



**Summary Minutes of the Board
Meeting, 28 June 2013**
Agenda Item: 2**Present:**

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

In attendance:

Natalie Pearson
Arwel Thomas (item 4)
Lynne Hamilton (item 5)

Apologies:

June Milligan
Bernard Galton

Secretariat:

Emma Alexander
Catherine Evans

1. Permanent Secretary's Items [Oral]*Director General (DG) Exception Reports*

- 1.1 The Permanent Secretary invited DGs to share key issues from within their areas with Board colleagues. Issues raised included the Cabinet reshuffle, concerns with the Business Wales website, the UK Government's Spending Review announcement, the forthcoming Cynhadledd Fawr, the situation with the M4, NHS service change, the departures from Betsi Cadwaladr Health Board, CAP reform and the housing revenue account subsidy scheme.

Remuneration Committee

- 1.2 James Turner, Non-Executive Director and Chair of the Remuneration Committee, gave a brief update on the meeting held in May. Items discussed had included honours nominations, the SCS structure in the Department for Education and Skills and approving the Annual Report.

Corporate Governance Committee

- 1.3 Elan Closs Stephens, Non-Executive Director and Chair of the Corporate Governance Committee, gave a brief update on the meeting held in June. Items discussed had included the draft Annual Report—

which would come to the July Board meeting—and the fact that the Committee was able to offer provisional substantial assurance to the Accounting Officer. Other items included grants management and WEFO, which was the only remaining UK authority still able to make payments in terms of EU funding.

Operations Group

- 1.4 The Chair of Operations Group, John Howells, gave an update on the June meeting. Items discussed had included a progress report on the 9-box grid end year markings, a presentation on equality impact assessments, a discussion on the central functions carried out by Operations Teams and discussion around implementation of the Welsh Language Action Plan.

Governance Update

- 1.5 The Director of Governance, David Richards, said that the Public Accounts Committee's final report on Grants Management in Wales had been published.

Reviews Steering Group

- 1.6 In his role as Chair of the Steering Group, David Richards said that the Permanent Secretary was currently reflecting on proposals from the Group on the remodelling of the Strategic Centre. He also noted that procedures for moving staff into different posts had been streamlined. It was noted that more Executive Officers were needed to fill Private Office vacancies. It was agreed that consideration should be given to identifying suitable candidates whether or not they might already be looking for a move.

Board Membership

- 1.7 The Permanent Secretary said that he had reflected on the current membership of the Board and decided that David Richards, Director of Governance and Jeff Godfrey, Director of Legal Services, should be full members of the Board. The Terms of Reference would be updated accordingly.

2. Minutes of 24th May and Matters Arising [Board(13)034]

- 2.1 The minutes of the meeting held on 24th May were agreed as an accurate record.

3. The Capability Plan for Welsh Government [Board(13)035]

- 3.1 Natalie Pearson, Head of Engagement and Innovation, presented the paper, which asked the Board to consider the draft Plan, discuss the proposed approach and decide whether it met the organisation's requirements.
- 3.2 Natalie said that this was a distinctive Welsh Government Plan, although it was aligned with the UK Government's Civil Service Reform. Having a Capability Plan was a fundamental part of workforce

planning however, it was work in progress, which described an approach and highlighted 9 high level skill areas.

3.3 The following points were raised in discussion:

- managing change had been identified as a high level skill however, there was nothing about leadership or coaching. It was agreed that consideration should be given to amending the document to reflect this;
- it would be important to present a coherent message to the organisation to show how the plan fitted in with the Permanent Secretary's Reviews;
- one of the actions arising from the Reviews was to have a Capability Plan. It came under the Skills and Flexibility Workstream, which was led by Peter Kennedy, Director, People;
- the Plan did not include a picture of where the organisation needed to build capability; and
- the organisation would require some capabilities in the future, i.e. in the areas of health and business, which would have to be sourced externally.

3.4 The Permanent Secretary said that he was keen to have an agreed Capability Plan in place by the start of the autumn term if possible and, therefore, would like the work to accelerate. He felt the plan should acknowledge the organisation's capability, both in terms of strengths as well as gaps and be more integrated into the fabric of the organisation. He thanked Natalie Pearson for the paper.

4. Draft Governance Statement 2012-13 [Board(13)036]

4.1 Arwel Thomas, Head of Corporate Governance and Assurance, presented the paper. It provided the Board with the latest draft of the Governance Statement which would be included in the Welsh Government's Annual Accounts for 2012-13.

4.2 The following comments were raised in discussion:

- the Governance Statement shouldn't be seen in isolation, as it would be accompanied by a management commentary, which would capture the Permanent Secretary's ambition for the organisation, when submitted with the Annual Accounts;
- further consideration should be given to the positioning and wording around Cadw in the Statement;
- the Governance Statement, management commentary and Annual Accounts would be submitted to the Board at its meeting on 19th July;
- the Statement was a work in progress and further updates would be included prior to the Accounts being signed off on 23rd July;
- work should be undertaken to identify how the risks relating to Betsi Cadwaladr Health Board had been escalated to the Health Corporate Governance Committee.

5. Update on the Financial Position [Oral]

- 5.1 Lynne Hamilton, Director of Finance and Procurement, gave a brief update on the outturn figures for 2012-13. She said that the first draft of the Annual Accounts had been produced and the Wales Audit Office had not identified any concerns. The formal position would be reported to the Board at its meeting on 19th July prior to the Annual Accounts being signed off on 23rd July.
- 5.2 The Permanent Secretary said that the Finance Minister was pleased with the work done by the organisation in managing budgets for 2012-13 and paid tribute to the Finance Officers across the organisation.

6. SCS Remuneration Committee Annual Report 2012-13

- 6.1 James Turner, Non-Executive Director and Chair of the Remuneration Committee, presented the Annual Report for 2012-13, which set out the issues which had been considered by the Committee. He said the Committee had fulfilled its Terms of Reference which were included at Annex A.
- 6.2 On behalf of the Board, the Permanent Secretary thanked James Turner for the report and for diligently chairing the Committee throughout the year.

7. Any other Business

- 7.1 No other issues were raised.

Board Secretariat, 28th June 2013