

Public Accounts and Public Administration Committee

Inquiry into Public Appointments

Committee Session 14 December 2023

The Role of the Public Bodies Unit

The Public Bodies Unit (PBU) is led by a Deputy Director and sits within the Chief Security Officer's Division. Working with Corporate Governance and Finance colleagues, PBU provides the framework for governance and accountability of all Arm's Length Bodies (ALBs), including Welsh Government-owned companies and independent statutory office holders. It currently has responsibility for regulated public appointments to some 50 organisations, including NHS bodies, and oversight of 34 Commissioners, companies and sponsored bodies along with their partnership teams within Welsh Government. It is also responsible for ensuring that the details of over 200 devolved Welsh public sector bodies are published on a regular basis.

PBU has an oversight role for all ALBs, ensuring there is parity in how all bodies are treated and being a source of expertise on recruitment of Chairs and Board members (including making sure the governance code on public appointments is followed), diversity of the Board, and pay and remuneration. PBU implements Welsh Government policy on pay, reward, and terms and conditions across Welsh public bodies and acts as a conduit between them and UK Government departments when necessary. PBU also oversees the programme of Tailored Reviews.

The ALB's Board is responsible for the governance of the organisation and its internal control. Financial control is delegated to the organisation's Accounting Officer. The ALB is responsible for deciding how it will implement the objectives it has been given and setting these out in a business plan.

Partnership Teams deal with the day-to-day relationship with the ALB and its Board. An ALB delivers objectives for Welsh Ministers and the Partnership Team is responsible for making sure that these objectives are delivered. If there are issues relating to objectives, management of funds, board effectiveness or other aspects of governance then the partnership team would address these. The Partnership Team advises on Government policy and any changes which occur to this. They are responsible for assessing risk and setting out a communication structure to facilitate good working relationships. Partnership Teams are responsible for ensuring that their staff are trained to deliver sponsorship work.

Public Appointments

Between 1 April 2022 and 31 March 2023, PBU delivered 53 recruitment campaigns, resulting in 60 appointments and 73 reappointments made to 29 public bodies and health boards (an increase on the previous year which delivered 29 recruitment campaigns, 52 appointments and 15 reappointments).

PBU works with Partnership Teams in 20 divisions across Welsh Government and with Health Board secretaries to deliver Health Board appointments for all regulated board appointments. We encourage several unregulated boards to follow the same appointment process to ensure equity and fairness. We undertake circa 450 regulated appointments, including c110 in health and around 75 unregulated.

PBU works with the Partnership Teams to quality assure the adverts for public appointments and facilitates the publication of the roles. Advisory Assessment

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Panels (usually made up of a senior official from the Partnership Team, a representative of the public body and an independent member) sift and interview, providing the Minister with a list of appointable candidates. PBU ensures that all regulated appointments are made in line with the Code of Practice on Public Appointments. Ongoing Board support lies with the Public Body and the Partnership Teams.

The views of those corporate bodies that receive public appointments on the public appointments process

PBU has limited direct contact with the bodies to which public appointments are made. PBU's role is to work with the Partnership Teams to advise and facilitate the recruitment process, ensuring that the Partnership Teams, Panels and processes are compliant with the Code of Practice on Public Appointments.

Recent feedback from one Health Board reported that the process worked well from their perspective with good communication from PBU, particularly towards the critical 'end' points in the process when time was short. The feedback was that we all worked effectively together to deliver what was needed on time to a high standard.

The role the Commissioner for Public Appointments

The role of the Commissioner (William Shawcross CVO) is to provide independent assurance that appointments by Ministers to the boards of public bodies are made in accordance with the HM Government's Principles of Public Appointments and Governance Code. His remit covers appointments made by ministers in Whitehall and those of the Welsh Government ministers to Arms-Length Bodies (ALBs).

The Public Appointments Order in Council requires the Commissioner to undertake audits of public appointments procedures, conduct investigations and where necessary to consider complaints. The Commissioner's duties include the compilation of an annual report (with diversity statistics), to act as an advocate for diversity, and to be notified or consulted on certain stages of the appointments process.

The Commissioner oversees the appointments made to over 300 public bodies by ministers in Whitehall and 50 by the Welsh Government, following the abolition of the Community Health Councils in April 2023.

The main barriers to increasing the diversity of candidates for public appointments in Wales

Stakeholder engagement conducted by PBU during the development of Welsh Government's Diversity and Inclusion Strategy "Reflecting Wales in Running Wales 2020 to 2023", included those involved in public appointments, equality policy, and those working in academia. Underpinning this is the Social Model of Disability which

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recognises that people with impairments are disabled by barriers that commonly exist in society such as negative attitudes, organisational and environmental barriers resulting in discrimination and people's inclusion and participation in all areas of life. These barriers also apply to public appointments.

A key finding from the interviews and information gathered is that there is a general lack of awareness and knowledge of the existence of public bodies and what they actually do. This means that many people are not "put off" or feeling that it is an unfair process, rather they do not know of the potential opportunities in the first place.

For 2021-22, data for regulated Public Bodies from the Public Appointments Team in Welsh Government shows that:

- women made up 58.8% of all appointments – rising from 55.6% in 2020-21.
- 18% of all appointments made were disabled people – rising from 5% in 2020-21. Black, Asian and Minority Ethnic people made up 12.7% - rising from under 5% in 2020-21 and 8.1% in 2019-20.
- Across UK Government departments, women make up 50.9% of all appointments, 8.2% appointments made were disabled people
- Black Asian and Minority Ethnic people made up 20% of appointments.
- 82.5% of appointed and reappointed chairs and members declared their residence within Wales, with the remaining 17.5 percent based in England.

Effectiveness of the current approaches to encourage and increase the diversity of candidates

To encourage greater diversity in public appointments, the Diversity and Inclusion Strategy was launched in February 2020 to engage with under-represented groups and provide developmental opportunities to both board members and candidates.

In 2021, 13 Senior Independent Panel Members were recruited from across Wales to join recruitment panels for some of the most significant public appointments. Individuals were drawn from all walks of life and protected characteristics. Members have shared their knowledge, expertise and lived experience to add value to the recruitment process. Wales is the first UK nation to actively recruit Senior Independent Panel Members in this way.

PBU is keen to work with our external partners to facilitate mentoring and shadowing opportunities for people from protected groups to help us to build a pipeline of individuals who are interested in applying for a board position. PBU held engagement events with Partnership Teams in November and February and are working with Partnership Teams to discuss Equality and Diversity objective setting for Board and Chairs.

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PBU are widening networks by extending stakeholder reach. The internet presence is being enhanced to better explain what PBU is and also to include links to relevant information such as vacancies and Diversity training.

PBU are working with Knowledge and Analytical services and the Race and Disability Evidence Units in Welsh Government to collect diversity data for the boards of Regulated Public Bodies. Questionnaires have been developed to collect diversity data from Public Sector Bodies and their boards for 2023. These will be issued in May 2023 and an initial assessment of the pilot will be published in summer 2023.

A suite of training and development programmes commenced in April 2022 through to October 2023 and consist of 5 modules, including Development Programmes for people from Black and Asian minority ethnic backgrounds and disabled people.

208 delegates attended 16 sessions during the 6-month period for year one of the training.

- Modules 1 to 4 – **43%** of attendees identified as being from a Black, Asian and Minority Ethnic background and Module 5 (existing Board Members) – **14%** identified as being from a Black, Asian and Minority Ethnic background.
- Modules 1 to 4 – **30%** of attendees identified as disabled and Module 5 (existing Board Members) – **15%** identified as being disabled.

Following an interim evaluation and positive feedback, the programme will run the programmes again in May 2023 and extended into March 2024, which is the second year of the 2-year pilot for the training programmes.

Testimonials supporting the positive impact of the training include:

- *“The programme was a great opportunity to meet people from other backgrounds and build relationships.”*
- *“I loved that we were encouraged to be inquisitive and ask difficult questions.”*
- *“The protected characteristics and unconscious bias elements of the training were especially beneficial and interesting to learn about.”*

Creating a more transparent and open public appointments process

Welsh Government’s new CAIS HR system will support name free recruitment, reducing the possibility of unconscious bias. Discussions are also underway concerning:

- Candidate packs - removing complex language which may only apply to people who have worked in senior public sector roles, including “lived” experience in the person specification and moving towards a behaviour-based approach.

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- Development of guides for prospective candidates to improve the chances of success.
- Development of guides and training for Partnership Teams when running a campaign.
- Keeping in contact with 'near misses' e.g. look at opportunities for shadowing opportunities.
- Actively seek feedback from candidates post interview.
- Provision of more robust feedback as to why the applicants were unsuccessful to give them something to build upon for the next application they submit.

Examples of best practice elsewhere in the UK and internationally

There is no published evidence of best practice in the UK or internationally with respect to Public Appointments. However, we work closely with our UK Cabinet Office and Devolved Administration colleagues sharing areas of learning and development. For example, UK Government are just bringing in the ability for applicants to track their application, whereas we already have that option. Similarly, we implemented Pre-Appointment Hearings which others have yet to adopt.