

Board Paper to note



Llywodraeth Cymru
Welsh Government

Minutes of the Board Meeting, 6 December 2019

Present:

Shan Morgan
Ellen Donovan
Ann Keane
Jeff Farrar
Gareth Lynn
Andrew Goodall
Tracey Burke
Andrew Slade
Des Clifford
Peter Kennedy
Natalie Pearson
Gawain Evans
David Richards
Andrew Jeffrey
Helen Lentle

In attendance:

Katherine Thomas
Helen Morris

Secretariat:
Charmain Watts

Apologies:

Charlotte Thomas

1. Welcome

1.1 The Permanent Secretary welcomed everyone to the meeting.

2. Welsh Government's use of the Social Model of Disability: A mandate for change and Diversity and Inclusion Update.

2.1 The Permanent Secretary highlighted the importance of this work, the need to change the culture and work differently within the work place and beyond. Welsh Government must be an exemplar in our own work and lead the way for other organisations. The Board noted that strong Ministerial support accompanied this work.

2.2 The social model was developed by disabled people to describe their life experience and campaign for their rights. It was formally adopted by the Welsh Government in 2002 but awareness and understanding remains low amongst staff and its use in employment, policy development and service delivery has been correspondingly limited.

2.3 Following work led by DAAS with support from the Equality in the Workplace Team, Equality Team and Disability Wales, a new Welsh Government definition was launched by the Permanent Secretary on UN Day of Disabled People in December 2019. The social model distinguishes between 'impairment' (which affects the individual) and 'disability' (which is caused by the way things are done). It recognises that disabled people are disabled by barriers, not by their impairment or difference. Barriers can include attitudes, environments, policies and procedures which prevent disabled people's inclusion, participation and equality in all spheres of life.

2.4 Katherine Thomas, Head of Welsh Government's Head of Equality in the Workplace Team, updated ExCo on initial measures to systematically change the way Welsh Government uses the social model of disability to improve outcomes for disabled people in employment, policy development and service delivery by:

- Changing our use of language
- Shifting awareness, application and outcomes

2.5 The Board also viewed an animation, developed by the WG Creative Services Team, which demonstrates the way in which a non-wheelchair user would be disabled in an environment which was designed purely for wheelchair users. The animation, part of an internal communications campaign to raise awareness of the social model, deliberately inverts normal expectations about disability to bring home the effect of barriers in society.

2.6 The Board noted the following decisions taken by the Executive Committee on 5 December:

- The adoption of mandatory corporate language standards (annex 2)
- The actions to support social model awareness and use (annex 3)

2.7 The Board discussed next steps, which included:

- A 2nd phase of the communications campaign in January 2020.
- Actions within the action plan, including more training on offer.
- The need to keep actions under review at what is an early stage of culture change.
- Looking at the People Survey results to see what they tell us about barriers experienced by disabled staff and organisational understanding of the social model.

2.8 The Board recognised the difficulties with changing culture, but all agreed that actions were now needed to ensure the Welsh Government actually bring about this change and lead by example.

2.9 Andrew Jeffreys asked the Board to note the Equality and Diversity Update paper. WG is in the early stages of scoping the content of the new Diversity and Inclusion Action Plan, setting out our approach to increasing diversity, removing barriers and supporting everyone to reach their potential in our workforce. Following further development, the Action Plan will be brought to a Board meeting.

3.1 Des Clifford updated the Board on the political developments and advised that there were three possible outcomes from the election:

- A Conservative win, where an 'oven ready' Brexit deal will be put through Parliament in January, followed by a transitional period.
- A Labour win, which will re-open negotiations with the EU and potentially another referendum on whether the UK leaves the EU or not.

- A hung parliament, where deadlock continues and the risk of a no deal in January increases.

- 3.2 Des further advised that the delay in the no deal date has allowed time to pause and reflect on the variable futures. The Welsh Government machinery has also been reviewed and discussions held with Andrew Slade on options to rationalise the structure to ensure better cross working, and to allow decisions to be taken more swiftly.
- 3.3 Des explained a meeting was held with the Auditor General last week and positive feedback had been received from the Welsh Audit Office on how the Welsh Government had managed the work around Brexit.

4. Corporate Risk Register

- 4.1 Helen Morris presented to the Board a progress update on the refresh of Risk Management processes within the Welsh Government and shared the current version of the Corporate Risk Register.
- 4.2 Helen explained that an Internal Audit review of risk management practice in 2018/19 identified some gaps in the Welsh Government Risk Management Framework which needed to be addressed. A project to review and refresh the approach, aligned with the new governance framework, was implemented earlier in the year. Subsequently, in July 2019, the HMT Orange Book on risk management was updated for the first time since 2004 providing new material to be considered for the Welsh Government risk management update.
- 4.3 Helen summarised the Risk Management Policy & Risk Management Minimum Standards, and the key features of the Risk Management Policy and Risk Appetite Statement.
- 4.4 Helen provided an overview of the reporting structure and advised that the Executive Committee is responsible for deciding the risks which are escalated to the Corporate Risk Register, on the recommendation of the Finance Committee. The first cycle of review and recommendation by the Committees has been completed recently and has led to a better discussion about cross-cutting corporate risks. The Welsh Government ARAC has also considered and advised on the current Corporate Risk Register.
- 4.5 At their discussions, both committees identified several high scoring risks that are being managed at Group-level. These Group-level risks have now been taken off the Corporate Risk Register which focuses more clearly on strategic,

cross-organisation concerns. Two new risks have been identified and a third pre-existing risk has been expanded.

4.6 The Board welcomed this but asked that all the reporting mechanisms are aligned to ensure no duplication of efforts or discussions. This should also include risks associated with major projects.

ACTION 1: ToR of all committees to be revised to ensure a streamlined and consistent reporting process for all risk management across the Welsh Government.

4.7 David Richards provided an update on the Legislative Programme and explained five Bills in the Year Four programme were red. In light of the red status of all five Bills, the First Minister held a stocktake meeting on Monday 2 December on the Bills that have not yet been introduced.

4.8 These stocktake meetings will be held on a monthly basis to monitor progress, it was also agreed that the Legislative Programme Board will meet more regularly.

5. Finance Report

5.1 Gawain Evans referred to the two actions from the last meeting which were:

- GE to produce a checklist about the types of questions the Board should have in their head when reviewing the finance report, to ensure VFM.
- GE and AJ to provide the Board with a side of A4 outlining the scrutiny process of the finances and the rigour of the controls.

5.2 Gawain explained that he was working with Ellen Donovan and Gareth Lynn on the reporting structure of finances within the organisation. Gawain will draft a paper which will explain the roles of the Finance Sub Committee, Executive Committee and Board. This will be presented at the next meeting.

5.3 Gawain referred to the finance report that covers the period 1 April 2019 to 31 October 2019 (month 7). It includes forecast outturn figures set against the 2019-20 budget, which is the First Supplementary Budget 2019-20 approved by the Assembly on 9 July.

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

5.5 Further discussions largely focused on:

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

5.6 In addition, Gawain advised that discussions were on going with the Finance Minister on managing any underspend. Discussions were also on going with Groups to ensure transparency around underspend and reallocation of any finances.

6. Challenge sessions approach

6.1 The Permanent Secretary advised that a meeting had been held between the First Minister and Non-Executive Directors, where they discussed the First Minister's priorities and proposed that it would be useful to have the Non-Executive input on delivery of these priorities.

6.2 The Permanent Secretary proposed that the Non-Executive Directors be invited to chair some of her challenge sessions. The Non-Executive Directors welcomed this approach and were keen to ensure that the challenge sessions add value.

6.3 The Director Generals proposed that they highlight to the Non-Executive Directors key challenges within their area and also proposed that the Non-Executive Directors be invited to other key Policy Boards to gain further knowledge on some of the priority areas. The Non-Executive Directors welcomed this also.

ACTION 2: Director Generals to inform Non-Executive Directors of key challenges within their area and invite them to Policy Boards.

ACTION 3: Add an agenda item on the Annual Report once published in early 2020.

ACTION 4: Make arrangements for the Non-Executive Challenge Sessions to ensure the meetings are in calendars as soon as possible.

ACTION 5: Include standard agenda item on feedback from challenge sessions at each Board meeting.

Actions arising at Board meeting

ACTION	LEAD OFFICER	LATEST POSITION
ACTION 1: ToR of all committees to be revised to ensure a streamlined and consistent reporting process for all risk management across the Welsh Government.	Clare Colette/ Secretariat	In hand
ACTION 2: Director Generals to inform Non-Executive Directors of key challenges within their area and invite them to Policy Boards.	DG's	In hand
ACTION 3: Add an agenda item on the Annual Report once published in early 2020.	Secretariat	In hand
ACTION 4: Make arrangements for the Non-Executive Challenge sessions to ensure the meetings are in calendars as soon as possible.	Secretariat	Closed
ACTION 5: Include standard agenda item on feedback from challenge sessions at each Board meeting	Secretariat	Closed

Actions brought forward from 10 October 2019

ACTION	LEAD OFFICER	LATEST POSITION
ACTION 1: GE to produce a checklist about the types of questions the Board should have in their head when reviewing the finance report, to ensure VFM.	Gawain Evans	On-going – Will report back to a future Board meeting.
ACTION 2: GE and AJ to provide the Board with a side of A4 outlining the scrutiny process of the finances and the rigour of the controls.	Gawain Evans and Andrew Jeffreys	On-going – Will report back to a future Board meeting.