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**Minutes of the Board  
Meeting, 22 February 2013**

**Agenda Item: 2**

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**Present:**

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

**In attendance:**

Natalie Pearson  
Crispin O'Connell (Item 3)  
Sioned Evans (Item 4)  
Ian Gibson (Item 5)  
Lynne Hamilton (Item 6)

**Secretariat:**

Emma Alexander  
Catherine Evans

**1. Permanent Secretary's Items [Oral]**

1.1 James Price, Director General, Business, Enterprise, Technology and Science (BETS), welcomed the Board to the Welsh Government offices at the QED Centre, Treforest, which housed mainly BETS staff. He noted that a Board Q&A session would be held after the Board meeting, which would provide staff with an opportunity to meet Board members.

*Permanent Secretary's Reviews*

1.2 David Richards, Director of Governance, briefly referred to the Steering Group which had been set up to oversee implementation of the actions from the Permanent Secretary's Reviews. The Group had met and a detailed plan was being drawn up for communicating progress to staff. It was agreed that Directors General (DGs) should encourage members of the Senior Civil Service within their areas to attend the event on 1<sup>st</sup> March, which would provide further detail on the work of the Reviews.

- 1.3 The Permanent Secretary briefly referred to the Welsh Government's evidence to the Silk Commission, which had been submitted on 18<sup>th</sup> February, and encouraged DGs to read the evidence if they hadn't already done so.
- 1.4 The Permanent Secretary referred to Mark Serwotka, General Secretary to the Public and Commercial Services Union's article to the Western Mail on Welsh Government pay. It was agreed he would discuss separately with the Director General, People, Places & Corporate Services (PPCS).

*Remuneration Committee*

- 1.5 James Turner, Non-Executive Director and Chair of the Remuneration Committee, gave a brief update on the meeting held in January, which had included the standard updates.

*Legislative Programme Board*

- 1.6 Michael Hearty, Director General for Strategic Planning, Finance & Performance (SPF&P) said that the Legislative Programme Board would next meet on Wednesday 27<sup>th</sup> February.

*Operations Group*

- 1.7 John Howells, Chair of the Operations Group, gave a brief update on the February meeting where items had included a discussion on Delivering Results Principles, Mainstreaming Equality and Major Projects. Operations Group had also registered its interest in being involved in taking forward action from the Permanent Secretary's Reviews.

*Governance Update*

- 1.8 David Richards, Director of Governance, said that the Government was awaiting reports from the Public Accounts Committee on grants management and other issues, which would require consideration.

*Director General (DG) Exception Reports*

- 1.9 The Permanent Secretary invited DGs to share key issues from within their areas with Board colleagues. Issues raised included reducing complexity, cross-departmental working, Natural Resources Wales, the Control of Dogs Bill and the Works. It was agreed that the Board should consider holding one of its monthly meetings at the Works; and that internal and external communications should be developed to show the success of the Works.
- 1.10 Other issues raised included Sir Nicholas Macpherson's Analytical Review, the Francis Report into mid Staffordshire NHS Foundation Trust, the NHS Reconfiguration Change Programme, Welsh Language Standards and the announcement that some education services should be taken into special measures.

1.11 The Permanent Secretary briefly referred to the Programme for Government Delivery Group which had met for the 2<sup>nd</sup> time the previous day. The Group had received presentations from the Business Group Sub-Groups on housing and places, health and care services and education and skills and had agreed that the First Minister should be invited to hear the presentations at a future Business Group meeting.

## **2. Minutes of 25<sup>th</sup> January and Matters Arising [Board(13)]007]**

2.1 The minutes of the meeting held on 25<sup>th</sup> January were agreed as an accurate record.

2.2 It was agreed that outstanding updates on actions should be emailed to the Secretariat.

## **3. Advancing ICT [Board(13)008]**

3.1 Crispin O'Connell, Deputy Director, Places & Services, introduced the paper, which contained 3 aspects. Firstly, it asked the Board to note the issues surrounding the ICT outage, service and training improvements. Secondly, it asked the Board to resolve whether to establish an ICT Sub Committee noting the current governance arrangements around ICT and the strong link to the Operations Group. Finally, the Board was asked to note and agree the proposed programme for the Year of ICT. This had been informed by the People Survey and a separate ICT survey carried out in January. It was proposed that training on personal digital skills be developed rather than the more traditional ICT courses to ensure that staff had the confidence to exploit the IT available to them.

3.2 The following points were raised in discussion:

- There was no need for a separate ICT group as the current governance arrangements were sufficient and, if necessary, Operations Group could refer strategic ICT issues to the Board;
- The proposal to develop training on personal digital skills was welcomed;
- It was noted that any training should not just be about utilising the IT available to staff but also understanding the use made of IT outside the organisation;
- Consideration should be given to providing further training to staff who used video-conferencing facilities;
- ICT should be added to the list of items for consideration under the Reducing Complexity workstream. Crispin said that he and David Milner would be the contacts for any ICT queries in this area;
- Consideration should be given to offering a range of training opportunities to staff, such as drop in sessions and accredited courses;
- It was very helpful to see the proposed programme of activities;

- Further work was needed on improving and promoting remote working opportunities;
- Links should continue to be made between the location strategy and ICT;
- If the Board was clear on its high level objectives on ICT for the year, the Operations Group could monitor delivery against those objectives;
- Consideration should be given to improving the telephone systems in some offices rather than a full move to Smartphones;
- Consideration should be given to drawing up communications to staff on this work.

3.3 Crispin said that there had already been infrastructure changes to the ICT behind the scenes, but these weren't always visible to staff. He also said that whilst funding was in place for some of the activities, options were being considered for funding other activities included in the programme.

3.4 The Permanent Secretary said that the Board had noted the issues surrounding the ICT outage and had agreed the proposed programme of activities, subject to securing the necessary funding. The Board had also agreed that there was no need for a separate ICT sub-Committee. The Permanent Secretary thanked Crispin for the paper.

#### **4. Welsh Government Administrative Estate – Location Strategy [Board(13)009]**

4.1 Sioned Evans, Deputy Director, Property Division, introduced the paper, which provided an update on the implementation of Location Strategy Phase 2, including progress on associated estate rationalisation plans, highlighted the issues and significant estate rationalisation opportunities that would arise before and after 2015 and provided a platform for further discussion on the key principles, direction and development of the strategy and current location model.

4.2 Sioned said that three years into the five year strategy on Phase 2, the efficiency of the estate had been substantially improved. Cost, size and carbon emissions had been reduced and the overall quality of buildings and workspace had improved.

4.3 The following points were made in discussion:

- The work on estate rationalisation had been a success;
- Further thought needed to be given to location neutral posts as they could result in staff feeling isolated;
- Further consideration needed to be given to the location of functions. It was agreed that a map showing the breakdown of functions across the estate would be produced for DGs;
- Further consideration should be given to the role of senior leaders in regional offices;

- The Government had a role in taking the lead with the wider public service and needed to ensure linkages with the work of the Public Service Leadership Group;
- The estate should support the business and any change needed to be driven by the needs of the business. Departmental Location Plans would help inform this work;
- The Location Strategy needed to be mindful of the work of the Reviews.

4.4 It was agreed that Directors General should consider relevant functions and that a discussion should be scheduled at a future DGs' meeting.

4.5 The Board agreed that estate rationalisation should continue and Property Division should develop plans for a third phase of the Location Strategy in consultation with DGs.

4.6 The Permanent Secretary thanked Sioned Evans for the paper.

## **5. Review of Corporate Risks [Board(13)010]**

5.1 Ian Gibson, Head of Corporate Governance Unit, introduced the paper, which asked the Board to agree to adopt the current version of the register, subject to further work being undertaken.

5.2 He said that the Corporate Governance Committee had discussed the Risk Register at its January meeting and made a strong recommendation to the Principal Accounting Officer that the Risk Register be adopted by the Board.

5.3 Ian said that there were still a couple of outstanding risks to consider adding relating to the Scottish Referendum and Silk. It had also been agreed that a 3<sup>rd</sup> section be added to cover major issues on departments' radars.

5.4 Michael Hearty, DG for SPF&P said that greater clarity was needed regarding the correlation between the Departmental and Corporate Risk Register and how risks might move from one to the other. He said that the Corporate Governance Unit proposed to scan departmental registers on a quarterly basis to ensure consistency across the board.

5.5 The following points were made in discussion:

- A risk register should arise directly from the Strategic Delivery Plan, contain cross cutting issues that had to be dealt with at a corporate level and events outside the control of the Government.
- Consideration should be given to adding an item on the organisation's ability to handle external events when they arose;
- All risk registers were temporary and required regular updating;

- The Board needed to ensure that the mitigating actions were adequate. It was agreed that the mitigating actions should be reviewed at a future meeting.
- 5.6 The Board agreed to adopt the current version of the register and to further work being undertaken to fine tune it.

**6. Financial Management Performance Report [Board(12)005]**

- 6.1 Michael Hearty, DG for SPF&P, said that due to the timing of the meeting, it had not been possible to provide a written report but once the figures had been finalised, a full report would be circulated to the Board and discussed at the Director General meeting on 7<sup>th</sup> March.
- 6.2 Lynne Hamilton, Director of Finance and Procurement, gave an oral update on the Month 10 financial position and referred to SPF&P's indicative timetable for 2012-13 Year End. She assured DGs that Finance would work with their teams on a weekly basis to ensure accurate reporting.
- 6.3 The Board discussed the implications arising from the latest position and the Permanent Secretary thanked Lynne for the update.

**7. Any other business**

- 7.1 Bernard Galton, DG for PPCS, said that Sioned Rees, Deputy Director, External Partnerships, would be leading a review on handling Freedom of Information requests. He said it was important for all DGs to contribute to the review.
- 7.2 It was also agreed that, if time allowed, the review should include benchmarking against other organisations.

**Board Secretariat, 26 February 2013**