



Summary Minutes of the Board Meeting, 27 April 2012

Present:

Permanent Secretary (Chair)
David Sissling
James Price
Emyr Roberts
Michael Hearty
Bernard Galton
June Milligan
Gareth Jones
James Turner
Elan Closs Stephens
Adrian Webb
Jeff Godfrey
John Howells
David Richards

In attendance:

Natalie Pearson
Peter Ryland (Item 4)
Arwel Thomas (Item 5)
Ian Gibson (Item 5)
Andrew Jeffreys (Item 6)

Secretariat:

Emma Alexander
Martyn Gunter

1. Permanent Secretary's Items [Oral]

Director General Exception Reports

- 1.1 The Permanent Secretary invited DGs to share key issues from within their areas with Board colleagues. Issues raised included organisational resilience, senior appointments in the Department for Health, Social Services & Children (DHSSC), education policy in Wales, the Single Environmental Body and inward investment. The Board agreed that consideration should be given to whether there was further work that could be undertaken, with Sector Panels and Universities, to develop skills and therefore increase competitiveness.

Remuneration Committee

- 1.2 James Turner, Chair of the Remuneration Committee, gave an update on the meeting held in March. Items discussed had included recruitment requests, a presentation on the work of the New Offer for the Civil Service Group and an initial discussion regarding differentiating between specialist and generalist posts. James also informed the Board that Emyr Roberts, DG, Education & Skills was standing down from the Committee having completed his three years as the DG representative.

Corporate Governance Committee

- 1.3 Elan Closs Stephens, Chair of the Corporate Governance Committee gave an update on the meeting held in April. She informed the Board that the key themes of the meeting had been the nature of programmes, ownership and joined-up working. Items discussed included the Corporate Risk Register, a Governance update, the Interim Management Letter, the Internal Audit Annual Report and a business continuity update.

Operations Group

- 1.3. John Howells, Chair of the Operations Group, gave an update on the latest meeting where items at the meeting had included the Lessons Learned Action Plan and a discussion on Results Based Accountability (RBA). The Board agreed that an item on RBA should be taken to a future Board meeting.

For decision

2. Minutes of 30 March and Matters Arising [Board(12)018]

- 2.1 The minutes of the meeting held on 30 March were agreed as an accurate record.
- 2.2 Bernard Galton, DG, People, Places & Corporate Services (PPCS) provided the Board with a brief update on the Merlin Contract Expiry Project.

For discussion

3. NHS in Wales [Board(12)019]

- 3.1 David Sissling, DG, Health Social Services & Children (DHSSC) presented a paper which provided an update on progress in implementing Together for Health and set out plans to translate ambition into action and achievement in future years. He informed the Board that there had been a pattern of general improvement and maintenance against key delivery priorities during 2011/12. He also noted the potential risks and challenges to the delivery of these priorities moving forward and set out the actions to mitigate the risks.
- 3.2 The Board welcomed the paper and noted the content. In the subsequent discussion, the Board agreed that:
- the new Chief Medical Officer would be invited to attend a Board meeting following their appointment;
 - a paper on a vision for the interconnectivity of public services would be brought to a future Board meeting;
 - the Permanent Secretary, James Price, DG, Business, Enterprise & Technology (BETS) and Gareth Jones, Acting DG, Sustainable Futures (SF) would meet separately to discuss the delivery of services in rural areas.

4. Foreign Exchange Risks [Board(12)020]

- 4.1 Peter Ryland, Deputy Director, Programme, Performance & Finance introduced a paper which updated the Board on options for managing the financial risks arising from exchange rate fluctuations. In the subsequent discussion, the Board considered mitigating actions and agreed that:
- the work that was already underway (such as regular monitoring and phasing of expenditure) should continue;
 - there should be engagement with the UK Government to explore the possibility of joint options to mitigate the financial risks arising from exchange rate fluctuations;
 - individual conversations would be held with each DG area to look at their projects and the associated options for programming;
 - a sensitivity analysis should be undertaken looking at the contingencies for the worst, middle and best scenarios;
 - a DG paper should subsequently be drawn together for discussion setting out the various planning assumptions;
 - as previously agreed, DGs would ensure that WEFO funded projects were not being re-profiled more than once; and
 - exchange rate risks would be revisited by the Board on a regular basis.

5. Review of Corporate Risks [Board(12)021]

- 5.1 Arwel Thomas, Deputy Director, Corporate Governance & Assurance presented a paper which included the latest update to the Corporate Risk Register and set out ongoing work on developing new corporate risks. He informed the Board that the Corporate Governance Committee had considered an earlier version at their meeting on 19 April.
- 5.2 In discussion the Board considered the role of the Corporate Risk Register and noted the challenges associated with developing a corporate register while ensuring appropriate linkages with departmental registers. The Board also discussed the proposed new high level corporate risks and considered ownership of those risks. The Board agreed that:
- a group lead by Michael Hearty, and including Gareth Jones and June Milligan, would carry out further work on the ownership of risks and examine the sub-components of the proposed risks with a view to taking a paper to DGs in June in the first instance;
 - there should be an in-depth discussion of one risk and the mitigation each time the Register was considered; and
 - work on the Corporate Risk Register should dovetail with the corporate plan.

6. Capital Expenditure: Developing a More Strategic Approach [Board(12)022]

- 6.1 Michael Hearty and Andrew Jeffrey, Deputy Director, Strategic Capital investment introduced a paper on the Wales Infrastructure Investment

Plan (WIIP). The paper set out work to develop a more strategic approach to capital and infrastructure investment. Michael Hearty noted that a paper was due to be considered by Cabinet and that the WIIP would be published on 22 May.

- 6.2 The Board welcomed the paper and discussed how to identify priority capital funding projects, funding streams, articulating the scale of investment in place, social benefits and linkages to local plans. They agreed that this should be added as a subset of the proposed Managing Public Money Risk.

7. Any Other Business

- 7.1 The Board briefly discussed a paper to note from the Welsh Government Heads of Professions. They agreed that a paper being prepared by Michael Hearty on the Strategic Approach to Programme Management would be considered by the Board in June.

Board Secretariat, 2 May 2012