

Minutes of a meeting of the Cabinet on 13 February 2018

Present:

- Rt. Hon. Carwyn Jones AM, First Minister (Chair)
- Alun Davies AM
- Mark Drakeford AM
- Vaughan Gething AM
- Julie James AM
- Ken Skates AM
- Kirsty Williams AM
- Jeremy Miles AM

- Eluned Morgan (item 4)
- Huw Irranca-Davies (item 5)

- Shan Morgan, Permanent Secretary
- Des Clifford, Director, Office of the First Minister
- Peter Greening, Head of Cabinet Division
- Jo Salway, Deputy Director Cabinet Office
- Matt Greenough, Special Adviser
- Madeleine Brindley, Special Adviser
- David Costa, Special Adviser
- Kate Edmunds, Special Adviser
- Andrew Johnson, Special Adviser
- Huw Price, Special Adviser
- Alex Rawlin, Special Adviser
- Jane Runeckles, Special Adviser
- Tom Woodward, Special Adviser
- Christopher W Morgan Cabinet Secretariat (minutes)
- Damian Roche, Cabinet Secretariat
- Andrew Jeffreys, Director Treasury (item 4)
- Sinead Gallagher, Employability Delivery Plan Manager (item 4)
- Andrew Goodall, Director General Health (item 5)
- Matt Jenkins, Deputy Director, Technology & Innovation (item 5)

Apologies:

- Lesley Griffiths AM

Item 1: Minutes of the previous meeting

1.1 Cabinet approved the minutes of the previous meeting.

Item 2: First Minister's Items

Brexit – The UK Government's EU Withdrawal Bill

2.1 The First Minister informed Cabinet that the Welsh Government was still not in a position to recommend that the Assembly should approve a LCM on the EU Withdrawal Bill.

Visit to Ireland

2.2 The First Minister reported on his recent visit to Ireland where he had attended a round table on Infrastructure and Brexit chaired by the British Irish Chamber of Commerce (BICC), which had been hosted by Trinity College Dublin Business School. They had discussed the implications of an extreme Brexit and agreed that hard borders between Britain and Ireland was a very real threat to the Welsh and Irish economies and posed particular challenge for Welsh Ports. The BICC also agreed that they would need a presence in Cardiff and Edinburgh.

2.3 The First Minister had discussed similar concerns with Irish Ferries and had met with the British Ambassador and members of the British Irish Parliamentary Association.

2.4 The First Minister had also had a telephone conversation with the Taoiseach, who was attending discussions in Belfast on the restoration of devolution in Northern Ireland.

Item 3: Government Plenary Business

3.1 Cabinet noted the contents of the Plenary Grid.

Item 4: Employability Plan

4.1 The Minister for Welsh Language and Lifelong Learning introduced the paper, which asked Cabinet to approve the current draft of the Employability Plan.

4.2 It had been recognised that the economic inactivity rate in Wales for those aged between 16-64 had typically been higher than the UK average and the employment

rate for the same age range was lower. Analysis of the Annual Population Survey suggested that there might be a pool of approximately 120,000 people in Wales who were currently economically inactive but would like to work.

4.3 Prosperity for All included a commitment to produce an Employability Delivery Plan that focused on the diverse needs of individuals while being responsive to the particular skills needs of each part of the country. The recently published Economic Action Plan had developed the detail of many of the actions within Prosperity for All, and the Employability Plan provided further detail on the scope of the challenge and the proposed approach.

4.4 A national target would be introduced to eliminate the gap between economic inactivity and unemployment rates in Wales and a comparable UK average, within ten years. The use of a comparable average was more likely to withstand external and uncontrollable factors affecting the labour market and economy, such as Brexit. There would also be targets to close the skills gaps at all levels between Wales and the rest of the UK.

4.5 The expected decrease in economic inactivity, coupled with the increase in the workforce and higher skills levels, should become drivers of productivity and increased growth. The final targets would be included within the published plan.

4.6 There were four elements to the Plan. There would be an individualised approach to employability support, providing bespoke solutions for those in greatest need of employability support and tailored to all those looking for work. Employers would be encouraged to promote healthy and inclusive workplaces and prioritise skills development. Government levers would be used to match supply and demand for local, regional and national labour markets, while preparing for radical change in working practises, such as the developments in automation, artificial intelligence and digitalisation.

4.7 In order to implement the actions within the Plan, a continued cross-Government approach was required and Ministers would need to take collective decisions on issues, such as resource prioritisation.

4.8 There were a number of elements of the Plan which provided opportunities to explore ideas and pilot certain activities, such as: individual learning accounts for skills development, while in work; occupational health support for small businesses; an individual placement service, to support those with mental health conditions; and social prescribing. If these pilots proved to be successful, there should be further discussions on how they could be rolled out more widely.

4.9 Cabinet welcomed the paper and noted that the final Employability Plan would be circulated prior to publication.

Item 5: Initial thinking on the Government's Response to the Parliamentary Review of Health and Social Care

5.1 The First Minister, on behalf of Cabinet, expressed condolences to the Minister for Children and Social Care, on the recent death of his mother.

5.2 The Cabinet Secretary for Health and Social Services introduced the paper, which invited Cabinet to provide their initial views on the final report of the Parliamentary Review of Health and Social Care. The Review Panel had published its final report in January, and besides some difficult messages, was generally supportive of the direction of Government policy for health and care in Wales.

5.3 The Panel had structured their findings around ten high level recommendations and there would be a need to discuss the implications of these with relevant Ministers.

5.4 Cabinet welcomed the paper and agreed that some recommendations would need careful consideration.

5.5 It was noted that a more detailed paper on how the recommendations would be delivered would be presented to Cabinet in due course.

5.6 Cabinet approved the paper.

**Cabinet, Plenary and Committee Secretariat
February 2018**