

PUBLICATION, DOCUMENT

Social Partnership Council meeting, 10 July 2024: minutes

10 July 2024, 10:30 to 12:30, virtual meeting.

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Social Partnership Council (SPC) Attendance: 10 July 2024

Item 1: Welcome / Opening Remarks

1. The Minister for Social Partnership welcomed attendees to the third meeting of the Social Partnership Council (SPC). The Minister outlined the leads for each agenda item and meeting etiquette. She explained that members had been provided with two papers to note giving an update on socially responsible procurement and the draft SPC Members' Attendance and Conduct Policy and confirmed that these items would inform the agenda for the next meeting of the SPC.

Item 2: Use of Welsh Government Financial Support to Ensure Fair Work

- 2. The Minister confirmed that the paper for this item had been provided by Wales TUC in consultation with their affiliated trade unions. She explained that it outlined a three-step approach the trade unions wanted to submit to Welsh Government to support fair work policy. The Minister invited Shavanah Taj (Wales TUC) to deliver the item.
- 3. Shavanah Taj felt that now the SPC was operational, members could focus on their primary role to advise Welsh Government with fair work policy being central to that remit. Shavanah acknowledged the amount of activity that had already taken place to develop Wales' fair work policy but that it was important to develop the next phase by building a cross-government approach centred around funding conditionality and an expansion of the Economic Contract.
- 4. She explained that the trade unions' proposal sought to address the principles underlying public funding rather than the actual impact of grants to

make fair work a central condition of receiving financial support. Although access to trade union representation had been a condition of some grants, this had not been universal practice. It would be important to develop a more consistent approach where receiving Welsh Government grant funding or loans, including from the Development Bank of Wales (DBW), would require companies to agree, in principle, that workers could access trade union support.

- 5. Shavanah explained that the principle of including workforce access to trade unions should not be problematic given that there were already conditions built into grant funding for equalities and the Welsh language. She stressed the trade union view that not to include this principle stood in contradiction to the Welsh Government's commitment to fair work (including the development of a Fair Work Fund) and highlighted the potential dangers of government inadvertently supporting companies that were openly anti-trade union. It would be important to develop guidance so companies were clear on what was expected from them.
- 6. Shavanah acknowledged the concerns raised by the Federation of Small Businesses (FSB) (provided in writing before the meeting) and felt these could be discussed further by an SPC Working Group. She stressed the importance of consolidating the position on funding for the public sector and then using that as a platform for discussing the specific issues with the private sector. Referencing the review of the Economic Contract, Shavanah advised that the SPC was best placed to act as the vehicle for developing a more consistent and proportionate approach to its application. She felt that creating greater consistency would help to reduce some of the bureaucratic burden on employers in accessing funding but that this should not be at the expense of fair work.
- 7. Shavanah explained that the outlined approach was the trade unions' pragmatic starting point for developing consistency around fair work policy,

- and that the focus should be on what could be achieved rather than the barriers to progress.
- 8. Ruth Brady (GMB) raised concerns over levels of intimidation being experienced by staff within some companies across the UK where the workforce had been seeking trade union representation. Ruth explained that one of the companies referred to had been in receipt of Welsh Government funding in respect of one of their sites in Wales. Ruth flagged the importance of better understanding the extent to which small and medium sized companies were fulfilling their obligations to the principles of fair work as well as their conditions of grant.
- 9. Ian Price (CBI) referenced the King's Speech scheduled for the 17 July which it was anticipated would include a Workers Charter and recommended waiting to see how this could support fair work. He raised concerns about creating a market disadvantage by applying the proposals to the DBW as well as smaller companies represented by the FSB and that it would be important to understand what type of business would be covered and the potential impacts on them. He stressed that the purpose of the policy had to be to root out deliberately bad employment practices without creating unintended consequences that could commercially disadvantage businesses operating in good faith.
- 10. Councillor Anthony Hunt (WLGA Workforce Spokesperson) welcomed the TUC's proposal from a Local Government perspective, stressing the importance of being clear and consistent in the allocation of government funding from the beginning of the process. He flagged some of the problems involved with procuring services from companies, including the ineffectiveness of using scoring systems to encourage businesses to act ethically. He acknowledged the dangers of creating unintended barriers for smaller businesses operating in a conscientious way and felt larger companies could sometimes be more adept at evading their responsibilities

to their employees.

- 11. Jessica Turner (Unison) supported Councillor Hunt's point regarding greater clarity and consistency regarding funding conditions and highlighted some of the concerns in areas such as social care and the need to set a clear standard to avoid exploitative workforce practices. Whilst acknowledging the need to guard against unintended consequences, she said that this was an opportunity for the SPC to demonstrate how social partnership could work in practice to affect real change, by initially focusing on those sectors that were most in need of improvement
- 12. Claire McDonald (Welsh Government) confirmed that a fundamental review of the Economic Contract to ensure that it is more focused was underway, including consideration of its policy links to fair work. In addition, a short external review of business support had been commissioned which would run throughout August and this paper would be fed into both reviews.
- 13. Dame Elan Stephens (Public Leaders Forum, PLF) felt the SPC should wait to consider the content of the Workers Charter and the outcome of the review into the Economic Contract before agreeing a position. She felt this would allow the SPC to see how these aligned with the proposal and fair work policy more generally, including any issues relating to modern slavery. She also had concerns about unintended consequences on both the PLF members as grant giving arm's length bodies and the secondary level grant givers such as small theatre companies. She welcomed the proposal in the paper but would like to put it to the PLF for their consideration.
- 14. Kathryn Robson (Adult Learning Wales) outlined the depth of support for adopting fair work principles throughout the further education sector, including areas such as procurement. She supported the proposals which she felt would be welcomed within her own sector.

- 15. Gareth Lloyd (UCU) welcomed Kathryn Robson's support for the TUC's paper. Gareth confirmed further education trade unions were working together in support of the paper at the Wales Negotiations Committee for Further Education (WNCFE). He confirmed the paper would be discussed at the next meeting of the WNCFE and invited Kathryn Robson to attend.
- 16. Shavanah Taj (Wales TUC) welcomed the positive discussions that had taken place. Shavanah referenced the support that had been offered by the FSB and the Confederation of British Industry (CBI) for the principles underpinning the TUC's paper in separate discussions outside of this meeting. She acknowledged potential concerns regarding smaller/medium sized companies and the culture sector and the view that members should wait for the outcome of the King's Speech before agreeing a position.
- 17. She felt the review of the Economic Contract and wider business support should be considered at the SPC in the first instance and expressed concern that conversations on these would be taking place in separate forums. It would be important that this work be prioritised and suggested establishing a sub-group.
- 18. The Minister acknowledged the bad practice that had been identified for some employers and the need to use all available levers to address this. She welcomed the views from members and the need to progress this issue as a priority. The Minister acknowledged the concerns that had been raised regarding smaller/medium-sized businesses as well as the need to ensure there is compliance from those companies. She confirmed that the Council could hold a further discussion at its next meeting in September.

Action: SPC Secretariat to ensure the issue of using Welsh Government funding conditions to support fair work is placed on the agenda for the next SPC meeting.

Item 3: The Potential for the Social Partnership Council to Advise on Al Implications for the Workforce

- 19. The Minister explained that the issue of artificial intelligence (AI) and the workforce had been raised as a potential topic for discussion at the SPC's meeting on 1st February. She welcomed the work that had already been undertaken by the Workforce Partnership Council (WPC) but, as the use of AI in the workplace was not limited to the public sector, this could be an appropriate area for further exploration by the SPC. However, it would be important to avoid duplication.
- 20. Jessica Turner (Unison) confirmed the trade union networks' preferred option was to take a staged approach and first consider the report of the WPC's sub-group on Al later in the year. To avoid delay, Jessica suggested the Council could receive a briefing from the WPC on progress so members could better understand their initial findings as it would be prudent for the SPC to start developing its own work ahead of the WPC's final report. She emphasised that the trade unions did not wish to interfere with the WPC's work given its important focus on devolved public services.
- 21. Ian Price (CBI) supported Jessica Turner's comments and agreed that it would be important for the SPC to consider advice from experts in the field and this would be fundamental to the Council making informed decisions in this complex area.

- 22. Kathryn Robson (Adult Learning Wales) agreed with the comments that had been made previously and stressed the importance of identifying the right experts for the SPC's group. She flagged the importance of not duplicating effort and raised the possibility of the WPC and the SPC sub-groups working collaboratively. She recommended her own digital specialist as a source of expert advice at the SPC and highlighted the importance of developing a balanced approach to AI which recognised its threats and benefits.
- 23. Gareth Lloyd (UCU) cited the work of Coleg Cambria where AI had been used to reduce workloads without making staff redundant, citing this as a good example of how technology could benefit everyone.
- 24. Dame Elan Stephens (Public Leaders Forum) said members of the proposed sub-group were not required to be specialists in AI technology. AI represented a new industrial revolution and that it would be essential to understand the impact on young peoples' skills and employability in this new context. Given the scope of AI in the future, the SPC was the right forum for starting a wider conversation moving forward.
- 25. The Minister acknowledged the scope of AI and the importance of developing a shared understanding of how to implement new technologies in social partnership. She identified consensus amongst members that the Council should be careful not to duplicate work and that, following the completion of the WPC's report in November activity by the SPC would allow AI to be considered by a broader range of social partners. The SPC could then determine what experts it wished to invite onto its sub-group.

Action: SPC Secretariat to draft a letter from the Minister to the WPC Al sub-group thanking them for their work and confirming that the SPC would be interested in receiving their final report on the threats and opportunities presented by Al.

Item 4: The Potential for the Social Partnership Council to Support Equality and Diversity

- 26. The Minister explained to members that they were being asked to agree their preferred option or options for how the Council could support equality and diversity work. To ensure that the SPC could fully consider equality and diversity matters, she explained that four options were presented in the paper, each of which had its own advantages and disadvantages.
- 27. Option 1 was for the SPC to establish an equality and diversity subgroup. Option 2 was for every SPC discussion paper asking the Council for a decision to include a section that considered equality and diversity considerations. Option 3 was for equality and diversity to be a standing agenda item at each meeting of the Council and Option 4 was for the SPC to consider how to make use of existing equality work across Welsh Government, social partners, and expert groups.
- 28. Pippa Britton (Third Sector) emphasised the importance of inclusion in any discussions relating to equality and diversity. For this reason, she supported Option 2 but felt blending this with Option 4 and accessing existing expert groups would allow for a more inclusive approach. Pippa suggested a note could be added to the agenda for each SPC meeting asking members if there were any other issues that needed to be considered regarding equalities.

- 29. Kathryn Robson (Adult Learning Wales) agreed with the approach outlined by Pippa Britton and suggested that SPC members with a background in equalities could have early sight of papers to ensure they captured any relevant points. She suggested that Welsh language could be added but this could mean considering other languages and other cultural issues.
- 30. Darren Williams (PCS) felt a blended approach involving the creation of a sub-group of SPC members which would draw on the expertise of existing groups and then report to each meeting of the Council would be preferable. He expressed concern that a mandatory section on decision papers might produce a tick-box exercise.
- 31. Amelia John (Welsh Government) explained that as the Director for Communities and Social Justice many of the expert equalities' groups referred to by members fell within her remit and that she would be happy to provide more information on these to the SPC.
- 32. Pippa Britton (Third Sector) added that the SPC might wish to create an equalities task and finish group that could address specific emerging issues.
- 33. Kathryn Robson ((Adult Learning Wales) supported Pippa Britton's recommendation as this would allow the SPC to deal with an emerging issue more effectively than creating a standing sub-group.
- 34. The Minister thanked members for their advice and the blended approach that had been recommended. The Minister confirmed she would ask officials to produce a modified paper based on these discussions for members to consider. She added that it would be important for the SPC to have an understanding of the work of all the existing equalities groups in order to avoid duplication.

Action: SPC Secretariat to prepare a paper which captures the blended approach to equalities work recommended by members.

Action: SPC Secretariat to provide members with details of existing equalities groups across Welsh Government.

Item 5: Minutes / Actions Arising

- 35. The actions arising from previous meetings were agreed.
- 36. Jessica Turner (Unison) raised an issue regarding the formatting of how the actions arising were recorded.
- 37. The Minister acknowledged this and confirmed the SPC Secretariat would consider.

Action: SPC Secretariat to consider the formatting of future actions arising papers.

Item 6: Next Meeting - date and venue

38. The Minister confirmed that the next meeting of the SPC was scheduled for 30th September, and that the possibility of this being a face-face meeting was being explored. She confirmed the draft agenda would be provided for comment in due course by the Secretariat and thanked members for their time and the advice they had provided at the meeting.

Social Partnership Council (SPC) Attendance: 10 July 2024

Welsh Government

Sarah Murphy MS, Minister for Social Partnership

Worker Representatives

Ruth Brady, GMB
Neil Butler, National Association of Schoolmasters Union of Women Teachers
Gareth Lloyd, University and College Union
Shavanah Taj, Wales TUC Cymru
Jess Turner, UNISON
Darren Williams, Public and Commercial Services Union

Employer Representatives

Pippa Britton, Third Sector
Dame Elan Closs-Stephens, Public Leaders Forum
Councillor Anthony Hunt, Welsh Local Government Association
lan Price, Confederation of British Industry Wales
Nicola Prygodzicz, Aneurin Bevan University Health Board
Kathryn Robson, Adult Learning Wales
Janis Richards, Make UK Ltd

Secretariat Support/Observers

Philippa Marsden, Welsh Government (Special Advisor)

Jo Salway, Director, Social Partnership Employability and Fair Work Amelia John, Director, Communities and Social Justice Claire McDonald, Deputy Director, Economic Policy Clare Jankovic, Welsh Government Kate Bacon, Welsh Government Glyn Jones, Welsh Government Zoe Holland, Welsh Government Mark Lewis, Welsh Government Robert Hobbs, Welsh Government Fflur Elin, FSB (Representing Ben Cottam) Nick Hughes, Royal College of Nursing (Representing Helen Whyley)

Apologies

Peter Hughes, Unite the Union
Mike Walker, Union of Shop, Distributive and Allied Workers
Helen Whyley, Royal College of Nursing
Ben Cottam, Federation of Small Businesses
Professor Wendy Larner, Cardiff University

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