

Minutes of the Welsh Government Board Meeting, 1 October 2021

Present:

Shan Morgan
Meena Upadhyaya
Gareth Lynn
Ellen Donovan
Andrew Goodall
Andrew Slade
Reg Kilpatrick
Tracey Burke
Des Clifford
David Richards
Andrew Jeffreys
Peter Kennedy
Natalie Pearson
Gawain Evans
Helen Lentle
Charlotte Cosserat

In attendance:

Alyson Francis
Dyfed Alsop
Kim Jenkins
Amy Jones

Secretariat:

Charmain Watts

Apologies/not present:

None

1. Welcome

1.1 The Permanent Secretary welcomed all attendees and Charlotte Cosserat (shadow board member) to the meeting and informed the board that Amy Jones who has recently joined the Permanent Secretary's team is attending the meeting today as a development opportunity.

1.2 The Permanent Secretary asked board members if they are content with the minutes from the last meeting. Any comments and or updates should be fed back to the secretariat before they are published next week.

1.3 The Permanent Secretary provided an update to the board on current issues:

- The Permanent Secretary advised the board her last day will be the 30th October and Andrew Goodall will take up his role as Permanent Secretary on the 1st November and reassured the board that she is very confident that Andrew will make an excellent Permanent Secretary.
- The Permanent Secretary and Alyson Francis provided an update on the Welsh Government preparations for a COVID-19 Inquiry. She advised that the First Minister announced that we would be part of a UK-wide COVID-19 inquiry. Although there have been calls for a Wales-specific inquiry, the First Minister has been clear that a UK-wide approach will allow for proper scrutiny of decisions made in Wales.
- The board noted that this is a significant, high profile inquiry and one for which we will need to be fully prepared. Preparation work will need to run alongside other Welsh Government priorities, continuing to respond to COVID-19 and delivering Programme for Government commitments.
- The board agreed it is important that the Welsh Government remain transparent and open during the inquiry. The Permanent Secretary echoed these comments and also emphasised the importance of being able to demonstrate the decisions taken on evidence and data available to us at the time, it is also vital to ensure all documentation is available and deployable.
- The Non-Executive Directors asked whether we had considered the additional workload on staff and how we would support staff through an inquiry. The Permanent Secretary advised that staff will be provided with support and would have access to legal services. Alyson Francis advised that preparation for the COVID-19 Inquiry is underway, with the establishment of a small policy and legal team.

2. Feedback from session between Non-Executive Directors and the First Minister.

2.1 The First Minister held a formal Annual meeting with the Non-Executive Directors on the 4th August 2021.

2.2 The Permanent Secretary advised the First Minister felt the conversation was worthwhile and focused on how the Non-Executive Directors could offer additional challenge and support on the delivery of the First Minister's priorities to ensure they progress with pace and urgency.

2.3 The First Minister outlined the three areas where he would like the Non-Executive Directors to add additional challenge and scrutiny as follows:

- Social care
- Reform of the school year
- Reform of council tax.

2.4 The Permanent Secretary gave her personal thanks to the Non-Executive Directors in their support, in providing assurance on the delivery of key areas.

2.5 Ellen Donovan and Gareth Lynn felt that the meeting had gone very well and they were able to evidence where they are helping to deliver the Programme for Government.

2.6 Meena Upadhyaya thought the meeting was inspiring and feels a collaborative effort is always productive and would welcome meetings with Scottish Government and UK Government Non-Executive Directors to share learning, discuss priorities/challenges and compare Governance models.

2.7 The Non-Executive Directors highlighted the importance of not being directly involved in policy development; their role is to provide strategic advice, challenge and assurance for the organisation.

3. Welsh Revenue Authority and lessons of creation and operating a non-Ministerial department

3.1 Dyfed Alsop Chief Executive Officer of the Welsh Revenue Authority delivered a presentation of an overview of experience of operating the Welsh Revenue Authority as a Non-Ministerial Department and provided suggestions of opportunities to use this model for other initiatives.

3.2 Dyfed explained WRA was established as a Non-Ministerial Department – a first new body of this nature set up by the Welsh Government. This borrows from international best practice in how to establish a revenue authority, and particularly the UK context where HM Revenue & Customs is a non-Ministerial Department.

3.3 The board noted that the non-ministerial model allows Government functions to be delivered with Ministerial control balanced by protections for taxpayers in respect of individual decisions and the confidentiality of their data. It is used particularly for organisations where any political involvement or perceived political involvement in individual cases would be undesirable. Other examples in UK government include the Charity Commission, Crown Prosecution Service and HM Land Registry.

3.4 The board discussed whether this model would be applicable to other departments within the Welsh Government, the Non-Executive Directors also asked whether it could apply to Arm's Length Bodies. Dyfed explained that would be a possibility and it had to be explored further.

ACTION 1: All to consider whether this model would be applicable to other Departments.

3.5 The Non-Executive Directors endorsed this approach but in the appropriate circumstances. The board agreed and noted that the risks and benefits must also be considered first.

4. Finance/Budget Update

4.1 Andrew Jeffreys and Gawain Evans provided an update to the board of the current Finance and Budget status.

4.2 Andrew explained that the UK spending review and budget is due to be announced on the 27th October. The UK Government has increased the envelope for the spending review by increasing NICs to support the NHS and Social Care.

4.3 The board noted that at the start of the Senedd term, the Welsh Government announced an ambitious plan to produce a 3-year budget plan, part 1 of the budget process is now complete. Andrew Jeffreys and the Non-Executive Directors commended all the Operations Teams for their efforts in achieving the first phase.

4.4 The board acknowledged that the next phase for the Welsh Government is for a cross Government Panel to review all proposals. The Welsh Government will want to make early decisions and make allocations quickly after the spending review.

4.5 Gawain reported on the Welsh Government's 2021-22 forecast outturn and reserves position as at 31 August 2021 (month 5).

- Revenue forecast
- Capital forecast
- Position of current reserves

4.1 Gawain provided an update on the Welsh Government Annual Accounts, he advised that the accounts have been sent to the Welsh Audit Office by the required deadline.

5. Any other business

- 5.1 As this was the Permanent Secretary's last Welsh Government Board meeting, the Non-Executive Directors offered their gratitude for her outstanding leadership during her time as Permanent Secretary.