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**Minutes of the Board  
Meeting, 28 September 2012**

**AGENDA ITEM: 2**

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**Present:**

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

**In attendance:**

Natalie Pearson  
David Nicholson (Items 3 & 4)  
Ian Gibson (Item 5)  
Martin Sollis (Item 6)

**Secretariat:**

Emma Alexander  
Catherine Evans

**1. Chair's Items [Oral]**

- 1.1 The Chair welcomed members to the meeting and noted that the new Permanent Secretary, Derek Jones, would take up post on 8<sup>th</sup> October. On behalf of the Board, he thanked David Richards for discharging the Principal Accounting Officer duties in the interim period.

*Director General (DG) Exception Reports*

- 1.2 The Chair invited DGs to share key issues from within their areas with Board colleagues. Issues raised included NHS Service Change, financial reform, the review of qualifications, the Single Environmental Body, developments on the Anglesey intervention, legislation, the Investors in People assessment, the launch of Academi Wales and work on the Enterprise Resourcing Panel (ERP) Strategy. Michael Hearty said he would provide an update at a future meeting.
- 1.3 The Board thanked Natalie Pearson and her team for their work on the Welsh Government Awards.

*Remuneration Committee*

- 1.4 The Chair gave a brief update on the Remuneration Committee which had last met on 20<sup>th</sup> July. Items discussed had included recruitment requests and the Honours Process.

*Operations Group*

- 1.5 John Howells, Chair of the Operations Group, briefly gave an update on the September meeting where discussions had taken place on the 9-Box Grid marking system, headcount and the Carbon Reduction Strategy. The Strategy would come to the Board for approval in due course. It was agreed that the criteria for assessing carbon outputs should be revisited to determine whether it included woodlands which formed part of the Welsh Government Estate.

*Legislation*

- 1.6 Michael Hearty, DG, Strategic Planning, Finance & Performance (SPF&P) said that the Legislative Programme Board had met the previous week. Items discussed had included planning and asbestos. The next meeting would focus on workforce issues. It was noted that the new Permanent Secretary would join the Programme Board once in post.

*Governance*

- 1.7 David Richards, Director of Governance, provided a brief update on the Wales Audit Office report on AWEMA.

**For decision**

**2. Minutes of 20<sup>th</sup> July and Matters Arising [Board(12)043]**

- 2.1 The Chair noted that comments on the minutes of the meeting held on 20<sup>th</sup> July had been incorporated prior to their publication on 31<sup>st</sup> August.

**3. ICT Affordability and Budget Projections [Board(12)044]**

- 3.1 Bernard Galton, DG, People, Places & Corporate Services (PPCS) and David Nicholson, Head of Commercial & Contracts Unit introduced the paper which considered the affordability of ICT Services over the period 2012-19 together with scenarios for budget projections over the same period. The Board was invited to consider the paper and endorse the recommended approach.
- 3.2 The Board welcomed the recommended approach, in principle, subject to further clarity being given around programme funding, the costs of ICT upgrades and possible changes to the inflation rate.

**4. ICT Risk Mitigation Strategy [Board(12)045]**

- 4.1 David Nicholson, Head of Commercial & Contracts Unit introduced the paper which considered the ICT Risk Mitigation Strategy in light of the change of policy to a phased move to multi-sourcing of ICT suppliers.

The Board was asked to note the strategic approach to risk management.

- 4.2 In their discussion the Board noted the paper and in doing so agreed that:
- in order to manage an intelligent client function, it would be critical to ensure consideration was given to the skills required to attract and retain appropriate people;
  - they should maintain regular oversight of major projects;
  - an update should be provided to them following the Gateway 5 review, which was scheduled for February.

## **5. Review of Corporate Risks [Board(12)048]**

- 5.1 Michael Hearty, DG for SPF&P, introduced the paper which asked the Board to note the recent developments on revising the Risk Register and review the latest update to the existing Corporate Risk Register.
- 5.2 The Board had a brief discussion on work being undertaken to align the risk management processes with strategic planning. It recognised that this would be a subject for early discussion with the new Permanent Secretary to ensure that further work reflected his priorities.
- 5.3 In the interim, the Board considered the current risk register and agreed that:
- Updates or revisions to the mitigating actions, including ensuring all risks were current and reputational risks removed, should be sent to Ian Gibson, Head of Corporate Governance Unit, by close of play on Friday 5<sup>th</sup> October;
  - The risk around supporting Ministers to achieve delivery should be updated to encompass legislation;
  - The updated register should be submitted to the Corporate Governance Committee for discussion at its meeting on 11<sup>th</sup> October.

## **6. Financial Management Performance Report [Board(12)046]**

- 6.1 Martin Sollis, Director of Finance & Procurement, introduced the report on the Welsh Government's 2012-13 forecast outturn position as at Month 5 which covered the period 1 April 2012 to 31 August 2012. The Board noted the content of the paper and discussed implications arising from the forecast outturn for 2012-13.
- 6.2 The Chair thanked Martin Sollis for the report and noted that the draft budget was due to be published the following week.

## **7. Any other business**

- 7.1 Bernard Galton said the new Permanent Secretary had arranged to meet the Senior Civil Service on 19<sup>th</sup> October. He asked DGs to encourage their staff to attend.

**Board Secretariat, 1 October 2012**