariat | Complete |
| ACTION 2: Welsh Government action plan to be circulated to the Board. | Secretariat | Complete |
| ACTION 3: Include a substantive Board agenda item at the next meeting on the period 5 finance report | Secretariat | Complete – on agenda 11/10/19 |
| ACTION 4: Invite Non-Executive Directors to the Baseline Review Workshops and involve Board in the discourse phase of the project. | Natalie Pearson | Complete |

Actions brought forward from 5 July 2019

| 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 Welsh Government is taking to help combat climate change. |

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| 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 November 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 | Complete |
| ACTION 7: Secretariat to invite the Permanent Secretary to the KPI workshop on 23 July. | Secretariat | Complete |
| ACTION 8: Natalie Pearson to provide statistics on Welsh language the training and development. | Natalie Pearson | Complete |
| ACTION 9: James Owen to provide information on the policy on recruiting Welsh speakers. | James Owen | Complete |