

Addendum to the Framework Document 2019 – 2024

Qualifications Wales and the Welsh Government

Current Framework Document p11

The Welsh Government's Additional Accounting Officer

Additional points to be added to paragraph 41, page 12

The AAO has a responsibility to support the PAO in ensuring that:
The conditions attached to the resources and grant-in-aid awarded conform with the terms of the Budget and that arrangements are in place to monitor compliance with those conditions by Qualifications Wales.

The AAO must ensure appropriate oversight arrangements are in place.

Current Framework Document p12

The Qualifications Wales Sponsor Team

Amendment to paragraph 47, page 12:

47. The Sponsor team will be the main point of contact with in Welsh Government of officials conducting a periodic programme of review of Welsh Government Sponsored Bodies. If the Sponsor team is unavailable, any contact should be with the Public Bodies Unit.

Framework Document p15-17

The Board of Qualifications Wales

Additional point added to paragraph 64, page 17

The Board is also responsible for:

- nominating a Board member to have responsibility to oversee the organisation's approach to managing information assets and risks in accordance with good practice and ensuring that information risks which affect business objectives are highlighted to the Board and addressed;
- adhering to the principles of the Security Policy Framework as appropriate
- arranging for the annual completion of the Cabinet Office Departmental Security Health Check to be returned to the Welsh Government SIRO;
- ensuring independent certification of security arrangements.

Framework Document p17-19

The Chair of the Qualifications Wales Board

New point to be added to paragraph 73, page 19

Welsh Government Attendance at Board Meetings

Welsh Ministers reserve the right for their officials to attend Qualifications Wales Board meetings in an advisory and/or observer capacity. The Board may also invite them to attend to provide particular advice or information. (See signed agreement 2020 between Qualifications Wales and the Welsh Government).

Qualifications Wales must provide their partnership team with advance agendas and papers for Board meetings to allow it to consider whether officials wish to attend and contribute to discussions. Papers should be provided to the partnership team at the same time as they are provided to Board members. Qualifications Wales should also highlight any novel, contentious, repercussive or difficult issues to be addressed at the Board meeting to the partnership team.

For the avoidance of doubt, Welsh Government officials will play no part in the decision-making process of any Board. A formal agreement detailing the role of Welsh Government officials attending Board meetings may be developed in accordance with Welsh Government guidance.

Framework Document p.23

Budget Planning

New points to be added as paragraphs 90 and 91, page 23

Where possible, the Minister will also provide indicative budgets for subsequent years to inform budget planning. However, details of budgets for indicative years can decrease or increase according to Government priorities, changes to ministerial portfolios, budget fluctuations and/or concerns about the efficiency and/or effectiveness of the Qualifications Wales. Qualifications Wales may be required to model different options for activity dependent on the funding available.

When setting resource and capital budgets and grant-in-aid requirements, consideration will be given to the levels of reserves (if any) held by the body and income expected from other sources, noting that it has been agreed that Qualifications Wales can retain a maximum income of 1% of total grant-in-aid without impact to its grant allocation. It has also been agreed that any in-year impact of aligning to the Welsh Government pay award will be kept under review.

Annexes

New annex to be added

Annex A

Delegations

Public Bodies Calling-in Arrangements – Approval, Pre-notification and Notification Arrangements.

1. For 2019/20 we have agreed with the First Minister transitional arrangements to provide assurance to him and the Permanent Secretary that the removal of the calling-in procedures with Arms-length bodies does not pose any risk to the Welsh Government, or to the effective delivery of the Government's Programme. These are interim arrangements to provide the Welsh Government with baseline data by which it can assess the volume of issues where responsibility is being transferred and to be sighted on the approach each body is taking to the new arrangements.
2. The intention of the transitional arrangements is to keep the Welsh Government informed of how the new process is working in practice, rather than the continuation of a mechanism for approval by the Welsh Government.
3. We have agreed with the First Minister that from 2020 onwards we will put in place ***Approval, Pre-notification and Notification*** arrangements for decisions previously the subject of calling-in arrangements.
4. Accounting Officers in Public Bodies will be accountable for the decisions requiring notification. The Welsh Government may give advice on issues requiring pre-notification, as set out in Table B, but it is ultimately for the Chief Executive to take the decision. In the event of the Body deciding to disregard Welsh Government's advice, the partnership team will recommend to the Minister that a discussion is held with the Chair with the Minister reserving the right to overrule a decision falling into this category where the Body has chosen for no justifiable reason to disregard Welsh Government advice.
5. The exceptions will be the decisions contained in Table A where the Welsh Government will be responsible for the decision.

Table A Approvals

Decision	Approval
Appointment of Chief Executive	Qualifications Wales Board
Term of Government Business Plan	Qualifications Wales Board
Other financial approvals	Welsh Government Finance Director
<ul style="list-style-type: none"> a) Cash carry-over in year in excess of 4% of total Grant-In-Aid/ Cash b) Cash carry-over end of year in excess of 2% of total Grant-In-Aid/ Cash c) Establishing new subsidiary companies/joint ventures d) Any borrowing, lending, guarantees, indemnities or investment related to public money e) Retention of income over and above that set out in funding letter. 	Welsh Government Finance Director
Any decision set out in legislation as requiring consent of Welsh Ministers e.g. The Natural Resources Body for Wales (Establishment) Order 2012 requires Ministerial approval of an annual corporate plan	The Minister with policy responsibility, for QW this would ordinarily be the Education Minister

Redundancy arrangements based on the Civil Service Compensation Scheme (bodies with Civil Service Pension)	Head of Pay and Remuneration who will seek advice of the Minister as appropriate.
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Table B Pre-notification Arrangements

Accounting Officers/CEOs should notify their partnership team of any proposed decisions falling under the following categories as and when they arise, to allow Welsh Government to provide appropriate advice. Partnership teams will aim as far as possible to respond within two weeks. Should the Body decide to disregard Welsh Government's advice, the partnership team may escalate the matter to the Minister, who reserves the right to overrule a decision taken by a Public Body which, after discussion, is not justifiable.

These decisions should also form part of a 'stocktake' discussion at quarterly monitoring meetings:

Decision	Pre-notification Action	Further Advice
Novel, contentious or repercussive proposals in line with Managing Welsh Public Money.	Partnership team, in conjunction with the appropriate policy teams, to prepare advice to discuss with Public Bodies Unit, who will seek written advice of the Corporate Governance Centre of Excellence and any other Body with expertise in the issue.	Additional Accounting Officer and Minister, as appropriate
Any course of action considered by the Board that would contravene the principles of regularity, propriety, prudent and economic administration, efficiency and effectiveness and which	Partnership team to prepare advice to Additional Accounting Officer	Additional Accounting Officer

the CEO has advised against.		
Policy or practice change that has wide financial implications	Partnership team to prepare advice to Head of Budgetary Control copied to Public Bodies Unit	Minister, as appropriate
Staff remuneration & terms and conditions	Partnership team to submit proposals to Head of Pay and Remuneration, Public Bodies Unit on: <ul style="list-style-type: none"> • changes falling outside WG public sector pay principles; • organisational design changes likely to lead to severances 	Minister, as appropriate
Anything that might significantly affect the future level of resources required, e.g. potential budget pressures or underspends.	Partnership team to consider	Welsh Government Finance Director, as appropriate

Other Notification Arrangements

During the transition period (which is now over), CEOs should notify partnership teams at their quarterly monitoring meetings of any other decisions they have made or are likely to make in the next quarter that would previously have been referred to the Welsh Government.

Signed.....*Joanna Valentine*.....

[Joanna Valentine]

Date.....*23/03/20*.....

Welsh Government official

Signed.....*Steve Davies*.....

[Steve Davies]

Date.....*23.03.20*.....

for and on behalf of the Welsh Ministers

Signed *David Jones* Date 18/03/20

Date Date 18/03/20

David Jones, Chair

for and on behalf of Qualifications Wales





Llywodraeth Cymru
Welsh Government

Terms of Reference for Welsh Government Officials Attending Board Meetings of Public Bodies

Parties

(1)	[•] (the Welsh Government official " the official ")
(2)	[•] The Welsh Ministers of Crown Buildings, Cathays Park, Cardiff CF10 3NQ (the " Welsh Ministers ")
(3)	[•] (the " Board ")

Background

- (A) This memorandum of understanding sets out the terms of reference for the official attending a Board's meeting. It is not intended to be legally binding.
- (B) The official is a senior Welsh Government official who represents the Welsh Ministers at a Board meeting in an advisory and/or observer capacity.
- (C) The parties acknowledge and agree the official may report back to the Welsh Ministers on Board proceedings.

Attendance

- The official must be given the same notice of meetings as Board members. The official will be entitled to receive agendas and Board papers linked to agenda items in the same way and at the same time as Board members. Any novel, contentious, repercussive or difficult issues to be addressed at a Board meeting should be highlighted to the official.
- On considering the agenda and papers, the official will decide whether they wish to attend the meeting.
- The official may attend and speak at meetings of the Board, and their presence will be recorded formally in the minutes.

- If invited to do so by the Chair, the official may provide advice based on Welsh Government policy but will not provide any instructions or recommendations. The Board should fully consider the impact of any advice given and make an independent decision on the relevant matter. The official will not routinely provide advice, and any advice given will be by way of a suggestion only, which can be considered and may be adopted by the Board at its discretion.
- The official will represent the interests of the Welsh Ministers only and will not direct and should not be viewed as directing the Board. All decisions and day-to-day management of the company will remain with the Board.
- The official will not endorse, or in any other way indicate approval of, the decisions made by the Board.
- The official will not vote on resolutions of the Board or attempt to influence directly any decision-making.

Reporting

- The official must read all Board papers and report to the Welsh Ministers any matters arising within these papers that give cause for concern, or highlight risks, for the Welsh Ministers.
- The official will report back to the Welsh Ministers if, in their view, the Board is acting recklessly or in a manner outside its remit and powers, or there is evidence of fraud, financial maladministration or financial mismanagement. The official will be required to promptly bring any other issues of concern to the attention of the Welsh Ministers.

Conduct

- The official must uphold the Civil Service Code and demonstrate the civil service core values.
- If the official becomes aware of a conflict of interest, or the appearance of one, they must declare the conflict, at the earliest opportunity to both the Chair of the Board and the Welsh Ministers. The Welsh Ministers will determine whether this disqualifies the official from attending the Board meetings
- The official must maintain the confidentiality of non-public information about the company, or its activities or operations, to which they have access by virtue of attending Board meetings. They may disclose this information within the Welsh Government, including (without limitation) to other Welsh Government employees with an interest in the work of the company and to relevant Welsh Government Boards and Committees which need to be aware of the work of the company in the normal course of their responsibilities.

Each party hereby confirms its agreement to the terms contained in these terms of reference.

Signed.....*Mine*.....

[Jo Valentine]

Welsh Government official

Date.....*23/03/20*.....

Signed.....*SDM*.....

[Steve Davies]

for and on behalf of the Welsh Ministers

Date.....*23.03.20*.....

Signed *David Jones*

David Jones, Chair

for and on behalf of Qualifications Wales

Date 18/03/20

