

Workforce Partnership Council Paper WPC (17) Paper 10  
9 March Minute and Actions Update

**Meeting of the Workforce Partnership Council (WPC)  
Thursday 9 March 2017  
Cathays Park, Cardiff  
Meeting Notes**

**1. Welcome and Opening Remarks**

- 1.1 Cabinet Secretary for Finance and Local Government (CSFLG) welcomed everyone to the first meeting of the WPC in 2017. He explained that Julie James, Minister for Skills and Science, would be taking a broader role in the WPC and welcomed Mike Payne in his new role as the Joint Secretary for the Trade Union side. Apologies and substitutions are recorded at the end of this meeting note.
- 1.2 The CSFLG updated members on “Brexit” issues including the publication of ‘*Securing Wales’ Future*’ with Plaid Cymru. The UK Government’s position in some areas appeared to have been influenced in line with the approach set out in the Statement. He had met with David Davis, Secretary of State for Exiting the European Union as would the First Minister later that day.
- 1.3 The CSFLG drew attention to the new programme of Welsh language training funded by the Welsh Government (paper 15). The WPC had proposed, in November, a joint statement against racism and he confirmed that he expected to publish, with other political parties, a statement against racism in the lead up to the forthcoming local government elections in May.
- 1.4 Margaret Thomas asked for longer term budget planning to be placed on the agenda for the next meeting of the WPC. This had been escalated from the Devolved Sector Group meeting in February at which a number of bodies had said that one year budgets were a problem for them and limited their ability to produce meaningful workforce plans. In order to assist members, she also asked for future WPC papers to correspond with the relevant agenda items.

**Action:** July meeting of the WPC to include longer term budget planning.

**Action:** WPC secretariat to ensure paper and agenda numbers for the next meeting of the WPC correspond.

**2. Code of Practice on Ethical Employment in the Supply Chain**

- 2.1 The CSFLG thanked members of the WPC and especially members of the Task and Finish Group for their work in finalising the Code. Agreement on this demonstrated the value of the social partnership approach. He explained that as companies are encouraged to sign up to the Code this will level the playing field for ethically responsible businesses so that responsible employers would not be undercut. Priority would now be given to promoting the Code. He had met with the Cabinet Secretary for Economy and Infrastructure to discuss this. Signing up to the Code did not mean that organisations currently met all its conditions but was a declaration of intent to work to achieve

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them. In response, Margaret Thomas welcomed the completion of the Code and its example of partnership working.

### 3. Senior Remuneration

- 3.1 The CSFLG confirmed the Welsh Government intention to ensure guidance was, as far as possible, consistent. He thought that the PSSC's report on senior remuneration offered good practice and correctly stressed the need for organisations to adopt the spirit and culture of openness. He said that the Welsh Government will continue its discussions with FE/HE in that spirit while ensuring Welsh Government control is not asserted where it should not be.
- 3.2 Margaret Phelan noted that the Welsh Government had accepted the Public Account Committee's (PAC) recommendations on senior pay so presumably had the necessary legislative powers to meet them. She considered the argument that there would be undue implications for the ONS classification of FE/HE institutions if there was an alignment of reporting requirements with the wider public sector, to be overstated. The Unions' request was for the sector to report senior pay levels not propose intervention in the level of senior staff remuneration. She asked why the Welsh Government cannot use conditions of grant letters to require the FE/HE sectors to publish their pay scales and emphasised the significant pay differences between the most senior and junior members of staff within FE/HE.
- 3.3 The CSFLG said that the Welsh Government sought to accept PAC recommendations where it agreed with the principle but it might not be able to agree with the PAC view of legislative competence. The Minister for Skills and Science supported this and emphasised the Welsh Government's commitment to transparency around senior pay. She confirmed the Welsh Government is confident it has the power to ask for pay policy statements but is continuing to explore the full extent of its legal powers around transparency of senior pay.
- 3.4 Officials explained that conditions of grant letters could prescribe expected outcomes but not dictate how these are achieved. Whilst the Welsh Government can encourage FE/HE institutions to publish pay policy statements, it did not consider it was able to legally impose these requirements.
- 3.5 Drawing discussions together the CSFLG outlined three actions going forward as follows.

**Action:** Legal advice to be provided to the Minister for Skills and Science on the FE/HE pay transparency points i.e. why requiring them to publish consistent information on their pay (and pay ratios) cannot be included as a requirement of their funding. This will be considered by the Minister and discussed with lawyers as necessary.

**Action:** Cabinet Secretary for Finance and Local Government to ask the Cabinet Secretary for Education to raise with the Office of National Statistics (ONS) the question of what factors influenced the classification and whether

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requiring FEIs/ HEIs to publish defined pay information would impact on their classification.

**Action:** FE/HE employers to provide a note on what transparency is in place now and what implications they considered arose from adopting the Welsh Government's wider framework on senior remuneration following the recommendations of PAC.

### **4. UK Government Public Sector Exit Payment Reform**

4.1 The CSFLG said that a technical briefing note and summary of the latest position in respect of the UK Government's proposed changes to public sector exit payments had been issued to the Joint Secretaries in January. Clarity from the UK Government is being sought on a number of key issues including the regulations which will give effect to the public sector exit payment cap and proposals to change the terms of public sector compensation schemes. He said that the WPC would be kept informed of any developments as they are received from the UK Government. In developing any proposals, he would be mindful of the WPC's previously expressed views that impacts on staff with long service but relatively low salaries should be mitigated.

4.2 Shavanah Taj welcomed the update and outlined that there were challenges for PCS; she was seeking clarity particularly around application to long-service low-pay employees.

4.3 Steve Thomas responded that the Local Government Association were in correspondence with Sajid Javid MP, Secretary of State for Business, Innovation and Skills, and that a 'de minimis' floor for the regulations set at £30,000 was being explored. However, there remains confusion as to when the regulations will come into force and anticipation of the regulations was having an impact on decisions being made in local government.

**Action:** WPC to be kept informed of any developments.

### **5. Public Services Staff Commission (PSSC) – Update**

5.1 Gill Lewis introduced the PSSC update paper. She explained that on workforce planning the PSSC was working well with the Workforce Planning and Mobility subgroup, and that further work on scoping would be firmed up in a meeting with members of the group next week.

5.2 On local government reform (appendix A of the PSSC paper), Gill Lewis expressed her thanks to the local government sector, including the HR Directors network for their consideration of the draft paper, which had been circulated in January to provide time for consideration ahead of this meeting. It was anticipated that both workforce planning and local government reform would be included in the PSSC's revised remit letter. Steve Thomas confirmed that the paper had been discussed at the WLGA Coordinating Committee. Members had supported the paper. The Cabinet Secretary for Finance and Local Government thanked the PSSC

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for their update, and partners for their support and engagement in taking this important work forward.

### **6. Public Services Staff Commission (PSSC) – remit**

- 6.1 The Cabinet Secretary introduced the item. While it was ultimately his responsibility to issue the PSSC remit letter he wished to do so taking into account the views and advice of the WPC. As only a year remained for the PSSC to deliver their agenda the programme needed to be deliverable and the Commission able to add value. The remit therefore needed to issue soon.
- 6.2 Margaret Thomas said that items 1, 5, 6 and 7 of the trade union side paper related to this item. The others related to agenda items 7 and 8. On section 1 on 'Principles', she highlighted that the WPC should agree the work programme for the PSSC; deadlines should be established and resources identified; and that all members should commit staff time to support the PSSC.
- 6.3 Alison Ward indicated that employers agreed that the WPC should give strategic direction and were broadly in agreement with the trade unions' position. Employers were concerned about the proposal on commitment of staff time. Margaret Thomas clarified that the principle was about both employers and trade union side giving time on a purely voluntary basis. The Cabinet Secretary acknowledged that there were inevitably going to be constraints on staff time, but felt that 'best efforts' should be made to support the PSSC in the manner described.
- 6.4 The Cabinet Secretary for Finance and Local Government questioned the inclusion of a review of '*Partnership and Managing Change*' in the Commission's remit. Margaret Thomas explained that the '*Partnership and Managing Change*' agreement provided context for the trade union side proposal on the PSSC's work on local government reform. They proposed that Partnership and Managing Change should be used as the basis for development of an "organisational change policy for joint authorities and regional service delivery". Rex Phillips added that this clearly differentiated organisational change from pay and conditions which he felt should remain the province of individual unions.
- 6.5 Alison Ward explained that employers considered that some of the language used in this section of the trade union side paper – particularly references to "enforcement" and "penalties" was not appropriate to working in partnership.
- 6.6 In responding to this, Mike Payne highlighted the need for all sides to uphold an agreement reached in the WPC. He felt there were instances of agreements not being applied consistently across Wales. Steve Thomas drew attention to the forthcoming local government elections. He indicated that, because of timing, it was very difficult for the WLGA to contribute to the debate with the full authority of its members, given that some were potentially about to change.

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- 6.7 It was agreed that consideration of reviewing *Partnership and Managing Change* should be included in the review of the WPC, not for inclusion as part of the PSSC remit.
- 6.8 Peter Hewin drew members' attention to the recently negotiated NHS Wales change policy. He felt the document gave a useful steer on how staff in sectors such as occupational therapy (where there could be more than one employer working in the same space) could be safeguarded through a transition period. Richard Tompkins welcomed the support for the NHS Wales change policy, pointing out that whilst it potentially provided a useful starting point, it did include sector specific change management policies which may not fit in a broader context. It was agreed that some principles were potentially transferable.
- 6.9 Alison Ward agreed that local government reform and workforce planning should form the basis of the PSSC remit – and endorsed the definition of workforce planning set-out in the PSSC paper.
- 6.10 In relation to the Trade Union side proposal that the secretariat for the WPM should pass to the PSSC, the Minister for Skills and Science indicated that she was content with current arrangements as the officials administering the group were assisting her as a Minister.
- 6.11 Rex Phillips, NASUWT said that the PEC was signposting opportunities but was not avoiding compulsory redundancies. He considered that the 1986 Education Act which included powers for a school's governing body to 'hire and fire' meant that effective deployment of teachers was not being achieved. Officials clarified that recruitment and redundancy were matters for the local authority, who in turn delegated that authority to governing bodies.
- 6.12 The Cabinet Secretary thanked everyone for their contribution to the discussion and for their general agreement to key elements of the PSSC remit. His remit letter would take into account the points made by both sides.

**Action:** PSSC remit letter to be shared with Joint Secretaries prior to issue by the Cabinet Secretary.

### **7. Workforce Planning and Mobility**

- 7.1 The Minister for Skills and Science reminded members that the purpose of the group's work was to retain talented staff in the devolved public services, to the advantage of both employer and employee. As work on the workforce mobility protocol demonstrated, this was a complex and challenging space - and the Minister was grateful to members of the WPM for their ongoing commitment to taking this forward.
- 7.2 The Minister explained that at the most recent meeting of the WPM (19/1/2017), members had agreed that the work being undertaken by the PSSC on workforce planning should shift emphasis from a purely numbers-based approach to a more skills-based approach. This would include the identification of a core set of transferable skills, as well as

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responding to the Devolved Sector Group's request in relation to the loss of certain specialist skills. Alison Phillips added that the PSSC was undertaking this work in the context of the 'One Public Service' approach which included and went beyond local government.

- 7.3 On PEC, the Minister explained that work to extend its use within the education sector was ongoing. Zenny Saunders added that a member of her team was working on a project to expand PEC into schools. Specifically, he was liaising with a small cohort of local authorities to progress this, as well as seeking opportunities to promote PEC on appropriate websites. The Minister offered to discuss progress on this with the Cabinet Secretary for Education, and to explore whether there was scope to increase the pace at which PEC was being adopted across the education workforce.

**Action:** Minister for Skills and Science to explore with the Cabinet Secretary for Education scope to increase the pace at which PEC is being adopted across the education workforce.

### **8. Review – Workforce Partnership Council (WPC)**

- 8.1 The Cabinet Secretary introduced the item. The accompanying paper posed some key questions which he hoped would focus the discussion, including our shared ambition for the WPC, what worked well and what we want to retain and what opportunities were presented by the review? It would be important that we tried to conclude today the arrangements we need to put in place to enable us to undertake the review within the time available.
- 8.2 Alison Ward suggested that meetings could be made more interesting and engaging through shorter more focussed agendas. There was an opportunity to achieve early engagement on prospective policies. She thought it was important that the review consider how its discussions and actions related to on-the-ground delivery of services.
- 8.3 Martin Mansfield said that it was essential to retain the importance of social partnership between unions and employers in the workplace and tripartite Welsh Government, trade union and employer social partnership in public sector workforce issues. He emphasised the importance of implementing policy agreed at the WPC, ensuring members had the suitable representative authority to commit to decisions. The trade unions were looking for strategy and delivery from a revised WPC remit. He suggested that amendments to the structure could reflect proposals for a regional approach to services in local government with social partnership at the local, regional and national level. In terms of how to take this forward he proposed an executive group to develop proposals consisting of 9 members drawn equally from the Welsh Government, trade unions and employers to prepare a paper for the July WPC. Trade Union side representatives would be: Mike Payne, Margaret Thomas and Martin Mansfield.

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8.4 In discussion members noted the importance they ascribed to the commitment of Welsh Government and Welsh Ministers chairing the meetings. They considered that duplication of work across sector groups and working groups could be reduced through better cross-referencing and that where agreements had been reached issues of monitoring and non-compliance should be addressed. In this context, Dominic Macaskill raised a local matter relating to the application of the two tier code and Shavanah Taj examples of the use of non-guaranteed hours contracts.

8.5 The Cabinet Secretary summarised the debate as including the following points into the review:

- purposeful and engaging meetings;
- how agreements once made are monitored;
- consensus for a small group to develop ideas and prepare a paper for the July WPC.

**Action:** A group to be convened to develop a paper for discussion at the July WPC that includes areas of agreement and areas where further debate is required.

### **9. White Paper – Reforming Local Government: Resilient and Renewed**

9.1 The CSFLG said that the consultation on the White Paper will run until the 11 April. He encouraged members of the WPC to respond. He confirmed officials would present an analysis of the responses following the local elections in May and emphasised that local government will be a key area of work for the PSSC over the next 12 months. He therefore, asked members to engage with the Commission as it continues to consider this area of work.

### **10. Trade Union Bill**

10.1 The Cabinet Secretary outlined that since the last WPC the 'Trade Union (Wales) Bill' has been introduced into the Assembly and is currently progressing through Stage 1; he had given evidence to the Assembly's Equality, Local Government and Communities Committee and to the Constitutional and Legal Affairs Committee; noted that social partners represented at the WPC have attended the Committee to give oral evidence; noted that from 1 March ballot thresholds would apply under the Trade Union Act 2016; consideration was being given to the responses to the consultation on prohibiting the use of agency workers to cover industrial action. The summary of responses was published on Monday (6 March) and a decision would be taken in the following days.

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**11. Sector Reports/AOB**

11.1 The minute of the previous meeting was agreed. CSFLG asked if there were any issues with this or the sector reports. Dominic Macaskill raised the issue of funding the costs of implementing the Living Wage for local government from Welsh Government reserves. The CSFLG agreed to consider the cost of funding the Living Wage in Local Government during budget discussions with Cabinet colleagues following the UK Government's budget consequential and the potential future effect of the fiscal framework on Welsh Government reserves.

**Action:** The CSFLG to consider the costs of funding the Living Wage in Local Government in budget discussions with Cabinet colleagues.

11.2 Mike Payne asked if the letter issued by the CSFLG to the Joint Secretaries covering off several issues relating to the Small Business Rates Relief Scheme, Alternative Delivery Models (ADMs) and the Welsh Government's response to concerns raised by the union side over senior pay transparency within the FE/HE sector could be circulated to all WPC members. The CSFLG confirmed he was content for this to happen.

**Action:** The Joint Secretaries to circulate the CSFLG's letter to their respective members of the WPC.

11.3 David Evans expressed disappointment at the Education Task and Finish Group report on Supply Teachers. He felt that the timetable for actions was too long at 18 months and that the report failed to make specific recommendations due to legal complexities. He was disappointed that only 2 local authorities gave evidence to the TF Group.

11.4 Shavanah Taj referred to discussions over the different definitions used for apprentices and felt it would be useful to develop a framework for Wales. Margaret Thomas asked for the Public Sector Apprenticeship Framework to be included on the next agenda of the WPC.

**Action:** The July meeting of the WPC to include the Public Sector Apprenticeship Framework on the agenda.

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**WPC Meeting Actions: 9 March 2017**

Action	Owner	
1. July meeting of the WPC to include a paper on budget planning.	<b>Margaret Davies</b>	The CSFLG will cover this in his opening remarks.
2. WPC secretariat to ensure paper and agenda numbers for the next meeting of the WPC correspond.	<b>Jo Trott/Mark Lewis</b>	This has been actioned by the WPC Secretariat.
3. Legal advice to be provided to the Minister for Skills and Science on the FE/HE pay transparency points i.e. why requiring them to publish consistent information on their pay (and pay ratios) cannot be included as a requirement of their funding.	<b>Neil Surman/Andrew Clark</b>	This is covered under agenda item 2 for which a paper has been provided (Paper WPC(17) 02).
4. Cabinet Secretary for Finance and Local Government to ask the Cabinet Secretary for Education to raise with the Office of National Statistics (ONS) the question of what factors influenced the classification and whether requiring FEIs/ HEIs to publish defined pay information would impact on their classification.	<b>Neil Surman/Andrew Clark</b>	As above.

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<p>5. FE/HE employers to provide a note on what transparency is in place now and what implications they considered arose from adopting the Welsh Government's wider framework on senior remuneration following the recommendations of PAC.</p>	<p><b>Neil Surman/Andrew Clark</b></p>	<p>As above.</p>
<p>6. WPC to be kept informed of any developments following Welsh Government's discussions with the UK Government.</p>	<p><b>James Owen/Mark Pruce</b></p>	<p>The CSFLG will cover this in his opening remarks.</p>
<p>7. PSSC remit letter to be shared with Joint Secretaries prior to issue by the Cabinet Secretary.</p>	<p><b>Judith Cole</b></p>	<p>This was circulated to the Joint Secretaries by the WPC Secretariat on the 30 March.</p>
<p>8. Minister for Skills and Science to explore with the Cabinet Secretary for Education scope to increase the pace at which PEC being adopted across the education workforce.</p>	<p><b>Jo Trott/Zenny Saunders</b></p>	<p>The Minister for Skills and Science and the Cabinet Secretary for Education met on the 6 June. An update from that meeting is provided in the paper for item 4 covering the activity of the Workforce Planning and Mobility Sub-group. (Paper WPC (17) 04).</p>
<p>9. A group to be convened to develop a paper for discussion at the July WPC that includes areas of agreement and areas where further debate is required.</p>	<p><b>Jo Trott/ Judith Cole</b></p>	<p>This is covered under agenda item 6 for which a paper will be/ has been provided. (Paper WPC (17) 06).</p>
<p>10. The CSFLG to consider the costs of funding the Living Wage in Local Government in budget discussions with Cabinet colleagues.</p>	<p><b>Judith Cole/ Margaret Davies</b></p>	<p>The CSFLG will cover this in his opening remarks.</p>

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11. The Joint Secretaries to circulate the CSFLG's letter to their respective members of the WPC.	<b>Joint Secretaries of the WPC</b>	This was provided to the Joint Secretaries by the CSFLG's Private Office on the 7 March.
12. July meeting of the WPC to include the Public Sector Apprenticeship Framework on the agenda.	<b>Andrew Clark</b>	This is covered under agenda item 9 - for which a paper has been provided (Paper WPC(17) 09)

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**List of Attendees - Workforce Partnership Council – 9 March 2017**

Mark Drakeford - Cabinet Secretary  
for Finance and Local Government  
(Chair)

Julie James Minister for Skills and  
Science

**Trade Unions**

Mike Payne – GMB (Joint  
Secretary)  
Margaret Thomas – Unison  
Martin Mansfield – TUC (Wales)  
Dominic MacAskill - Unison  
Donna Hutton - Unison  
Gareth Howells - Prospect  
Peter Hewin – BAOT  
Paddy McNaught – UNITE  
David Evans – NUT  
Shavanah Taj - PCS  
Rex Phillips - NASUWT  
Margaret Phelan – UCU Cymru  
Kevin Tucker – SCR  
Cerith Griffiths - FBU

**PSSC (standing invitation)**

Gill Lewis - (Chair)  
Alison Phillips - (CEO)

**Observers**

Mark Pruce – Pay and Pensions  
Colette Eley – Skills, Higher  
Education and Lifelong Learning  
Clare Lewis - Welsh Government  
Chris Hartwell - Welsh Government  
Robin Jones - PSSC  
Mark Lewis – Devolved Services  
Reform (Note)

**Employers**

Alison Ward -Torfaen County  
Borough Council (Joint Secretary)  
Steve Thomas - WLGA  
Jonathan Lloyd - WLGA  
Ceri Davies - Pembrokeshire  
County Council  
Richard Tompkins – NHS  
Sue Midha – Cardiff University  
James Owen - Welsh Government  
Zenny Saunders - Welsh  
Government

**Supporting Officials – Welsh  
Government**

Reg Kilpatrick – Director – Local  
Government  
Judith Cole – Local Government  
Finance Policy Division  
Jo Trott – Local Government  
Finance Policy Division  
Andrew Clark – Further Education  
and Apprenticeships  
Helen Arthur – HSS Workforce  
Development  
Alex Rawlin – Special Adviser  
Nick Sullivan – Value Wales

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**Apologies**

Tina Donnelly – RCN  
Geraint Evans – NHS Directors  
Group  
David Pritchard – Welsh  
Government  
Joanne Oak – Care Council for  
Wales  
Simon Smith – CFO - North Wales  
Fire and Rescue Services  
Iestyn Davies – Colegau Cymru

Sue Hurrell – Value Wales  
David Tripp – European Transition  
Awen Penri – Welsh Language  
Division  
Chris Jones – Skills, Higher  
Education and Lifelong Learning