Meeting of the Workforce Partnership Council (WPC) Thursday 13 July 2017 Cathays Park, Cardiff

1. Welcome and Opening Remarks

Trade Union (Wales) Bill

- 1.1 The Cabinet Secretary for Finance and Local Government (CSFLG) confirmed the Trade Union (Wales) Bill completed Stage 3 of the Assembly legislation process on Tuesday 11 July and included the provision to prohibit the use of agency workers to cover industrial action. Stage 4, the final Stage is scheduled for 18 July. Assembly Bills go through a four week period of intimation where the Bill may be referred to the Supreme Court by the Attorney General. If not referred, Royal Assent is anticipated in early September with commencement to follow by order.
- 1.2The UK Government had earlier indicated it intended to introduce new legislation over-riding the Trade Union (Wales) Bill when the Wales Act comes into force in April 2018. However, given recent changes to the political landscape in Westminster it is no longer clear whether this would remain a priority for them, or whether such legislation would be passed. CSFLG thanked members of the WPC for their ongoing support of the Bill; this had been critical to make the case for legislation in the Assembly.

Future Budget Planning

1.3 The CSFLG confirmed the current budget round was underway. Budget bilaterals had taken place and work would continue over the summer. Current budget planning was based on the Welsh settlement as set out in the UK Government's March Budget with further cuts in 2018-19 and budgets falling more sharply in 2019-20. Planning was continuing on the basis that austerity is not over. The UK Government had yet to allocate the £3.5 billion of cuts in 2019-20. Where these cuts fall would have an impact on the Welsh budget, making forward planning complex. It was against this background that the budget was being prepared. It remained the ambition to publish a budget of more than 12 months but this needed to be balanced with publishing plans that were reliable given the uncertainties.

<u>Social Care – Phase 2 Implementation of the Regulation and Inspection of Social Care (Wales) Act 2016</u>

1.4The CSFLG drew members' attention to the current consultation on Phase 2 Implementation of the Regulation and Inspection of Social Care (Wales) Act 2016 which runs between 12 June and 7 August. Phase 2 includes proposals in relation to zero hours contracts, which would require employers to give employees a choice about their contracts once they had been employed continuously on a zero hours contract for three months.

Hazelkorn Review

1.5 CSFLG said that the Cabinet Secretary for Education made an Oral statement on 20 June on the Hazelkorn Review. A consultation on the White Paper, 'Public Good and a Prosperous Wales – Building a Reformed Post Compulsory Education and Training (PCET) system' runs until the 23 October. Margaret Phelan offered support for the proposals in the White Paper.

WPC Members' Responses to Opening Remarks

- 1.6 Margaret Thomas thanked the CSFLG for his work on the Trade Union (Wales) Bill. On budget discussions, she asked what engagement the CSFLG has had with the UK Government on the planned future cuts. The CSFLG gave an account of his discussions, including plans to invoke the formal dispute mechanism following the UK Government's agreement with the Democratic Unionist Party.
- 1.7 Margaret Thomas requested a separate meeting with CSFLG and other relevant ministers to discuss the 1% public sector pay-cap. CSFLG agreed the request, adding that Welsh Government had made clear its position that the UK Government should lift the cap with immediate effect, and make additional funding available.
- 1.8 Shavanah Taj indicated that the PCS was writing to the Prime Minister demanding the 1% cap be lifted. PCS was considering a consultative ballot on industrial action. Tina Donnelly asked for the minutes to record thanks to the Cabinet Secretary for Health Well-being and Sport for his letter to the UK Government. She added that, for the first time in one hundred years, the Royal College of Nursing (RCN) would be balloting members on strike action if the UK government failed to lift the 1% cap.

Action: Meeting between CSFLG and trade unions to discuss the 1% public sector pay-cap to be arranged.

Action: RCN asked that their thanks for writing to the UK Government about the 1% pay cap in the NHS be extended to CSHWS.

2. Update on European Transition Issues

2.1 CSFLG confirmed that the First Minister was that day meeting Michel Barnier, the European Chief Brexit Negotiator. Coincidentally, the UK Government was also publishing its European Union (Withdrawal) Bill which seeks to convert the majority of EU law into domestic law. Throughout the Brexit negotiations, Welsh Government would continue to emphasise the importance of continued participation in the Single Market, a balanced approach to immigration which properly protects workers' rights no matter what their country of origin and a thorough consideration

of transitional arrangements to ensure the UK can continue to function effectively once it has left Europe.

- 2.2CSFLG considered proposals in the Bill were at the 'worst end' of Wales' expectations and a joint statement from the First Ministers of Scotland and Wales would be made once the Bill was published. He confirmed he had pushed for resumption of Joint Ministerial Committee meetings to discuss transition. Kevin Tucker asked to what extent the UK Government was listening to Wales' concerns about Brexit negotiations. Gareth Howells also asked for an update from CSFLG on which UK Government ministers are forming policy and positions in relation to Brexit. CSFLG reported that some Ministers were more receptive than others.
- 2.3 Amanda Wilkinson stressed the importance from an HE perspective, of protecting the rights of EU citizens – both those wanting to study in the UK and those working within the HE sector. The CSFLG re-iterated his view that the UK Government should be adopting a far more open and conciliatory tone during negotiations.

3. Senior Remuneration HE and FE (response to actions 3-5 of the March meeting)

- 3.1 The Minister for Skills and Science introduced the item, congratulating Universities Wales on the recent announcement of their institutions' commitment to the real living wage. Amanda Wilkinson thanked the Minister, acknowledging the positive impact of effective communications with Welsh Government policy leads in reaching this position. She felt the same was true of the relationship with Sue Hurrell in Value Wales who had been instrumental in encouraging HE institutions to sign up to the Code of Practice on Ethical Employment in Supply Chains.
- 3.2 Amanda explained that most of the senior pay data was already in the public domain. Vice Chancellors had agreed that (subject to sign-off by remuneration committees as appropriate) any remaining information would be published going forward. All data would be published in the HEFCW annual report. Margaret Phelan welcomed this update requesting that the report should be at institution level not aggregated.
- 3.3 Rachel Bowen informed members that College Principals were meeting next week and that transparency of senior remuneration would be discussed. She would provide feedback on the outcome of that discussion.
- 3.4 In response to Alison Ward, who asked whether the ONS letter of 4 July, could be shared with College Principals, the Minister asked officials to follow this up with the ONS.
- 3.5 CSFLG asked for the minutes to record a correction to page 3 of WPC paper (17)02; "Officials have written to HEFCW, Universities Wales and

Colegau Cymru. We are awaiting their response". A response had in fact been received from HEFCW in June.

Action: FE to update WPC following the meeting of Vice Principals the following week.

Action: Officials to speak to the ONS to confirm whether their letter of 4 July, Notification of Review of Welsh Further and Higher Education Institutions can be shared with stakeholders outside the WPC membership (and specifically Vice Principals).

Action: WPC Secretariat to record a correction to page 3 of WPC paper – Senior Remuneration HE and FE.

- 4. Reforming Local Government Resilient and Renewed
- 4.1 CSFLG introduced the item, indicated that there would be a statement about Local Government Reform on Tuesday (18 July) and that the programme had been discussed extensively with Leaders over the consultation period.
- 4.2The Statement would focus on 3 key areas:
 - a root and branch review of Town and Community Councils;
 - consultation on voting arrangements (associated with new powers being conferred on the Assembly); and
 - the response to the White Paper: Resilient and Renewed.
- 4.3It was confirmed that a Local Government Bill had been included by the First Minister in the second year of the legislative programme (2018-19) and expected to be introduced into the Assembly around June/July next year, allowing maximum time for consultation and discussion.
- 4.4 The discussion that followed focussed on the electoral maters including diversity in local government and promoting understanding of the electoral process in schools. Specifically, Shavanah Taj raised the issue of the lack of visible BAME and female representatives in cabinet positions in certain local authorities. Shavanah Taj also enquired if the review into local government reform would address the above issue of representation, along with develop programmes to help target voter registration and participation in diverse communities throughout Wales. In response, the CSFLG accepted that there were a number of issues that needed to be addressed and hoped that some of these matters could be teased out of the responses to the electoral reform consultations. He also encouraged the trade union-side to submit responses with suggestions on how such issues could be taken forward.
- 4.5 Margaret Thomas, on behalf of the trade union-side, raised concerns they were not engaged in some of the key structures that would influence this reform, for example the development of City Deals, and Public Service

Boards. CFLG noted this would be considered in the context of ongoing discussions about the reform programme and that one of the reasons for not introducing the Bill until next summer was to allow further discussion and engagement. The Trade Unions were one of the Government's key partners in raising awareness and engagement and he encouraged them to respond to the consultation on election arrangements.

5. Workforce Planning and Mobility Sub-group - Update

- 5.1 The Minister thanked members of the WPM for their work on People Exchange Cymru (PEC). Following discussions with the Cabinet Secretary for Education, PEC would now be extended to all secondary schools from September 2017, with primary schools being included thereafter on a phased basis.
- 5.2 Rex Phillips, on behalf of NASUWT, responded that PEC would not solve the problem of teacher redundancies in schools. He referred to the inaccuracies in the minutes of the previous meeting and reminded the CSFLG of the request that the Cabinet Secretary for Education would be asked to meet with the school workforce trade unions, and he warned that the situation was getting worse, with school reorganisation being linked to the implementation of the Donaldson curriculum in some areas.
- 5.3 He felt increasing levels of teacher redundancy in the school sector was a fundamental problem and that the funding gap between Wales and England, with latest estimates revealing a shortfall of £306 million, was the main cause of the problem. He asserted that many of the education reforms would flounder unless this situation was addressed. David Evans agreed with these points, adding that in his view, PEC would not address the issue of teacher redundancies and bring a satisfactory resolution to the issue, despite discussion in a number of fora, including the Education Sector Group. David Evans also highlighted that these issues had continuously been raised in the Education Sector Group by the trade union-side without a satisfactory outcome. The CSFLG indicated that he would ask the Cabinet Secretary for Education if she would set up a meeting outside the WPC to consider school-based redundancies.
- 5.4The CSFLG responded, stressing his commitment to properly reflecting WPC discussions in the minutes of the meeting. On the issue of redundancies, Zenny Saunders informed members that Welsh Government was currently collecting data on teacher redundancies directly from local authorities for year ending 2016. Whilst the data was incomplete at this point, initial figures were indicating relatively low levels of teacher redundancy in schools compared with previous years. The data would be shared with unions and employers once complete.
- 5.5 Alison Ward observed that there was a danger that PEC would simply recycle the same people within public services and it was important to monitor and maintain diversity.

- 5.6 Dominic MacAskill added that redundancy in the public sector was not limited to teachers but was a real issue for support staff across local government. He reminded members that support staff in schools are employees of the local authority and have the same terms and conditions as local authority staff. However, whilst the latter have access to redeployment processes, school support staff do not. He sought assurance that these opportunities would be extended to support staff.
- 5.7The Minister suggested that the WPM might be in a position to consider scope for developing a better understanding of how redeployment was being handled across the public sector workforce. This was welcomed.
- 5.8 On a separate point, Amanda Wilkinson asked whether there had been any progress in setting up discussions between the WPM secretariat and HE HR Directors. It was agreed officials should make contact with Amanda and Margaret Phelan to take this forward.
- 5.9 In this context, Shavanah Taj raised the Assembly Commission's recently announced Welsh Language requirements which meant all staff would need to understand and use some simple Welsh. The CSFLG suggested that Shavanah Taj, speak to the North Wales Police as they had a very successful model in place.

Action: CSFLG to ask the Cabinet Secretary for Education if she will meet with the school workforce trade unions to discuss the set of educational issues raised during this discussion, including the issue of redundancies in schools.

Action: Data on teacher redundancies to be shared with trade unions and employers once collection is completed.

Action: WPM to consider scope for better understanding of how redeployment is being handled across the public sector workforce.

Action: Officials to follow-up with Amanda Wilkinson and Margaret Phelan a proposed meeting between Welsh Government and HE HR Directors.

6. Public Services Staff Commission (PSSC) Update

6.1 Gill Lewis introduced the item, indicating that she would focus on the 'Principles and Guidance to Support Joint Workforce Planning' in the first instance. She explained that members of the WPM had worked closely with the PSSC over the past few months to co-produce the guidance, which was intended for all public services organisations. The guidance was then endorsed by members of the WPC.

- 6.2 Margaret Thomas observed that as the work of the PSSC would end in March 2018, arrangements would need to be put in place to review uptake of guidance in a year's time. CSFLG confirmed there would be capacity to undertake this work, although practicalities would need to be agreed.
- 6.3 Gill Lewis informed WPC members that the PSSC was in the process of meeting all 22 local authorities to discuss their remit for 2017-18.
- 6.4 Margaret Thomas referred to the self-assessment tool (developed by local government with the assistance of the Wales Audit Office) referenced in the planning guidance. She explained that, whilst this had not originally been developed in social partnership, it had now been shared with trade unions for their input as appropriate. Trade Union side did not consider that this should prevent them from endorsing the document.
- 6.5 This led to some discussion of whether the WAO should be brought into scope of the PSSC. Alison Ramsay said that while the Welsh Government could not direct the Auditor General and the WAO in this way WAO as an example, voluntarily adopted the guidance on transparency of senior pay arrangements and their HR lead was also an active member of the devolved sector group, so informal arrangements were able to achieve the desired outcome. Alison offered to bring the guidance to the attention of the WAO and other independent Commissioners. The CSFLG noted the strongly defended independence of the WAO from Government which made it inappropriate for requirements to be placed upon it. However, this did not prevent the WO voluntarily adopting the PSSC guidance, or Welsh Government guidance.
- 6.6 Turning to the PSSC's paper 'Workforce Issues around Delivering a Joint Organisation or Joint Managed Team' Alison Ramsey summarised some of the key messages including: the importance of engagement with Trade Unions; and the need for visible leadership; the involvement of Local Councillors; and the need for investment in training to aid redeployment and support a smooth transition to new ways of working. She also highlighted the importance of recognising organisational values, culture and working practice, in any change process. Alison pointed out that a summary on pages 22-23 were areas where the WPC may wish to consider further work.
- 6.7 Margaret Thomas raised a concern regarding the LGR briefing document, page 12 paragraph 38 on the Fair Deal pension issue, that employers are raising this as a key issue in the development of alternative service delivery models. She noted that where staff transfers take place pension provision for staff should be protected under the fair deal and Two Tier Code and employers should not be seeking to make savings on staff pension costs. Mike Payne added that the pensions arrangements set-out in the draft Community Assets Transfer Guidance, across the public sector in Wales, were extremely problematic from a trade union perspective and called for Welsh Government to revisit the position. CSFLG offered to

discuss with MfSS how a discussion on wider pensions issues could be mobilised in the context of the Fair Work Board, and this was welcomed.

- 6.8 Alison then talked through the 'Proposed Schedule of Deliverables and Timetable which set out the approach to developing in social partnership good practice models for HR policies. It had been agreed with the HRD Network to run a series of workshops to develop HR policies. The Local Government Trade Unions have also organised a workshop for the end of August. She pointed out that it was not for the PSSC to impose these policies but they could be made available and used as good practice and written in a way that they could apply across the Public Service in Wales.
- 6.9 She asked if she could note thanks to the PSSC team for the work they had undertaken over the past weeks.

Action: CSFLG to discuss with MfSS how best to mobilise a discussion on wider pensions issues in the context of the Fair Work Board.

7. WPC Review

- 7.1 The Minister confirmed the first meeting of the WPC Review Group had been both positive and constructive a view endorsed by Margaret Thomas and other members of the group.
- 7.2The Minister explained that the paper, which had been co-produced and agreed jointly by all members, set out initial thinking about the work programme as well as more practical arrangements for how the meetings would be run and how work would be progressed between meetings in order to maintain pace. The paper was welcomed by WPC members.

8. Two Tier Code

- 8.1 The CSFLG reported that there had been only one reported breach of the Two Tier Code by a school in Cardiff which had subsequently been rectified following intervention by the Council. He took this as an important indication of the impact the code was having in terms of increased understanding and awareness. Dominic MacAskill did not support this view and referenced a potential breach by a local authority which had been previously discussed by the WPC but which was not referenced in the report. CSFLG confirmed he was aware of the issue but that this fell outside of the financial year 2016-17 covered by this report. The issue would be covered in the 2017-18 report.
- 8.2 Dominic MacAskill added that, given timing of the papers, trade unions had not yet had the opportunity to properly interrogate the report or to discuss its contents with their networks. It was agreed that they should feedback any issues identified through this process for further investigation. It was also agreed that officials, trade unions and employers should explore the approach to the next Two Tier Code monitoring exercise. Dominic

MacAskill also expressed the need to see the Two Tier Code better enforced and placed on a statutory footing to ensure full compliance. The Cabinet Secretary reflected on the challenge of protecting the terms and conditions of employees at a time of on-going austerity.

Action: Trade Unions to feedback any issues in relation to the Two Tier Code emerging as a result of discussions with their local networks.

Action: Officials to explore with Trade Unions and employers the approach to the next 2 Tier Code monitoring exercise.

9. Dying to Work

- 9.1 Mike Payne introduced the item and highlighted key aspects of the campaign, including:
 - recognition of terminal illness as a 'protected characteristic' so that an employee with a terminal illness would enjoy a 'protected period' where they could not be dismissed as a result of their condition; and
 - a voluntary charter that employers are encouraged to sign up to which sets out an agreed way in which their employees will be supported, protected and guided throughout their employment, following a terminal diagnosis.
- 9.2 Employers indicated they were happy to support the campaign, and CSFLG agreed that the campaign should be promoted by employers generally, as appropriate and where there was opportunity to do so. The CSFLG drew attention to the work of Byw Nawr (Dying matters in Wales) the charity funded by Welsh Government.

10. Apprenticeships

- 10.1 The Minister for Skills and Science introduced the item and highlighted key points from the paper. In introducing the item the following points were made:
 - there is no new money from the UK Government for Wales as a result
 of the apprenticeship levy. The UK Government has cut public funding
 for apprenticeship and skills budgets and replaced it with what is, in
 effect, a new tax on employers including public sector employers;
 - Welsh Government has increased investment in apprenticeships by an additional £15.5m taking the total investment in apprenticeships from £96m to £111.5m for 2017-18. This additional money is specifically intended to support a renewed focus on public sector apprenticeship provision within the Government's overall priorities;
 - Welsh Government will be operating the apprenticeships programme in line with the priorities outlined in its policy document; and

- there is a programme of events to promote apprenticeships in the public sector; including in the healthcare sector where apprenticeships may be used to support progression.
- 10.2 CSFLG confirmed that the Welsh Government is committed to progression for those on apprenticeships and will not be supporting stand-alone, level 2 apprenticeships for example. This would apply across the piece, including in relation to apprenticeships in social care.
- 10.3 In discussion, the following points were made:
 - that it appeared trade unions had not been invited to the events promoting apprenticeships and officials agreed to develop a communications strategy to maximise stakeholder engagement;
 - that Further and Higher education were in a position where they are seeking to promote staffing through apprenticeships; and
 - there is potentially an issue in the devolved sector in relation to specialist skills and accessing higher apprenticeship levels.
- 10.4 On the specialist skills issue, James Owen explained that the Devolved Sector Group (DSG) had issued a questionnaire to its members to try to establish a clearer picture of scope and scale of the issue. It was agreed that this would be shared with members of the WPC.
- 10.5 Officials welcomed the feedback on accessibility of the engagement events as engagement across the public sector is key to the success of the programme. Members were assured that they would be invited to attend further events going forward, including a direct approach to the Royal College of Nursing (RCN).

Action: Officials to develop a communications strategy to ensure maximum stakeholder engagement to cover the next 18-24 months, for discussion with members of the WPC.

Action: Officials to share the DSG questionnaire on specialist skills with members of the WPC.

Action: Apprenticeship team to contact RCN directly in the context of engagement events.

11. Sector Reports/AOB

- 11.1 The CSFLG confirmed the sector reports had been circulated.
- 11.2 Joanne Oak drew to members' attention to Social Care Wales' consultation on fees for the social care profession, which was going live on 17 July for a 12 week period.

List of Attendees - Workforce Partnership Council - 13 July 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 Dominic MacAskill - Unison Gareth Howells – Prospect Steve Cushen – Wales TUC Peter Hewin – BAOT Paddy McNaught – UNITE David Evans – NUT Tina Donnelly - RCN Shavanah Taj - PCS Rex Phillips - NASUWT Margaret Phelan – UCU Cymru Kevin Tucker – SCR Cerith Griffiths - FBU	Employers Alison Ward -Torfaen County Borough Council (Joint Secretary) Jonathan Lloyd - WLGA Ceri Davies - Pembrokeshire County Council Richard Tompkins – NHS Joanne Oak – Social Care Wales Amanda Wilkinson – Universities Wales Rachel Bowen – Colegau Cymru James Owen - Welsh Government
PSSC (standing invitation) Gill Lewis - (Chair) Alison Ramsey - (CEO) Observers Mark Pruce - Pay and Pensions Elizabeth Richards - Pay and Pensions Mark Lewis - WPC Secretariat Chris Hartwell - WPC Secretariat Dawn Owen - WPC Secretariat Colette Eley - Skills, Higher Education and Lifelong Learning Robin Jones - PSSC	Supporting Officials – Welsh Government Reg Kilpatrick - Director, LG Judith Cole - Workforce and Social Partnerships, LG Jo Trott - Workforce and Social Partnerships, LG Margaret Davies - Strategic Budgeting Helen Arthur – Workforce development, HSS Alex Rawlin - Special Adviser Zenny Saunders - Workforce Strategy, Education Sam Huckle - FE and Apprenticeships David Tripp - European Transition Chris Jones - Skills, HE & Lifelong Learning
Apologies Donna Hutton – Unison Althea Phillips – GMB Cerith Griffiths – FBU Cymru Martin Mansfield – Wales TUC Steve Thomas – WLGA Cara Aitchison – Cardiff Metropolitan University Simon Smith – North Wales FRS Geraint Evans – NHS Directors Group lestyn Davies – Colegau Cymru Julie Rogers – Welsh Government	

	Action	Owner
1	Meeting between CSFLG and trade unions to	Welsh Government
	discuss the 1% public sector pay-cap to be	
	arranged.	
2	RCN asked that their thanks for writing to the	Welsh Government
	UK Government about the 1% pay cap in the	
	NHS be extended to CSHWS.	
3	FE to update WPC following the meeting of Vice	Welsh Government
	Principals the following week.	
4	Officials to speak to the ONS to confirm	Welsh Government
	whether their letter of 4 July, Notification of	
	Review of Welsh Further and Higher Education	
	Institutions can be shared with stakeholders	
	outside the WPC membership (and specifically	
	Vice Principals).	
5	WPC Secretariat to record a correction to page	Welsh Government
	3 of WPC paper – Senior Remuneration HE and	
	FE.	111111111111111111111111111111111111111
6	CSFLG to ask the Cabinet Secretary for	Welsh Government
	Education if she will meet with the school	
	workforce trade unions to discuss the set of	
	educational issues raised during this discussion,	
7	including the issue of redundancies in schools.	Wolch Coversions
7	Data on teacher redundancies to be shared with	Welsh Government
	trade unions and employers once collection is completed.	
8	WPM to consider scope for better understanding	WPM
0	of how redeployment is being handled across	VVI 101
	the public sector workforce.	
9	Officials to follow-up with Amanda Wilkinson and	Welsh Government
	Margaret Phelan a proposed meeting between	TV GIGIT GG VGTTIITIGIN
	Welsh Government and HE HR Directors.	
10	CSFLG to discuss with MfSS the best approach	Welsh Government
	to mobilising a discussion on wider pensions	
	issues in the context of the Fair Work Board.	
11	Trade Unions to feedback any issues in relation	TU Joint Secretary
	to the Two Tier Code emerging as a result of	,
L	discussions with their local networks	
12	Officials to explore with Trade Unions and	Welsh Government
	employers the approach to the next 2 Tier Code	
	monitoring exercise.	
13	Officials to develop a communications strategy	Welsh Government
	to ensure maximum stakeholder engagement	
	around apprenticeships to cover the next 18-24	
	months, for discussion with members of the	
	WPC.	
14	Officials to share the DSG questionnaire on	Welsh Government
	specialist skills with members of the WPC.	

15	Apprenticeship team to contact RCN directly in	Welsh Government
	the context of engagement events.	