

Finance Committee

Meeting Venue:

Committee Room 2 – Senedd

Meeting date:

Thursday, 2 October 2014

Meeting time:

08.30

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



For further information please contact:

Bethan Davies

Committee Clerk

029 2089 8120

FinanceCommittee@wales.gov.uk

Agenda

The Committee agreed at its meeting on 24 September that Item 1 will be held in private

1 Welsh Government Draft Budget 2015–16: Pre-budget report from CIPFA (08:30–09:00) (Pages 1– 27)

FIN(4)–16–14 Paper 1

Don Peebles – Head of CIPFA Scotland and Expert Adviser to the Committee

Public Meeting

2 Introductions, apologies and substitutions (09:00)

3 Papers to note (09:00 – 09:05) (Pages 28 – 30)

Supplementary Budget 2014–2015: Welsh Government response (Pages 31 – 42)

4 Assembly Commission Draft Budget 2015–16 (09:05–10:15) (Pages 43 – 97)

FIN(4)–16–14 Paper 2

FIN(4)–16–14 Paper 3

Research Brief

Dame Rosemary Butler AM – Presiding Officer and Commission Chair

Claire Clancy – **Chief Executive and Clerk to the Assembly**

Nicola Callow – Director of Finance

(Break 10:15 – 10:30)

5 Welsh Government Draft Budget 2015–16: Evidence Session 1 (10:30–12:30) (Pages 98 – 124)

FIN(4)–16–14 Paper 4

Jane Hutt AM – Minister for Finance

Jo Salway – Deputy Director, Strategic Budgeting, Welsh Government

Matt Denham– Jones, Head of Budgetary Control & Reporting, Welsh Government

Jeff Andrews – Specialist Policy Adviser, Welsh Government

6 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business: (12:30)

Items 7, 8 & 9

7 Welsh Government Draft Budget 2015–16: Consideration of evidence received (12:30–13:00)

8 Assembly Commission Draft Budget 2015–16: Consideration of evidence received (13:00 – 13:30)

9 The Well-being of Future Generations (Wales) Bill: Committee correspondence (13:30–13:45) (Pages 125 – 140)

Document is Restricted

Agenda Item 3

Finance Committee

Meeting Venue: **Committee Room 3 – Senedd**

Meeting date: **Wednesday, 24 September 2014**

Meeting time: **09.00 – 11.38**

This meeting can be viewed on Senedd TV at:

<http://www.senedd.tv/Meeting/Archive/84314157-fcc1-4513-98d5-26f7d93bc90b?autostart=True>

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Concise Minutes:

Assembly Members:

Jocelyn Davies AM (Chair)
Peter Black AM
Christine Chapman AM
Mike Hedges AM
Alun Ffred Jones AM
Ann Jones AM
Julie Morgan AM
Nick Ramsay AM

Witnesses:

Robert Chote, Office for Budget Responsibility
Laura van Geest, CPB Netherlands Bureau for Economic Policy Analysis
Wim Suyker, CPB Netherlands Bureau for Economic Policy Analysis

Committee Staff:

Bethan Davies (Clerk)
Claire Griffiths (Deputy Clerk)
Richard Bettley (Researcher)
Helen Jones (Researcher)
Joanest Varney-Jackson (Legal Advisor)

TRANSCRIPT

View the [meeting transcript](#).

1 Introductions, apologies and substitutions

- 1.1 The Chair welcomed the Members to Committee.
- 1.2 The Chair welcomed Nick Ramsay as a Member to the Committee and thanked Paul Davies for his work and advised Members that she would write to him.

2 Papers to note

2.1 The papers were noted.

2.1 Higher education finances: Letter from Darren Millar AM (30 July 2014)

2.2 Higher Education (Wales) Bill: Letter from Higher Education Wales (31 July 2014)

2.3 Welsh Government Outturn report 2013–14: Letter from the Minister for Finance (5 August 2014)

2.4 Gender-based Violence, Domestic Abuse and Sexual Violence (Wales) Bill: Letter from the Minister for Local Government and Government Business (29 August 2014)

3 Best Practice Budget Processes Inquiry Part II: Evidence Session 1

3.1 The Committee took evidence from Laura van Geest, Director and Wim Suyker, Programme Leader at the CPB Netherlands Bureau for Economic Policy Analysis on the Best Practice Budget Processes Inquiry Part II.

4 Best Practice Budget Processes Inquiry Part II: Evidence Session 2

4.1 The Committee took evidence from Robert Chote, Chairman of the Office for Budget Responsibility on the Best Practice Budget Processes Inquiry Part II.

5 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:

5.1 The motion was agreed.

6 Best Practice Budget Processes Inquiry Part II: Consideration of evidence received

6.1 Members considered the evidence received.

7 Financial Education and Inclusion (Wales) Bill: Financial Implications of the Bill

7.1 Members considered the briefing paper on the Financial Education and Inclusion (Wales) Bill and agreed they would not invite Bethan Jenkins AM, the Member in Charge, to answer questions on the financial implications of the Bill at this stage.

7.2 Ann Jones agreed to update the Committee on the financial scrutiny of the Bill as it undertakes its Stage 1 scrutiny in the Children, Young People and Education Committee.

8 Wales Audit Office: Audit Findings Report for accounts 2013 – 2014

8.1 Members considered the paper from RSM Tenon on the WAO's Annual Reports and Accounts 2013–14 and agreed that they did not wish to have a representative from RSM Tenon present when the Committee considers the WAO's Annual Reports and Accounts 2013–14 in November.

8.2 The Clerk will write to RSM Tenon advising of this decision but also requesting a brief summary of the paper.

9 Forward work programme

9.1 Members noted the work programme. Members discussed the possibility of visiting the Scottish Parliament and will advise the Clerk if available. Members also suggested areas of work for future inquiries which will be considered at a later date.



Llywodraeth Cymru
Welsh Government

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business

Eich cyf/Your ref
Ein cyf/Our ref

Jocelyn Davies AM
Chair, Finance Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

19 September 2014

Dear Jocelyn,

FINANCE COMMITTEE'S REPORT: SCRUTINY OF SUPPLEMENTARY BUDGET - July 2014

Thank you for your letter of 10 July enclosing a copy of the Finance Committee's report on the Welsh Government Supplementary Budget - July 2014.

I enclose a note at Annex A, which responds to the recommendations contained within the Committee's report on the First Supplementary Budget 2014-15.

Best wishes,
Jane

Jane Hutt AC / AM
Y Gweinidog Cyllid a Busnes y Llywodraeth
Minister for Finance and Government Business

Response to Recommendations in Finance Committee Report

Programme for Government

Recommendation 1: While the Committee recognises that the Government is making progress in this area, and that there are a number of difficulties in presenting the budget allocations against the Programme for Government, we still expect to see continual progress towards linking budget allocations to the Government priorities in each budget round.

The Welsh Government welcomes the Finance Committee's acknowledgement of the progress that has been made to improve the transparency and presentation of its spending plans, including the progress made in previous Draft Budgets to draw out the links between the Programme for Government (PfG) and budget allocations.

As the Minister for Finance and Government Business set out in her letter of response on the 9 September to the Finance Committee's report on best practice budget processes, the Government and Committee have a shared objective to understand more about how allocations link to the objectives of spend. In this regard, the significance of the Well-being of Future Generations Bill and the anticipated improvements in performance management and scrutiny will combine to shape how the Government plans and reports in future. In taking this work forward, it will be important to take the opportunity of developing a fresh approach, which supports the clarity and transparency we strive for. As the Minister for Finance and Government Business has indicated, the Government is keen to build a strong evidence base around current experience and practice of the budget process and scope for improving it.

Alongside this work, we will continue to describe, in our Budget narrative, what will be delivered through the budget allocations to each Main Expenditure Group. This year's Programme for Government Annual Report was a step forward in aligning targets to the process we make.

Pupil Deprivation Grant and 1% Schools Protections

Recommendation 2: The Committee welcomes that the additional money for pupil deprivation grant is administered through the regional consortia directly to schools. However, the Committee feels that there is some confusion and misunderstanding around the 1% increase for schools, and whether the pupil deprivation grant is additional to this. We believe that a clearer explanation is needed with regards to what is meant by the 1% increase to help schools plan effectively and would recommend that this is published alongside the data on the 1% protection.

The Welsh Government recognises the importance of being open and transparent, particularly in terms of the delivery of its key commitments. That is why, in the context of the 1% protection for schools funding, the former Minister for Local Government and Government Business wrote to all Local Authorities in Wales to explain how the schools protection would be funded in 2014-15. Following this, the former Minister for Local Government and Government Business also wrote to all Assembly Members on 22 July to provide information which shows that local authorities in Wales have met, and in many cases exceeded, the required protection for front-line schools spending in each year since the beginning of this Assembly term.

Whilst these steps reflect our commitment to provide clarity on the delivery of the schools protection, the Welsh Government recognises that the funding arrangements for schools are complex. In light of this, the Minister for Finance and Government Business is considering options for providing further information on how we are delivering the commitment to increase schools funding by 1% above changes to the DEL.

Capital – Wales Infrastructure Investment Plan

Recommendation 3: While the Committee understands that there may be a significant number of projects that fall under the threshold, there needs to be a centrally held list of these projects, and more information published about these projects. Projects valued at just under £15 million are a significant investment and should be mapped against the WIIP. The release of this information could be done via banded information or through releasing information about WIIP projects above a certain cut off point, for example £1 million. This is essential to be able to establish links between the WIIP and the budget.

As outlined to the Committee in July, since May 2012 the Wales Infrastructure Investment Plan pipeline has detailed all nationally strategic and significant Welsh Government investments with a total scheme value of over £15m and more recently, local authority investments over £2m and private sector rail and energy schemes. Further to the Committee's request to receive additional information on the number and total value of the projects which fall under the £15m threshold, a geographical breakdown of Welsh Government capital investments with a total value of £500k, is provided at Annex B.

Recommendation 4: The Committee believes that it is important to consider the outcomes of any proposed capital projects to make sure the projected savings are achieved.

Maximising the value for money provided by our investments is a priority of our Wales Infrastructure Investment Plan (WIIP). Central to this is high quality business assurance and scheme delivery across the Welsh Government and the wider public sector. Over recent years, we have taken steps to introduce a standardised best practice approach to business case development and appraisal, better monitoring of investments and a new approach to management and control of major schemes.

Since we published the WIIP, we have invested available Welsh Government capital Reserves in line with our investment priorities. Through our Better Business Case best practice, approach, business cases are in place for all schemes to achieve best value for money as well as monitoring and evaluation arrangements to measure their progress and the outcome.

This process is designed to ensure that capital investments represent value for money and will deliver our policy objectives. We invest capital to achieve a range of objectives, including but not exclusively the delivery of more efficient and economical public services. Where this is the objective, it is important to understand that against the backdrop of austerity this can be investing to limit the upward trend in costs, rather than achieving cash savings per se. As the population and the expectation of public service provision increases, so do the costs.

Additionally we use the better business case process to reduce costs of projects over their life span. Where our investments are delivering savings (over original estimates) during the construction phases, the monies are often recycled back into the schemes. For example some of the 21st Century school investments have used construction savings to increase the scope of the service provision provided by the facilities.

A further category of savings relates to preventative spend. The Welsh Government is investing for a sustainable future. Our flood investments for example do not directly save money, however they do protect Welsh citizens and significant infrastructure assets, reducing environmental damage and ongoing maintenance costs to the private and public purse. In addition our Arbed and Nest energy efficiency schemes do not produce direct savings for the public sector expenditure, but instead they enable individual citizen's to live in more efficient properties, reducing the individual energy bills.

In the evidence session on the First Supplementary Budget 2014-15, the Minister for Finance and Government Business agreed to provide the Committee with examples of schemes which have delivered cost savings. Details are provided at Annex C.

Budget Process

Recommendation 5: The Committee recommends that any in year announcement from a Minister tied to a funding allocation sets out clearly where funding is being sourced, whether from existing departmental budgets, or a transfer from reserves or another department.

The Welsh Government recognises the importance of providing clarity on the costs and sources of funding for in-year announcements.

As the Minister for Finance and Government Business acknowledged in Committee, this information can be helpful and constructive as part of financial scrutiny. In this context, the Welsh Government will look to ensure that it provides greater clarity on issues of funding.

Recommendation 6: The Committee recommends that the Welsh Government publish all Barnett consequentialia (both positive and negative) as they come through from the UK Government. The Committee believes that this would help make the consequentialia more easily identifiable and transparent.

The Welsh Government acknowledges the Committee's interest in receiving information regarding Barnett consequentialia and will look to provide information on the impact of consequentialia on the Wales DEL following UK Government fiscal events.

Annex B - Welsh Government capital investments

Table 1 below provides a breakdown of the data that we currently have available. The map at Figure 1 illustrates how the postcode areas relate to the economic regions.

The following points should be noted when considering validity of the data:

- The data is a snapshot of Welsh Government capital investments collated from departments, in July 2014 with a total scheme value of over £500,000;
- Whilst every effort has been taken to ensure the widest scope of Welsh Government schemes are captured, due to commercial sensitivities it cannot be guaranteed that all investments are captured;
- Total scheme value includes a combination of Welsh Government funding and other funding sources from across the private sector, public sector and European funds;
- Geographical location of investment has been determined where possible using a postcode indicator;
- Welsh Government investment figures for 2014-15 were correct as of July 2014.

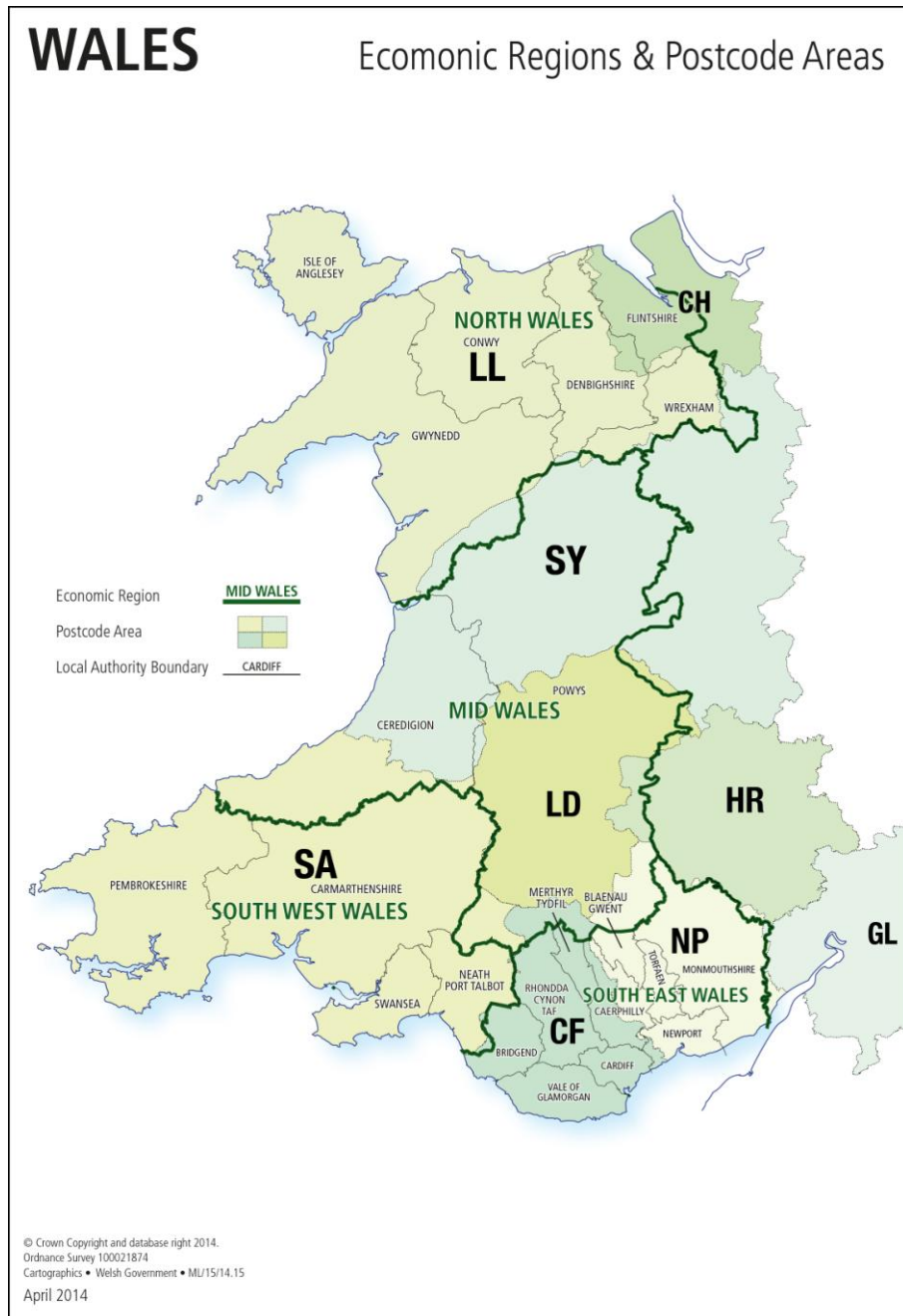
Table 1. Capital Spend per Region and postcode area

Economic Region	No. of Schemes	2014-15 WG Forecast	Total WG capital investment £m	Total scheme value £m*
All-Wales	73	312.238	1,260.499	2,163.291
North Wales Postcode Area: <ul style="list-style-type: none"> • Chester • Llandudno • Shrewsbury 	182	199.006	938.961	1,570.100
Mid Wales Postcode Area: <ul style="list-style-type: none"> • Llandrindod Wells • Newport • Shrewsbury • Swansea** 	79	73.312	343.769	466.293
South-East Wales Postcode Area: <ul style="list-style-type: none"> • Cardiff • Newport 	399	344.872	4,073.293	5,543.566
South-West Wales Postcode Area: <ul style="list-style-type: none"> • Swansea** 	192	174.150	1,135.489	1,904.689
Total	925	1,103.577	7,716.011	11,647.939

* includes Welsh Government and other sources of funding

** postcode area spans multiple economic regions – see Fig.1

Figure 1.



Annex C - Examples of capital projects which have delivered cost savings

Health

Cardiff & Vale University Health Board (C&VUHB) – Development of an Adult Acute Mental Health Unit, University Hospital Llandough (UHL)

The scheme will bring together all general adult mental health inpatient services from Whitchurch Hospital and the Llanfair Unit at UHL and also specialist services for clients requiring low secure, addiction, neuropsychiatry, intensive care, supportive recovery services along with associated therapy and support services. Work commenced in August 2013. Anticipated completion January 2016

- Benefits/outcomes: One of the main outcomes and benefits to be derived from the proposed investment is to improve quality, safety and effectiveness of acute inpatient care for adults with mental health problems in modern facilities which is designed to ensure:
 - Improved access to specialist support;
 - Gender specific accommodation;
 - Reduction in stigma;
 - Meets expectations for privacy, safety, dignity, accessibility, cultural background;
 - Improved access to physical healthcare, including diagnostics;
 - Improved access to mental health advice and support and reduction of disruption to care programme and exposure to stressful situations for those requiring other healthcare provision.
 - Consistent quality of service for residents of both Cardiff and the Vale of Glamorgan;
- Total costs: The total project cost and total Welsh Government Funding will be £88m.
- Savings: The business case identifies revenue savings of £0.434 million per annum as a result of the overall reduction in beds, together with economies of scale arising from the co-location of mental health services on the UHL site.

Health Vision Swansea Phase 1B scheme 2 - Development of clinical support and diabetic services accommodation at Morriston Hospital.

The scheme will develop a new accommodation block for Clinical Support and Diabetic Services Accommodation, a new sub-station and site rationalisation at Morriston Hospital. Diabetic clinical accommodation is temporarily located in refurbished accommodation.

- Benefits/outcomes: The proposed development will provide proximity for the Diabetic clinic to core services and enable access to DDA-compliant car parking.

It will be fully compliant with national best practice in terms of layout and configuration, and sited in a fully complaint stand-a-lone clinic with easy access for patients. The development will also provide compliant, clinical and administrative accommodation for over 562 people who are located within the oldest and poorest quality; non compliant accommodation parts of Morriston Hospital, or inappropriately within clinical areas on wards. These include consultants and clinical support staff, renal support staff, and capital planning staff, and staff providing Diabetic Clinical services and the Health Board's Occupational Health services.

The full business case (FBC) is due to be submitted by the Health Board in early August which could enable the full start on site to occur in September 2014. With a 53 week build programme, the completion is currently projected to be late 2015. Opening of the facility is likely to be 4-6 weeks later once all of the equipment has been delivered and operational commissioning complete.

- Total costs: The total investment is £18.443m, including non-recoverable VAT.
- Savings: The outline business case projects that it will deliver recurring revenue savings from 2016-17 of £1.001m.

Powys Teaching Health Board – Integrated Health and Social Care Centre for Builth Wells

Powys teaching Health Board and Powys County Council working in partnership with the Community Health Council, Powys Association of Voluntary Organisations, local GP's and other community stakeholders to develop a new model of integrated health and social care services for Builth Wells. The new facility replaces Builth Cottage Hospital which closed in January 2013. The ground floor provides a range of patient services whilst the upper floor houses a 12 bedded, GP managed in-patient facility.

Services include: wound care, minor surgery, dentistry and a range of consultant outpatient clinics. The latter include age care medicine; urodynamics and prostate assessment clinic; and palliative care.

- Benefits/outcomes: Extended community nursing hours into the evenings, extending the options for care at home especially palliative care that is mostly currently provided in Powys hospitals
 - A reablement service that will provide domiciliary physiotherapy and occupational therapy to assist people to adapt to remaining at home after illness
 - Faster access to domiciliary social care services to provide a rapid response care service for people in urgent need
 - Provision of a minimum framework of third sector Tier 1 services in line with a model of services being developed across
 - Hospice at home services provided by the third sector
- Total costs: Total capital costs £5.25m

- Savings: In terms of revenue, Powys Local Health Board state that this scheme generates significant recurring revenue savings, of c. £0.7m per annum.

Education

Abercynon Community Primary School, RCT

The project for a new build community primary school at Abercynon, Rhondda Cynon Taf was approved under the Transitional 3 School Buildings Grant Programme.

- Benefits/outcomes: The project delivered a brand new 2 storey, 420 place primary school with SEN provision.
- Total costs: The total project cost was £8,871,697, with Welsh Government contribution of £6,210,188 and Local Authority funding of £2,661,509.
- Savings: Capital savings of circa £1.8m were realised on this project. The savings were primarily generated due to good economic conditions, the procurement strategy used and other efficiencies. In November 2013, Welsh Government's Capital Investment Panel agreed to approve the re-investment of the £1.8m into a Welsh medium primary school (Llwynocrwn, Beddau) where substantial refurbishment would take place including the use of standardised build product.

Ysgol y Gogarth, Conwy

The project was approved under the Transitional (Tranche 3) Funding Programme, for a new build Special Education Needs School in Llandudno, for the county. The new two storey school replaced the existing 1960's one storey school and also provided new residential for approximately 180 pupils between the ages of 3 and 19, with a wide range of disabilities and individual needs, in more inspirational environments

- Benefits/outcomes: Conwy local authority had a strategic vision for their additional learning needs provision, which was to central provision for the county on to one site. This project met this vision, delivering a school facility with specialist facilities, such as a hydrotherapy pool, light room, quiet room, an ICT suite, Sensory & Autism classes, outdoor learning environments, outdoor pursuits facilities and vocational areas such as horticulture, car valeting. The school also serves as an exceptional central facility to allow disabled/ALN students from primary to secondary school age to be educated in county and have better access to education social workers and clinics that they require.
- Total costs: The total project cost was circa £18.157 million, with a Welsh 70% contribution of circa £12.701 million and local authority funding circa of £5.456 million.
- Savings: Capital savings of circa £3.807 million on the original project cost of circa £21.964 million have been realised on this project. The savings were primarily made through value engineering as part of the procurement process.

Flood and Coastal Risk Management

Colwyn Bay

The Colwyn Bay scheme renewed existing coastal defences and raised beach levels to reduce risk to homes, businesses and infrastructure.

- Benefits/outcomes: Reduced risk from coastal flooding to 200 homes and businesses, the North Wales mainline railway and the A55. The project also allowed for economic growth and regeneration of the area in the form of a revitalized waterfront, promenade and beach area and improved recreation, sport and tourism facilities
- Total costs: This was jointly funded through Welsh Government (FCERM and Regeneration budgets), European Regional Development Fund and Conwy County Borough Council. Total project costs (including regeneration element) was £11 million. £5million of which was for the coastal defence work (£2.287 million ERDF and £2.713 million WG).
- Savings: Direct savings of around £1-2 million were made during this project by working on the coastal flood defence and regeneration work in tandem rather than separately.

Energy efficiency

Arbed 2 ERDF

The Arbed 2 ERDF area based energy efficiency scheme is a £45 million programme that has a £33 million investment from the European Regional Development Fund (ERDF). The scheme is scheduled to run from 2012 to 2015 and targeted with the improvement of nearly 4800 homes and the creation of 283 new jobs. The scheme has to date completed over 3000 homes and exceeded the jobs target by creating over 470, these included 107 new employment opportunities for people that live in or near Tackling Workless Households (TWH) Communities First clusters.

In addition to delivering energy efficiency improvements to Welsh homes across Wales Arbed 2 ERDF is having a wider impact and benefit on our communities that are in addition to the original plan; Fochriw in Caerphilly has benefitted from the installation of solar PV panels at the local community hall, which is the hub of the village. The system has been provided free of charge to the community by the SMEs and supply chain companies who have been working in the village. The system will provide sustainable low cost energy to the community hall as well as a long term income through the 'feed in tariff'.

The Arbed scheme managers have also worked in the development of the 'Value Wales Community Benefit Tool' and have realised up to a £2 return into the local communities for every £1 of investment by the scheme.

Nest

The Welsh Government's fuel poverty programme 'Nest' has helped over 56,000 householders with advice and support to reduce their fuel bills, increase their income, and improve the energy efficiency of their homes, since the scheme started in April 2011, this exceeds the schemes targets of 45,000 in the same period. Over 13,400 of these householders, who were on low incomes and living in the most energy inefficient homes, received a package of free home energy improvements.

These improvements are estimated to deliver average energy bill savings of over £475 per household per year, making a real difference to people who are struggling with the impact of flat-line or falling incomes and Welfare Reform, in addition to significant energy price rises.

Nest is working in partnership with the Prince's Trust to launch 'Get into Engineering' Local SMEs working on Nest are involved and as part of this 30 young people will attend a 'taster day'. 15 of these young people will go on to participate in an agreed programme of training and work experience.

National Assembly for Wales
Assembly Commission

Draft Budget 2015-16
Building on Investment and Change

September 2014

Cynulliad
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The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

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National Assembly for Wales
Assembly Commission

Draft Budget 2015-16
Building on Investment and Change

September 2014

Cynulliad
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The Assembly Commission

The Assembly Commissioners were elected by Members in Plenary on 25 May 2011. Along with the **Presiding Officer**, who chairs the Commission, the Commissioners are Peter Black AM, Angela Burns AM, Sandy Mewies AM and Rhodri Glyn Thomas AM.



Dame Rosemary Butler AM

Presiding Officer and Commission Chair, taking lead responsibility for Communications, and professional development for Members and their staff.



Angela Burns AM

Budget, governance, including Audit Committee membership. Links with the Remuneration Board. The improvement of services to Members. The Commission as the employer of Commission staff.



Peter Black AM

ICT, broadcasting and e-democracy. The Assembly Estate and Sustainability.



Sandy Mewies AM

Education services, front of house, the Assembly's facilities, retail, catering and security. The Commission's statutory equality functions.



Rhodri Glyn Thomas AM

The Commission's Welsh language functions and policy. Legal Services and Freedom of Information (FOI).

The Fourth Assembly – related documents on our website

- **Commission Strategy for Fourth Assembly**
www.assemblywales.org/fourth_commission_strategy.pdf
- **Updated Plan to deliver the Commission’s strategy**
[www.assemblywales.org/NAfW%20Documents/About%20the%20Assembly%20section%20documents/Updated%20Plan%20to%20deliver%20the%20Commission%27s%20Strategy/assembly%20commission%20strategyMAY2014\(e\).pdf](http://www.assemblywales.org/NAfW%20Documents/About%20the%20Assembly%20section%20documents/Updated%20Plan%20to%20deliver%20the%20Commission%27s%20Strategy/assembly%20commission%20strategyMAY2014(e).pdf)
- **Key Issues for Fourth Assembly**
www.assemblywales.org/NAfW%20Documents/11-026.pdf%20-%2020102011/11-026-English.pdf
- **Key Performance Indicator Reports**
<http://www.senedd.assemblywales.org/mgissueHistoryHome.aspx?lid=6022>
- **Assembly Commission Budgets and Annual Report and Accounts**
http://www.assemblywales.org/en/abthome/about_us-commission_assembly_administration/about_us-commission_publications/Pages/about_us-commission_publications.aspx
- **Remuneration Board’s Determination for Assembly Members**
<http://www.senedd.assemblywales.org/mgCommitteeDetails.aspx?ID=375>

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15:35

01. Introduction

The Assembly Commission serves the National Assembly to help make it a strong, accessible and forward looking democratic legislature that delivers effectively for the people of Wales.

The Commission's strategic goals have provided the focus for our work since 2011 and are unchanged. They are that we will:

- Provide outstanding parliamentary support
- Engage with the people of Wales and Promote Wales
- Use resources wisely

The Commission developed plans setting out key priorities. The latest of these sets out the Commission's priorities for the remaining two years of this Assembly.

http://www.assemblywales.org/abthome/about_us-commission_assembly_administration/abt-commission.htm

In addition, the Commission established key performance indicators, providing evidence of the commitment and progress for the people of Wales, Members and Commission staff in regular corporate performance reports, which are published.

<http://www.senedd.assemblywales.org/mgissueHistoryHome.aspx?lid=6022>

In 2011, the Commission set a clear three-year budget strategy for enhancing the capacity and capabilities of Assembly services in order to deliver the Commission's strategic goals. The budget strategy championed the need for investment in: support to Members and their new legislative responsibilities; the estate as a venue for Wales; communications and technology; and in how the Assembly works as an efficient corporate body. Commissioners, the Finance Committee and the whole Assembly approved this three year investment strategy to deliver the Commission's goals and priorities. Our budget needs have been supported and the Commission has ensured sound financial arrangements exist to deliver Value for Money (VfM) savings where possible, contain costs where appropriate and invest where needed.

The Commission must continue to deliver the full range of day-to-day business to high standards as well as building on the significant investment that will have been completed in the first four years of the Fourth Assembly, with planned further investment of £1.6million in 2015-16. In support of the Commission's strategic goals, there are five updated priority areas for change, innovation and investment for the remainder of this Assembly:

- Enabling the Assembly to be as effective as possible through the support we provide, including through the impact of the next stages of our ICT Strategy;
- Enhanced bilingual services;
- Increased engagement with people in Wales;
- Making the most of our Estate; and
- Complete readiness for the transition to, and new challenges, of the Fifth Assembly.

Table 1: Summary - Financial Years 2011-16 by Strategic Goal

Strategic Goal	2011-12 £m	2012-13 £m	2013-14 £m	2014-15 £m	2015-16 £m
Provide Outstanding Parliamentary Support	9.0	9.1	9.6	10.4	10.6
ICT Services	4.0	4.0	4.4	4.4	4.4
Engage with the People of Wales and Promote Wales	12.1	12.5	12.5	12.5	12.8
Use Resources Wisely	2.8	2.8	3.0	3.1	3.2
Depreciation	3.2	3.8	4.0	4.4	4.7
Investment	0.6	1.2	2.3	1.7	0.7
Total	31.7	33.4	35.8	36.5	36.4

02. Budget Approach 2015-16

The total operational budget for 2015-16 is £50.9 million, which delivers a real terms cut of 1.0%.

For 2015-16 the Assembly Commission will maintain the approach detailed in the budgets for the previous three years. The total operational budget for 2015-16 is £50.9 million, which delivers a real terms cut of 1.0%. Whilst this is slightly higher than the 0.8% real terms cut to the Welsh block, we remain confident this level of funding is sufficient to meet the Commission's plans.

Within this total we are faced with additional costs, set by the Cabinet Office, which relate to increased employer contributions to the Principal Civil Service Pension Scheme (PCSPS) which are forecast to increase the Commission's annual costs by circa £0.3 million. We will be able to accommodate this additional cost without a potentially adverse impact on the Commission's strategy and services including the investment made to date during this Assembly. This extra cost is reflected in the Commission's staff costs for 2015-16 of £16.9 million.

There are cyclical one-off costs associated with an election, these falling both in advance of and after the election. For the Fourth Assembly elections, the Commission's approach was to ring-fence these as one-off, exceptional costs and to seek adequate budget. This ensured the normal Commission operations were protected from any election-related costs and provided clarity and transparency over the election costs through the return of any unused election funds.

We are continuing with this approach for the 2016 election and propose an estimated £0.5m in 2015-16 to cover planning and preparation costs that will be incurred during the year.

As an exceptional, one-off cost, this aspect of the budget is excluded from the Commission's commitment to work in line with changes to the Welsh Block. Furthermore, this sum would not be available for non-election-related purposes and would be returned to the Welsh Block if unused.

In July 2014 ICT services were brought in house which will lead to significant operational savings and make available funds for further development of ICT services to Members and Committees in line with the Commission's ICT strategy.

This decision by the Commission will lead to annual real terms savings of over 2% per year until 2018, a total real terms saving over the period estimated at £1.0 million.

Chart 2 shows the changes between staff costs, non-staff costs and the development fund over the period 2013 to 2017 with total expenditure remaining constant at £4.4 million.

Annually Managed Expenditure (AME) relates to non-cash accounting adjustments in respect of the National Assembly for Wales Members' Pension Scheme. The level of provision is increased to £1.2m to bring it in to line with the figure approved in the Commission's Supplementary Budget in 2013-14. The AME budget is only available for its stated purpose.

Chart 2: ICT Costs 2013-2017

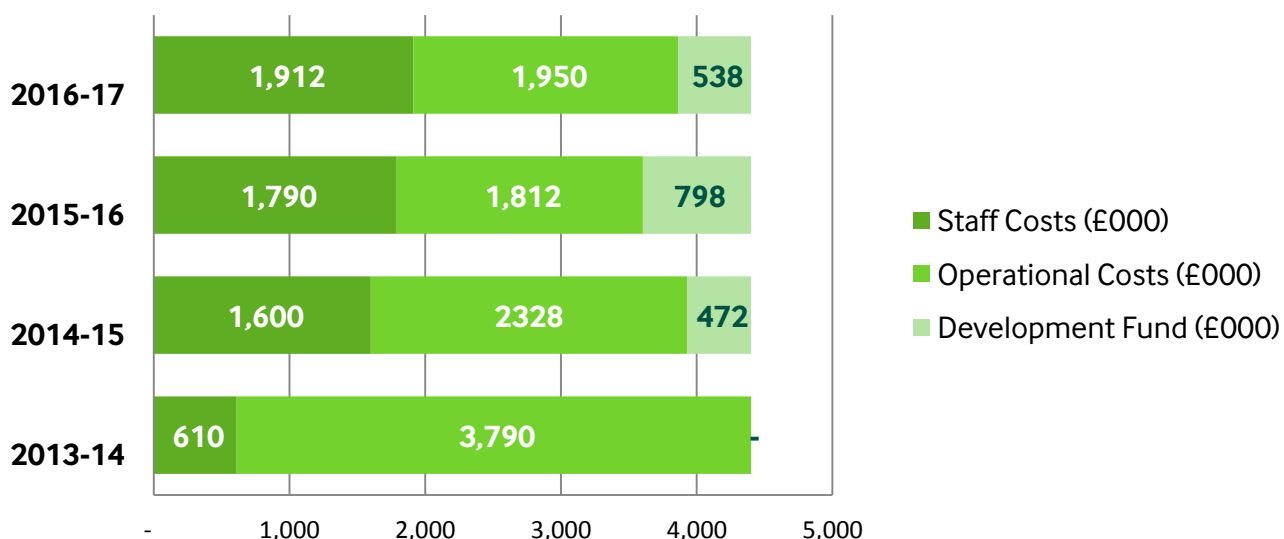


Table 3 shows the changes from the indicative budget published in the 2014-15 Assembly Commission budget to the proposed budget for 2015-16.

Table 3: Proposed Commission Budget

	Budget 2014-15 £m	Estimated 2015-16 £m	ICT Changes £m	Other Changes £m	Comparable Budget 2015-16 £m
Commission staff	15.8	16.0	0.9		16.9
Fixed costs	10.5	11.1	(0.6)	(0.2)	10.3
Variable costs	4.1	3.7	0.4		4.1
ICT Costs	4.4	4.4	(0.8)		3.6
ICT Development Fund			0.8		0.8
Investment programme	1.7	1.2	(0.5)		0.7
Commission Budget	36.5	36.4	0.2	(0.2)	36.4
Remuneration Board's Determination for Assembly Members	14.1	14.5	-	-	14.5
Total Operational Budget	50.6	50.9	0.2	(0.2)	50.9
Election Related Costs	-	-	-	0.5	0.5
Annually Managed Expenditure	0.8	0.8		0.4	1.2

The overall financial impact of bringing ICT contracted out services in house has been to release £0.8 million from the annual ICT cost of £4.4 million, some 18% of the budget, for investment in improvements and enhancements to the ICT service provided. This is shown in Table 3 as the ICT Development Fund.

In addition, Staff Costs have increased by £0.9 million which includes the PCSPS employer contributions of £0.3 million; and contractual salary increases £0.3 million. The on-going impact of the rates rebate has reduced our Fixed Costs by £0.2 million and there is a further £0.6 million reduction in fixed costs from ending contracted out support in the Senedd, now provided in house.

There is no overall increase in Variable Costs from the estimate contained in the 2014-15 budget document whilst the funding for the Investment Programme has been reduced to maintain the overall budget in line with the previously published indicative budget for 2015-16.

The Commission's determination in driving out inefficiency and in securing value for money will also pay dividends in 2015-16. It will enable continued innovation, creativity and commitment to the quality services rightly expected by Members and the public, whilst delivering our commitment to work within public sector funding constraints.

To complete the investment programme that the Commission has been driving forward will require funding of circa £1.6 million in 2015-16. The Investment Fund will be set at a level consistent with the funding available. Part of this funding will need to come from the Commission's Value for Money (VfM) programme.

The investment programme for 2015-16 will include:

- Updating of the ICT infrastructure, notably as we push forward with consolidating the ICT service in-house as well as a Siambri refit;
- Progressing the Commission's aspirations to become a truly bilingual organisation;
- Sustainability work to reduce our environmental impact;
- Outward engagement, including youth engagement, and the future of the Assembly bus;
- Enhancing the Commission's information management systems; and
- Continuing our investment in the Assembly estate.

Bringing ICT services in house has;

- **Released £0.8 million for further ICT improvements**
 - **Produced real terms savings of 2% per year until 2018**
 - **has placed costs within our control**
-



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GRŴP RHWYDWAITH**

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2014
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GORAU**

03. The five updated priority areas

The Commissioners met in April 2014 to review progress against our strategic goals and priorities for change, innovation and investment.

We are proud of our achievements and the progress we have made during the first years of this Assembly and will build on these over the next two years. The

Commissioners met in April 2014 to review progress against our strategic goals and priorities for change, innovation and investment since 2011.

Since 2012 we have conducted an annual survey, giving Members and their staff the opportunity to give us feedback on the services that support their work. The survey helps us measure our performance and gives Members and others a way of scrutinising us and holding us to account. Through this process we continuously evaluate our services and ensure that they meet the needs of users. The feedback assists us in providing the appropriate support so Members can participate in the formal business of the Assembly and in identifying changes that should be made to the environment for those working on and visiting the Assembly estate.

We identified what more needs to be done before the 2016 elections to ensure that, as a Commission for the Fourth Assembly, we continue to provide Members with the support and services they need to carry out their roles, and leave a strong, clear legacy.

As a result, in support of the Commission's strategic goals, we have five updated priority areas for change, innovation and investment for this Assembly. They are:

- Enabling the Assembly to be as effective as possible through the support we provide, including through the impact of the next stages of our ICT Strategy;
- Enhanced bilingual services;
- Better engagement with people in Wales;
- Making the most of our Estate; and
- Complete readiness for the transition to, and new challenges, of the Fifth Assembly

03.1. Enabling the Assembly to be as effective as possible through the support we provide

The Commission has the statutory duty under the Government of Wales Act 2006 to ensure that the Assembly is provided with the property, staff and services required for the Assembly's purposes.

Progress of the Assembly as a parliament has been significant since 1999 and most notably over the Fourth Assembly term. Confidence in the work of the Assembly has grown and, in many areas, we are an exemplar for other parliamentary bodies to follow. However, with big challenges for us to provide consistently strong support in fully meeting the needs of individual Assembly Members and Committees, we still have more to do in order to support AMs and Committees in delivering an outstanding parliament for Wales.

Providing outstanding Parliamentary support

Assembly committees will:

- have a clear, agreed, strategic plan for their work that prioritises their activities and focuses their use of time and resource;
- be a top priority for the Members who serve on them;
- be guided by chairs who fulfil all of the expectations set for them by the Assembly;
- be respected and listened to by the Welsh Government because of the quality of their inquiries and scrutiny, the rigour of their questioning, the depth of their analysis and the value of their legislative amendment. The Government will be mindful of the reaction of committees as it formulates its policy, spending and legislative plans;
- scrutinise policy, spending and legislation within their portfolio in the round, not as isolated aspects of their responsibilities;
- offer and expect constructive engagement with the Welsh Government but retain their detachment and ability to offer objective criticism;
- not be limited by constraints on access to Ministers, information or witnesses and will be able to draw on the expert advice and support they require;
- engage with a wide diversity of people, be seen by stakeholder groups as important, influential players and as the natural place to go to with concerns and ideas, and undertake work that enhances the public reputation of the Assembly. Their outputs will be accessible to as wide an audience as possible;
- ensure that those who contribute to their work see the value of their participation; and
- seek critical analysis and evaluation to improve their performance.

World class parliamentary committees

In 2013, the Commission initiated a review of the support for Committees and the report which emanated from the review articulates the ambition for Assembly Committees to be world class. The Commission's aspiration is that

Committees of the Assembly should demonstrably improve the quality of policy outcomes, legislation and public services for society as a whole in Wales. To achieve world class status the Commission's focus will be on areas that need attention in order to provide the tools and services to meet our aspiration.

Staff from across the Commission are involved in supporting committees with clerking, research, media and legal support; security and visitor services; simultaneous interpretation and translation; IT and broadcasting. For a small institution support for committees is well resourced and it is right that the Commission reviews that support to make sure the services we provide are directed to have the most effect and be of the highest possible quality.

The resources that the Commission puts into supporting committees are only part of the story. We could provide the finest parliamentary support services in the world and still that would not guarantee world class committee performance for many important levers are outside the Commission's direct control. The actions of political parties in the Assembly, the government, civic society and committee chairs and Members are absolutely critical. The Commission hopes that the vision it has set out will be taken up and shared by all of those groups and we are committed to working to make the Assembly's committees as effective as they possibly can be.

Some of the work necessary to achieve world class parliamentary committees will not bear fruit until after the next election but the focus set by the Commission is already leading to better outcomes. A particular area of focus has been in raising the profile of committees in the media. We have increased our presence on social media with all committees now having very active, bilingual Twitter feeds. The 'reach' of these feeds is increasing and cover all committee activity not just meetings.

Better use of integrated teams with staff from clerking, research, communications and legal services has led to a greater focus on longer-term, strategic planning. This enables a variety of different approaches to inform Members' work in committee including the use of social media, web-chats and stakeholder events. We are increasing the use of events to reach and support stakeholders who would not normally engage with us in the formal committee setting and our Youth Engagement work complements our work with other groups. Better planning has also allowed us to improve the support we provide for Members to work in the language of their choice.

One way of raising the profile of committees has been through very active bilingual twitter feeds.

Legal expertise

The Legal Services Directorate provides bilingual legal services to the Presiding Officer, the Commission, Committees and all Members, as part of a fully integrated team of research, procedural and other experts. Two aspects of these legal services are being strengthened: the provision of legislative drafting of Members' Bills; and the capacity to undertake more commercial legal work. This is being done through:

- outsourcing of the drafting of non-Government Bills to an expert external drafter in the short term, alongside training for the in-house lawyers through that external drafter;
- introducing a continuing programme of professional development for in-house lawyers; and
- exploring the demand for commercial legal services and any unmet demand for legal services in the Assembly.

The outsourcing approach is working well and will over time enhance the capabilities for in-house drafting of non-Government Bills and, coupled with the programme for professional development, will mean that Legal Services will be able to respond to and support any significant changes affecting the Assembly, such as new financial powers.

ICT Services

The Commission has always made use of technology to support the work of members and committees and the investment programme over the last three years has had a significant ICT content. Details of our plans, included in previous budget documents, have led to a range of important achievements.

In 2014, the Commission successfully moved from an outsourced contract to a service provided almost entirely in-house with specialist contracted support where necessary. The project delivered on time and under budget and has already delivered savings that will be reinvested in the delivery of improved ICT services to Assembly Members, the public and Commission staff.

In 2014-15 the Commission's ICT service is anticipated to cost £3.9 million which is a reduction of more than 10% compared to the annual cost of £4.4million of recent years. The structure of the service has altered to reflect the changed delivery with staff numbers in ICT rising to around 41, which will cost around £1.7 million, with operating costs falling to £2.3 million. The balance of £0.4 million will be used to further enhance ICT services.

The KPI for member satisfaction with ICT within the Assembly estate was 6.6 in the July 2013 survey. The latest survey has just been completed and this score is now 7.5 reflecting a further measure of the success of changing the way in which we deliver ICT services to members.

As the survey only covers the first 3 months since service delivery was changed we anticipate that the 2015 survey, which will cover a period of just over a year, will provide a better example of the non-financial measures we work to.

In essence the delivery of ICT services is being provided at a lower cost but in a more flexible and adaptable way which will enable the Assembly Commission to utilise the development funds released to introduce technological solutions in supporting the work of Assembly Members and Committees.

Strengthening legal expertise through enhancing in house capabilities

The Commission's ICT Strategy

The ICT Strategy aims to deliver:

- innovative, responsive, reliable, flexible and value-for-money solutions;
- access to the information and ICT services users need, regardless of location;
- choice of device for users;
- effective support;
- ICT services that support collaborative working and sharing, safely and securely;
- information assets that are managed effectively; and
- information that is structured, supports the business services it is needed for, improves efficiency and delivers value.

ICT in the Siambr

An example of the ICT Strategy being delivered is the review of ICT provision in the Siambr where the Assembly Commission provides dedicated ICT facilities for Assembly Members. Whilst the hardware has been refreshed there have been no changes to the fixed desk top approach since the Senedd was built. Following consultation and a thorough technical review, the Commission will deliver the planned changes during 2015 summer recess. The exact costs will depend on the route taken from the options available but a preliminary estimate is in the order £0.75 million. The savings achieved from bringing the ICT service delivery in-house will partly fund this work. Alongside this, we are also considering replacing the Siambr software system, using the expertise of the new applications management team and improving the voting functions.

Telephony

The current telephony contract will expire in June 2015 and the future provision of telephony is already being considered. In this fast moving environment all options will be considered but value for money will be a high priority. Current indications are that we will be able to provide the required level of performance at a reduced annual cost over our current arrangements.

The new telephony system will be procured, implemented and be ready to go live in the early part of the 2015-16 financial year

New solutions to support business services

We inherited many applications when we brought the ICT service in-house and now have a dedicated team within the service for applications management. One area currently being explored is the development of existing applications to make better use of information we hold

ICT services

- **Bringing the service in house was delivered on time and under budget**
 - **has delivered the release of funds for further investment**
 - **Has resulted in an improved score of 7.5, up from 6.6, in the latest Member survey**
-

ICT Developments

- **Planned changes to ICT in the Siambr to be delivered during the summer recess 2015**
- **A new telephony system will be procured, implemented and go live in the early part of 2015-16**
- **Website replacement project launched September 2014**
- **Senedd TV upgraded September 2014**

for internal and, where appropriate, external publication. Under the previous contracted out arrangement costs for this type of development were expensive, inflexible and often escalated quickly. With staff now in place who have the requisite skills this development work can now be managed far more effectively both in terms of time and cost.

Other initiatives, which will bring benefits over the next two years and will improve the way the public can engage with the work of Members, include:

- launching the website replacement project to improve the usability and effectiveness of the Assembly’s websites and the way we share information about the Assembly’s work;
- upgrading Senedd TV so that live broadcasts from the Senedd can be viewed on any device and giving users the ability to pause, re-wind and play back the broadcast. Other features include live captioning, links to Agenda items and the ability to search the written Record and play the related video; and
- the Plenary support system and the way in which we produce and present our reports of proceedings (both for Plenary and Committees) to exploit new ICT platforms to work smarter and make information more easily accessible.

03.2. Enhanced bilingual services

The ability to engage freely in either language in a truly bilingual institution is an important aspiration. The ultimate aim of the Commission is that people should be able to choose whether to use Welsh or English in every element of their work. We are on the right track and progress has been significant, with improvements in the provision of innovative and tailored support for Assembly Members enabling them to work effectively in either or both of our official languages. This progress was set out in full in our first annual compliance report to the Assembly in July 2014.

<http://www.assemblywales.org/laid%20documents/gen-ld9836%20-%20national%20assembly%20for%20wales%20official%20languages%20scheme%20-%20annual%20compliance%20report/gen-ld9836-e.pdf>

One internal measure of improvement is the annual Member survey. In July 2013 the score for working in the language of your choice was 6.2 and in the July 2014 survey has improved significantly to 8.9 which reflects the improvements the Commission’s approach has already made.

Our commitment to invest in technology to transform bilingual service provision has seen world-wide recognition for the Assembly through our partnership with Microsoft to launch the Welsh Microsoft Translator Facility. The tool is available to all Members, staff and globally via Microsoft Office and other products. Machine translation allows people all over the world to translate text from English to Welsh and vice versa, simply by clicking ‘translate’. In the Assembly, the system will help us fulfil our commitment to bilingualism and help staff to communicate in the language of their choice, as well as freeing up staff involved in translation to provide other added value services.

If we are to meet the expectations of Assembly Members and the public, more needs to be achieved before the end of the Fourth Assembly. The Scheme has allowed us to think differently about the way we do things, and to be responsive to the needs of a bilingual nation. We recognise that achieving our ambition to be recognised as a truly bilingual organisation means more than just

Enhanced bilingual services

- **Machine Translation successfully launched**
 - **First Annual Compliance report published July 2014**
 - **Members satisfaction increased to 8.9 from 6.2 in the latest survey**
-

translating words. We are committed to using our resources wisely to provide the best bilingual services across all areas of the Assembly's work to ensure that all those who engage with us can do so in either of our official languages. Bilingualism is an integral part of all services. The provision of bilingual services is no longer allocated a specific budget line, but is in fact mainstreamed across all budgets and reflected in practical change across the organisation, for example in the Commission's review of support for committees.

We intend to build on the good work done to date, and strive to meet our ambition to be an exemplary bilingual organisation.

03.3. Better engagement with people in Wales

One of our ambitions is to create an environment that encourages interest in the work of the Assembly and facilitates engagement. We want to widen engagement with the people of Wales by giving them more opportunities to interact with the work of this institution and your work as Members. Over the past two years we have seen considerable innovation in this area. We have put a new emphasis on social media so that we can engage with different audiences in a format they can access. We have also continued our programme of visits to schools and to a wide range of summer shows across Wales informing people about how their democracy works. Other work to further engage young people, the women in public life campaign, and growing visitor and event numbers are other positive examples.

The Commission wants to push hard for further engagement with the general public beyond specific groups. It will consider how to establish the Assembly as a brand clearly and distinctively in the minds of the people of Wales.

Increasing engagement in a digital world

- **Past two years has seen considerable innovation**
 - **Twitter followers have increased by 54%**
 - **Facebook videos used to promote Assembly's Apprenticeship Scheme resulting in 70% increase in applications**
 - **Consumption of video on the Assembly's YouTube channel has seen tremendous growth**
-

EDUCATION: APRIL 2013 - MARCH 2014

263

EDUCATION VISITS TO CARDIFF

← 7,302 YOUNG PEOPLE IN ATTENDANCE



8,669 STUDENTS IN ATTENDANCE



256

EDUCATIONAL OUTREACH PRESENTATIONS



519

TOTAL NUMBER OF CARDIFF BAY AND OUTREACH VISITS

TOTAL NUMBER OF YOUNG PEOPLE WHO VISITED US



445

SCHOOLS

17,424

YOUNG PEOPLE



Youth Engagement

A major strand of the Commission's efforts has been youth engagement and at the end of last year, the Presiding Officer asked Assembly staff to run a consultation to ask young people in Wales how they think we can better engage them in the work of the Assembly. Staff reached out to 11 - 18 year olds across Wales to find out what the Assembly can do to enable young people to join in with political debate and have their views heard.

The consultation provided new information about young people's understanding of and interest in the Assembly and some ideas about how the Assembly could best engage with young people in ways that enabled them to contribute to its work.

Nearly 3,000 young people completed a questionnaire. The three main themes arising from the analysis of the results were:

- Reaching out – we need to make sure young people can find out about Assembly business and what it means for them;
- Enabling debate – we need to provide a range of easy and jargon-free ways for young people to be involved; and
- Feedback – we must ensure that young people are told as much as possible, as early and regularly as possible, about the outcomes of their participation.

Following the consultation period, we looked at what young people told us and how we could change the way we work to enable more young people to engage with the work of the Assembly. Work is now under way to deliver a number of outputs, such as:

- Augmenting the Assembly's existing Education Service with the addition of youth worker skills to improve engagement outside of the school setting;
- Developing the www.yourassembly.org website so that it becomes an online hub for youth engagement with the Assembly; and
- Developing and publishing an Engagement Charter which sets out clearly what young people can expect from us, and what we expect from them.

A launch event was held in July to promote our existing work with young people and explain how we are building on it through these enhanced services to provide new opportunities for young people to get involved.

Review of Reporting of Proceedings

In March 2014, the Assembly Commission agreed to initiate a review of the way in which we report on the proceedings of the Assembly. The Review is currently underway and should report on recommendations for the future by Spring 2015. An important element is to examine new opportunities for increasing engagement by making the Assembly's activities more transparent, open and easier to engage with in a digital world. The recommendations should lead to reports on Plenary and committees which better meet the needs of Members, your staff and external stakeholders as well as more efficient ways of working.

Engagement

- **81 new schools participated in visits in 2013-14**
 - **Visitor numbers to the Senedd was up by 10%**
 - **Visitor tours were up by 31% over the same period**
 - **Visitor satisfaction levels increased to 89%**
-

Europe

We will continue to promote Wales and the Assembly's work through extensive contacts in the EU and internationally, including work directly in Brussels and related work in Wales and other parts of the UK. This includes the work of the Assembly's representatives on the Committee of the Regions, the Welsh MEPs, the EU Institutions (including close relationships with the European Commission Office In Wales, and European Parliament's UK representation), participation in CALRE, EC-UK Forum, BIPA and CPA; through other bilateral contacts with parliaments, legislative assemblies, and EU networks and representations.

The Assembly estate presents a significantly enhanced and professional image following targeted investment

We will make the most of opportunities to raise awareness of this work, including participation in EU/international conferences and other fora. We will look to use our UK, EU and international contacts to benchmark the work of the Assembly, to enable us to meaningfully deliver on the objective of establishing world class committees.

03.4. Making the most of our estate

Improvements across the Assembly Estate, our most significant capital asset, mean that those visiting and working at the Assembly now experience a more accessible estate and an estate that reflects of the Assembly's status. Significant progress has also been made in reducing our carbon footprint by managing our energy consumption.

As the focal point for the democratic process in Wales we have made a number of improvements to the fabric of the estate over the past two years. Although the works carried out have been modest, targeted investment has allowed us to enhance the facilities and environment for those visiting the Assembly, and for those who work here. Some of these were overdue refurbishment, others more proactive, and many were identified from feedback from those visiting and working at the Assembly as improvements that were necessary. Assembly Commission office areas of Tŷ Hywel have been refurbished on a rolling basis to ensure that staffing changes could be accommodated within the existing footprint occupied by Commission staff. All the changes have been undertaken with a view to enhancing accessibility, visitor experience and security arrangements and reducing the Assembly's impact on the environment. As a result, the Assembly estate presents a significantly enhanced and professional image.

Key challenges going forward will be delivering the sustainability agenda and ensuring accommodation responds to meet the evolving needs of Assembly Members and their support staff. A draft plan for maintenance and refurbishment has been developed by experts who have reviewed the condition of all our buildings and equipment and plant installed, together with forecast lifespans and timetables for refurbishment and replacement. This will inform investment decisions for the estate.

As part of our planning for the Fifth Assembly, it is proposed that new investment is made in Members' offices to provide more modern and flexible furniture to enhance facilities for Members' and their staff. We plan to consult with Members about this during 2015, with a view to a wholesale refurbishment taking place between the Fourth and Fifth Assemblies. This is to minimise disruption and ensure all of the work is completed at the same time for all Members, avoiding the need to prioritise some offices over others.

Using the available timescale within dissolution prior to the Fifth Assembly, it is proposed that redecoration and refurbishment works are carried out to Conference Rooms and Meeting rooms in Tŷ Hywel. This will provide more modern, high quality and professional meeting and conference facilities

for the wide range of meetings held in Tŷ Hywel, to support Members' requirements and those using our facilities.

In July 2013 the Members' Survey results for Estates and Facilities Management achieved an average score of 7.6. (on a scale of 1 to 10 where 10 represents excellence). A number of the comments received related to temperatures within the Siambr and Committee Rooms. We have addressed these through the Senedd heating improvements and will be exploring the potential for further improvement.

The latest survey completed in July 2014 has seen this score increase to 7.8 which reflects the work undertaken over the past 12 months.

Sustainability Progress:

- **34% reduction in energy emissions**
 - **9% reduction in electricity consumption**
 - **62% reduction in waste sent to landfill**
-

Sustainability

The Commission has made good progress in reducing its carbon footprint and has made changes reducing both consumption and outputs which have been detailed in previous years budgets.

Cumulative reductions in energy emissions amount to 34 per cent over the last six years against the base line year of 2008-09 and plans are in place to help us achieve the 40 per cent reduction target.

To put this in a financial context our annual cost for electricity for the first 3 years of the 4th Assembly have increased by 9% whilst our consumption in Kwh has reduced by a similar factor. Without the action taken our costs would have been £5k higher over the period.

Other actions whilst not providing the same scale of cost reduction have helped reduce our carbon footprint. The quantity of waste we dispose of is comparable in volume to 2012-13; however, there has been a further 62 per cent reduction in the volume of waste sent to landfill - that now consists of just 6.5 tonnes of a total waste volume of 120 tonnes. This brings us within reach of our zero waste to landfill target. This reduction in landfill has also had a direct positive impact on our waste footprint with a further reduction of 57 per cent in waste emissions compared to the previous year.

The Commission has now agreed a new Carbon Reduction Route Map in order to continue our successful programme of energy emission reductions. This paves the way for a new Carbon Management Strategy when the current Strategy ends in 2015, which will include a range of targets including waste, water and travel that will be developed over the next year. The Carbon Route Map has been developed on the basis of practical and achievable actions that have been successfully implemented in other organisations to reduce emissions but ensure comfortable working environments.

To date, managing our energy usage has enabled us to manage our utility budgets more effectively against a trend of annually increasing utility costs.

Implementation of the Route Map will offer the Commission some protection against likely future increases in utility costs. The investments identified in the Carbon Reduction Route Map will be funded where possible from the existing sustainability and projects budget and from additional funding as approved by the Investment & Resources Board. Some of the actions identified are linked to the necessary replacement of equipment, which is at the end of its operational life and where there are opportunities for more efficient and sustainable replacements.

Value for Money

Providing high quality services that deliver value for money is a priority for us as a Commission. We have developed strong governance and financial management processes, and new ways of enabling Members and the public to monitor our performance and hold us to account.

Investment in our services is necessary so that we can enhance and improve the way we support Members, your staff and the public; to maintain and improve the estate and to keep our systems and technology up to date. Our Investment and Resources Board has been operating since 2012 and ensures we use resources as efficiently and effectively as possible. The Board manages and oversees the Commission's programme of investment for the future, balancing the availability of funding and staffing resources with the needs and timing of individual projects, their development and policy objectives, and the annual budget cycle. It allows us to plan and deliver major change projects and ensure that capital investment in the Assembly is properly scrutinised, prioritised and managed.

Linked to the Investment Board is our work on Value for Money, an area where we have a strong record, exceeding our annual target for each year of the Fourth Assembly to date.

Savings Achieved	Target	Achieved
2011-12	£0.350 million	£0.530 million
2012-13	£0.470 million	£0.476 million
2013-14	£0.500 million	£0.508 million
	22% from non-staff savings	£0.113 million
2013-14 rates windfall		£0.680 million
2014-15	£0.500 million	On target as at August 2014
2015-16	£0.500 million	

Significant savings have been achieved through procurement and robust contract management. We have found areas to maximise our effectiveness in service delivery and continued our improvement of management information. So far, most of our savings have been made through staff vacancy management, though with a growing percentage of non-staff savings. In the coming years we expect this to continue to be a challenge and we need to develop further our management information to help drive this forward.

03.5. Beyond the Fourth Assembly

Work will get underway in earnest in 2014-15 to prepare for the transition to the Fifth Assembly, so that we are prepared well in advance and ready to support Members and staff through this process. We will also continue to take a proactive approach to constitutional changes. The past year has been dominated by the discussions surrounding Wales' future constitutional settlement. The package of recommendations from the Commission on Devolution, and being brought forward through the Wales Bill, provides a strong basis for the development of devolution in Wales. We are engaging proactively to ensure the Assembly is in the best possible position to be ready to exercise these new powers.

In preparing for these changes it will be our priority to put in place arrangements that will ensure Members in the Fifth Assembly have the expertise and capacity to deal with the changing powers and greater responsibilities they will face that will strengthen democracy and accountability and the way the Assembly serves the people of Wales.

We will have reviewed all key areas so that we are ready to provide the next Commission and Business Committee with the operational and procedural advice they need to hit the ground running. A specific example would be the work Business Committee will carry out in reviewing specific areas of procedure and Standing Orders.

The Remuneration Board's package of decisions in respect of remuneration and financial support of Members in the Fifth Assembly will be known by spring 2015. The Commission is engaging constructively with the Remuneration Board to make them aware of the Commission's priorities for the strategic development of the Assembly, reflecting matters of importance to Assembly Members, such as communicating locally with their constituents.

The work of the Commission on Devolution in Wales produced two reports which will have an impact on the National Assembly of Wales. To ensure that we are prepared for these changes and other factors that will influence the future working of the National Assembly for Wales the Strategic Transformation Service was created in 2013-14. This has seen the appointment of experienced skilled staff to ensure that the impact of both external and internal factors on the future direction of the Assembly can be planned and implemented effectively with pace and focus in a thorough and professional manner. This investment in staff who will carry out a vital role in preparing for changes that affect the work of Assembly Members, Committees and Commission staff will ensure the Commission is best placed to meet any new duties or obligations.

We will also facilitate a smooth transition to the next Commission by having financial management strategies in place for resourcing in the Fifth Assembly including:

- workforce and capacity planning early enough to deliver right skills, right place, right time with minimal costs;
- improving option appraisal through cost analysis of service levels and demand;
- emphasising VfM to show how we deliver more with less and to show benefit realisation managed, monitored and reflected in budgets;
- maintaining a transparent approach and being clear where we have spent our funding over the Fourth Assembly; and
- maximising the use of available resources through financial outturn, KPI targets and flexible planning.

The Commission plans to publish a Legacy Report, including ideas that the Fifth Assembly Commission can consider for the future.

04. Budget to fund the independent Remuneration Board's Determination for Assembly Members

The Board will determine the total remuneration package and system of financial support for Members of the Fifth Assembly

The National Assembly for Wales Remuneration Board (the Board) determines the pay and other costs of Assembly Members. The Board's decisions are published in the Determination of Members' Pay and Allowances, the latest being published in July 2013.

The Remuneration Board has always had the goal of putting in place - a year before the start of the Fifth Assembly - a structure of pay, pensions and allowances which is fair, clear, value for money and fit for purpose.

Before the next Assembly elections in 2016 they will determine the total remuneration package and system of financial support appropriate for Members of the Fifth Assembly. They have divided their work into four strands:

- i. Member remuneration- pensions
- ii. Member remuneration – salaries: base and office holder
- iii. Member Support, including staffing
- iv. Allowances, including residential, office and travel

The Board's aim is to have undertaken thorough research, consulted widely and published their decisions in each of these areas by May 2015.

Further Determinations and Reviews are anticipated for future financial years but we are not yet in a position to reflect the potential impact these publications will have on this element of the Commission's budget with any certainty. However, we have adjusted the budget to reflect some potential changes and have also included a contingency of £0.3 million (2%) to ensure the Commission is able to meet its statutory responsibility to secure funding arising from the Board's future decisions.

The Commission's draft budget for 2015-16 has set £14.5 million to provide funding for Assembly Members' salaries, their support staff and the costs of running their constituency offices located all over Wales.

Table 4 shows the budget to fund the Board's determinations over the life of the Fourth Assembly.

Table 4: Budget to fund the Remuneration Board's Determination

	2011-12 £000	2012-13 £000	2013-14 £000	2014-15 £000	2015-16 £000
Assembly Members - Salary and Office costs	6,934	6,900	6,900	6,900	7,250
Support Staff	6,100	6,600	6,800	7,200	7,250
Total	13,034	13,500	13,700	14,100	14,500

The Determination ensures Assembly Members have access to office and other costs to provide for:

- running an office and engaging with constituents;
- the salary and travel expenses of their own Support Staff;
- residential accommodation in Cardiff where needed for those eligible;
- travel expenses necessarily incurred in the performance of duties; and
- support for the Party Groups and policy research.

In addition, the Determination sets the base salary of Assembly Members together with office holder allowances. In 2011, the Remuneration Board froze Members' salaries until 2015, on the basis that it was to be a four year term.

The term was subsequently extended by one year to 2016. The Remuneration Board in March 2014 decided that Members should receive a 1% increase for the final year 2015-16. A detailed review of Members' salaries for the Fifth Assembly is currently underway.

The Commission accesses Annually Managed Expenditure (AME) budget for the non-cash accounting adjustment in respect of the Assembly Members' Pension Scheme. The purpose of the adjustment is to ensure a true and fair view of the Scheme liability is recorded in the balance sheet of the Commission; it does not reflect the monetary sums paid by the Commission into the Scheme. The AME budget can only be used for its stated purpose. The Commission needs to increase the AME funding for 2015-16 to bring it in to line with the latest estimates.

05. Budget Ambit

- 01.** This budget submission is laid in compliance with National Assembly Standing Order 20.13 to assist in the compilation of the Annual Budget Motion required by Section 125 of the Government of Wales Act 2006. The submission covers the resource and cash requirements of the Assembly Commission for the year ending 31 March 2016.
- 02.** The Assembly Commission set out its spending requirements in its 2014-15 Budget which covered the period to 2016. This year's budget (£50.9million) reflects the previously indicated funding levels.
- 03.** The Budget Motion will authorise the net resources to be used for the services and purposes of Members and Assembly Services. The motion includes the maximum income (or accruing resources) that may be retained for use on those services and purposes instead of being paid into the Welsh Consolidated Fund, and the cash amount that will need to be issued from the Welsh Consolidated Fund to meet the anticipated net amounts falling due for payment by the Commission.
- 04.** The 2015-16 Budget for the Assembly Commission, addressing these requirements, is set out in Table 5 below.

Table 5	£000
Resources other than accruing resources for use by the National Assembly for Wales Commission on revenue and capital costs associated with the administration and operation of Assembly Services to support the National Assembly for Wales ("the Assembly"); promotion of the Assembly including payments to the Electoral Commission and others; payments in respect of the Commissioner for Standards and Remuneration Board; any other payments relating to functions of the Assembly or functions of the National Assembly for Wales Commission.	36,900
Resources other than accruing resources for use by the National Assembly for Wales Commission in respect of decisions of the Remuneration Board.	14,500
<i>Total resources, other than accruing resources</i>	51,400
Annually Managed Expenditure for use by the National Assembly for Wales Commission in respect of Assembly Members' Pension provision.	1,200
Accruing resources for retention pursuant to section 120(2) of the Government of Wales Act 2006 and use by the National Assembly for Wales Commission: from the disposal of fixed assets and other capital income for use on the purchase or acquisition of fixed assets; or rental income; gifts; grant support; recharges and income from commercial sales and other services provided to the public or others for use on administrative costs of the Assembly.	300
Amount to be issued from the Welsh Consolidated Fund to meet the anticipated amounts falling due for payment in the year in respect of the above services and purposes less expected retainable receipts and recoverable VAT.	

Table 6 below reconciles the net resource requirement to the cash drawing requirement from the Welsh Consolidated Fund.

Table 6: Cash Requirement	£000 2015-16
Members Net Revenue Requirement	14,500
Commission Net Revenue Requirement¹	35,600
Net Capital Requirement	1,000
Annually Managed Expenditure	1,200
Adjustments:	
Depreciation	(4,700)
Movements in provisions	(1,200)
Movement in debtors and creditors	100
Use of provisions	
Net cash requirement for issue from the Welsh Consolidated Fund	46,500

¹ Assumes Accruing Income of £0.300 million year on year.

Annex 1: Budget Overview

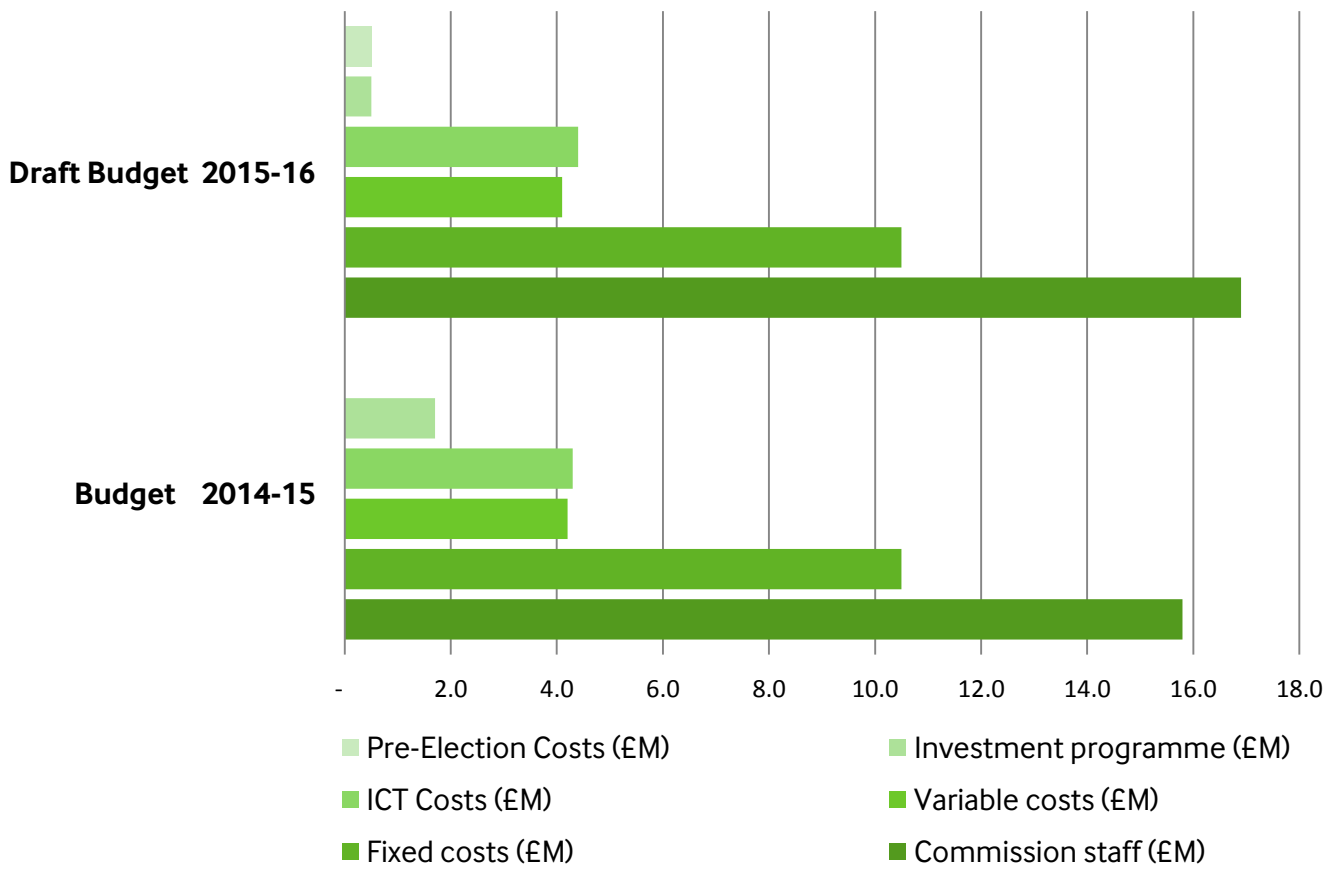
Table 7 provides an overview of the Commission's total budget for 2015-16 together with previous years for comparison over the term of the Fourth Assembly. Chart 8 shows the movement in the Commission's budget from 2014-15 to 2015-16.

Table 7: Assembly Commission's Budget 2011-2016 v Welsh Block

	2011-12 £000	2012-13 £000	2013-14 £000	2014-15 £000	2015-16 £000
Commission's Operational Budget	31,073	32,277	32,750	34,800	35,668
Investment Programme	600	1,200	2,300	1,700	732
Members' Pay & Allowances	13,034	13,500	13,700	14,100	14,500
Total Commission Operational Budget	44,707	46,977	48,750	50,600	50,900
Election Related Costs	2,315	-	-	-	500
Total Commission Budget	47,022	46,977	48,750	50,600	51,400
Annually Managed Expenditure (AME)	500	500	1,200	1,200	1,200
Welsh Block (DEL) Year End Budget	14,973,593	15,028,732	15,934,418	15,693,405	15,814,772
Assembly Commission as a percentage of the Welsh Block	0.3%	0.3%	0.3%	0.3%	0.3%

The real terms change for the Assembly Commission in 2015-16 is a reduction of 1% compared with 0.8% Welsh Block reduction.

Chart 8: Assembly Commission Budget 2014-15 v Draft 2015-16



Annex 2: Financial Information

Expenditure areas over the fourth Assembly

	2011-12	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Actual	Budget	Budget
	£000	£000	£000	£000	£000
<i>Accommodation and facilities costs</i>					
Leases - buildings	2,204	2,812	2,837	2,835	2,835
Maintenance	1,716	1,971	1,934	1,655	1,625
Rates	1,285	1,356	716	1,356	1,272
Security	581	603	573	600	600
Utilities	506	518	507	557	537
Catering	323	305	306	320	320
Leases photocopier	127	161	134	150	150
Car parking	99	115	105	120	120
Furniture and fittings	68	79	268	50	50
<i>ICT costs</i>					
ICT Contracted-Out Services, including Telephone	2,856	2,558	2,669	1,861	498
Broadcasting	433	475	578	460	490
Licence and maintenance costs	289	385	520	640	740
IT Projects	147	215	795	-	770
Website	176	121	117	130	130
ICT revenue and consumable purchases	63	90	292	130	130
<i>Other costs</i>					
Other administrative expenses	61	343	202	240	214
Language Contracted-Out Services	116	204	276	273	263
Printing, Stationery and Postage	181	203	242	259	277
Insurance and Specialist Advice	109	195	130	130	131
Publications	174	110	102	129	110
Accounting and Financial Service	126	92	77	25	25
Audit	82	87	128	84	93
Committee Advisors	71	57	117	50	50
Hospitality	31	37	45	45	35
<i>Training and development costs</i>					
Training and development costs	194	250	384	390	380
<i>Promoting awareness and understanding</i>					
Promoting awareness and understanding	170	178	217	452	368
<i>Staff travel and subsistence costs</i>					
Staff travel and subsistence costs	92	136	128	138	134
<i>Other HR costs</i>					
Other HR costs	1,035	211	113	103	103
<i>Election Costs</i>					
Election Costs	442	-	-	-	500
<i>Depreciation and amortisation charges</i>					
Depreciation and amortisation charges	3,781	3,942	3,734	4,400	4,700
	17,538	17,809	18,246	17,580	17,650
Income	(190)	(165)	(281)	(300)	(300)

Actual figures are extracted from Note 2 to the Annual Accounts for that year.



Annex 3: Glossary

Annually Managed Expenditure (AME)

A categorisation of expenditure reserved for less predictable and controllable items. Can only be allocated to the purpose for which it is assigned.

Barnett formula

A formula used to allocate a population–based share of changes in planned expenditure on comparable services by departments of the UK Government to the devolved administrations of Scotland, Wales and Northern Ireland.

Budget

Sets out the resource and cash amounts proposed for use in the following financial year and indicative figures for the subsequent financial years.

Capital

Expenditure that generally results in a fixed asset (e.g. A building, equipment or land) intended to benefit future accounting periods, or spend that increases the capacity, economy, efficiency or lifespan of an existing fixed asset.

Creditor

An organisation or someone that you have an obligation to pay for goods or services received.

Debtor

An organisation or someone that has an obligation to pay you for goods or service that you have delivered to them.

Depreciation

A measure of the consumption, wearing out or otherwise reduction in the useful life of a fixed asset.

Budget

Sets out the resource and cash amounts proposed for use in the following financial year and indicative figures for the subsequent financial years.

Fixed Assets

Items that are purchased with an expected life greater than one year for the economic benefit of the business such as land, buildings and equipment.

Government of Wales Act 2006

The Act of the Parliament of the United Kingdom that reforms the National Assembly for Wales and allows further powers to be granted to it more easily. The Act creates a system of government with a separate executive drawn from and accountable to the legislature.

Provisions

A provision is a liability of uncertain timing or amount. A cost is recognised in the Commission's Resource Account when we have a present obligation (legal or constructive) as a result of a past event, when it is probable that a transfer of economic benefits will be required to settle this obligation, and when a reliable estimate can be made of the amount of the obligation.

Real terms

The value of expenditure adjusted to take account of general price inflation. Enables comparisons of spending across years without the distortion caused by price changes.

Revenue/ Running Costs

Current expenditure covering day-to day running costs such as staff salaries and the purchase of consumable goods and services.

Value for Money

The process under which organisation's procurement, projects and processes are systematically evaluated and assessed to provide confidence about suitability, effectiveness, prudence, quality, value and avoidance of error and other waste, judged for the public sector as a whole.

Variable Costs

Are expenses that change in proportion to the organisation's activities.

Welsh block

Is the block grant of money, calculated using the Barnett Formula, voted by Parliament to the Secretary of State for Wales for funding that comes to Wales.

Welsh Consolidated Fund

Created by the Government of Wales Act 2006, this is a neutral bank account held by the Paymaster General. The account into which the money voted by the UK Parliament for use by the Welsh Government, the Assembly Commission, the Auditor General and the Public Services Ombudsman for Wales is paid.

Y Pwyllgor Cyfrifon Cyhoeddus Public Accounts Committee

Jocelyn Davies
Chair of the Finance Committee
National Assembly for Wales
Cardiff CF99 1NA



25 September 2014

Dear Jocelyn,

As you will be aware, the Public Accounts Committee is currently undertaking a series of sessions scrutinising the 2013-14 accounts of a number of publically-funded bodies. On Tuesday 23 September we scrutinised the accounts of the Commission of the National Assembly for Wales and, given that you are taking evidence from the Commission on their 2015-16 Budget on Thursday, 2 October, I thought I would write to give some initial reflections on issues arising from our session with the Commission.

Generally, the Committee welcomed the Commission's openness and the detail available in their accounts to satisfy ourselves that their budget had been used effectively.

The Commission benefited from a financial settlement in 2013-14 that was far more generous than other bodies funded from the Welsh Block. We heard that this had allowed the Commission to make investments that would allow savings to be realised in future years, particularly in information technology and translation services. Your Committee may wish to consider where the demands on the Commission's Budget will be lessened by prior years' investment and if efficiencies will indeed be realised.

The Committee had a number areas of particular concern around the Commission's use of resources: one relating to an incidence of fraud, which led to £104,000 of the Commission's Budget being lost due to a mispayment caused by deception; the second was in the management of a payroll project, where overall project costs were expected to be £100,000, or 25 per cent, greater than had been anticipated. While the Commission indicated that new practices had been put in place to monitor payments and strengthen project management, your Committee may wish to satisfy itself that the lessons learned preclude similar issues arising again in future years.

Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff
CF99 1NA

Ffôn/Tel: 02920898041

Pwyllgor Cyfrifon Cyhoeddus@cymru.gov.uk / PublicAccounts.Committee@wales.gov.uk
Croesewir gohebiaeth yn y Gymraeg a'r Saesneg / We welcome correspondence in both English and Welsh

In addition to the above the Commission's policy of delivering its outturn within one per cent of its Budget was examined. Members questioned whether such a policy promoted more maximalist spending practices within the set Budget, rather than achieving greatest value for money for the taxpayer. The Commission were confident they had not spent their Budget unnecessarily, but you may wish to explore whether this policy fails to incentivise economical use of public money – and whether therefore a smaller Budget may be necessary to achieve reduced public expenditure.

Finally, we discussed that it would be helpful for your Committee to bear in mind the large variance in many cases between the Commission's Budget, both as Approved and as Revised, and the Final Outturn reported in their accounts. The Commission argued that this did not reflect poor budgeting practices, as underspends had been identified and reallocated effectively during the year. However, you may wish to seek assurances that the Budget you scrutinise and ultimately approve is an accurate forecast of how the Commission expects to use its resource in the next financial year.

I trust that this is helpful in supporting your Committee's scrutiny.

Kind regards,



Darren Millar AM
Chair

Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff
CF99 1NA

Ffôn/Tel:02920898041

Pwyllgor.CyfrifonCyhoeddus@cymru.gov.uk / PublicAccounts.Committee@wales.gov.uk
Croesewir gohebiaeth yn y Gymraeg a'r Saesneg / We welcome correspondence in both English and Welsh

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted

Draft Budget Proposals 2015-16

Laid Before the National Assembly for Wales by the Minister for Finance

September 2014

Draft Budget Proposals

1. That the Assembly, in accordance with Standing Order 20.12, takes note of the draft budget for the Government laid on the 30 September, in accordance with Standing Order 20.7.

Welsh Ministers

2. Welsh Ministers propose

(a) to use resources (not including accruing resources) during the financial year ending 31 March 2016 for the services and purposes specified in Column 1 of Schedule 1, up to a maximum of the corresponding amounts specified in Column 2 of that Schedule;

(b) in addition, to retain income, within the categories of accruing resources specified in Column 1 of each Part of Schedule 2, during the financial year ending 31 March 2016, for use on the services and purposes specified in the corresponding entries in Column 2 of each Part of that Schedule, up to the limit specified for each Part of that Schedule; and

(c) to draw cash out of the Welsh Consolidated Fund for use on the services and purposes specified in Schedule 1, up to the net cash requirement limit specified in Schedule 5.

3. Despite paragraphs 2(a) and (b), the resources which may be used for a service [and] [or] purpose specified in Column 1 of Schedule 1 (or, as the case may be, in Column 2 of each Part of Schedule 2), may exceed the amount specified in the corresponding entry in Column 2 of Schedule 1 (or, as the case may be, in Column 2 of each Part of Schedule 2) if-

(a) in the case of resources other than accruing resources, the first condition is met, or

(b) in the case of accruing resources, the second condition is met.

4. The first condition is that the total resources (other than accruing resources) used during the financial year ending 31 March 2016 for all services [and] [or] purposes specified in Column 1 of Schedule 1 does not exceed the total of the amounts specified in Column 2 of that Schedule.

5. The second condition is that the total accruing resources used during the financial year ending 31 March 2016 for all services [and] [or] purposes specified in Column 2 of Schedule 2 does not exceed the total of the amounts specified in that Column.

6. These draft budget proposals detail the amounts of resources and cash which the government proposes to use for 2015-16 only. The 2015-16 financial year is the last in the current UK Spending Review period and is the last year for which we have a firm allocation.

For information – Assembly Commission, Auditor General and Ombudsman

7. The budget procedures for the Assembly Commission, the Auditor General for Wales, and the Public Services Ombudsman for Wales (the “direct-funded bodies”) are governed by Standing Orders 20.13 to 20.24. The budgets for the direct-funded bodies will be included as part of the annual budget motion to be tabled by the Minister for Finance on or before 26 November 2013.

8. The amounts of resources (other than accruing resources) which the direct-funded bodies propose to use in 2015-16 are included in Schedule 3; the amounts of accruing resources which those bodies propose to retain and use for specified services and purposes are included in Schedule 4; and the amounts of cash which is proposed to be issued to the direct-funded bodies out of the Welsh Consolidated Fund are included in Schedule 5.

9. These amounts are not part of the Welsh Assembly Government Budget. They are included in Schedules 3, 4 and 5 for information and for the purpose of reconciling the resources allocated to the Welsh block budget, and the estimated amount of cash to be paid into the Welsh Consolidated Fund, with the resources and cash to be authorised for use by the Welsh Assembly Government and the direct-funded bodies. Taken together it’s possible to see the total draft Welsh Budget.

10 The amounts for the direct-funded bodies are derived from the following sources:

- (a) the Assembly Commission figures have been taken from the estimates as laid before the Assembly on 13 November 2013
- (b) the figures for the Auditor General for Wales are derived from the estimate for the Auditor General, provided to the Finance Committee on 31 October 2013
- (c) the figures for the Public Services Ombudsman have been taken from the Estimate provided to the Finance Committee for consideration on 3 October 2013

Summary of Resource and Capital Requirements
Welsh Ministers

Ambit	Resources (£000)	Accruing Resources (£000)
Health and Social Services	5,605,841	1,000,999
Local Government	3,460,294	300
Communities and Tackling Poverty	706,154	0
Economy, Science and Transport	1,130,997	76,371
Education and Skills	2,014,451	183,918
Natural Resources	391,574	359,563
Central Services and Administration	328,408	561,644
Total Resources Requested and Accrued Income relating to Welsh Ministers	13,637,719	2,182,795

Direct Funded Bodies

Ambit	Resources (£000)	Accruing Resources (£000)
National Assembly for Wales Commission	51,655	205
Public Services Ombudsman for Wales	4,009	6
Auditor General for Wales	5,974	17,639
Total Resources and Accrued Income for Direct Funded Bodies	61,638	17,850

Schedule 1 – Ambits for expenditure incurred by Welsh Ministers

Ambits for expenditure incurred by Welsh Ministers (excluding accruing resources)	
Column 1	Column 2
<i>Services and purposes</i>	<i>Amount £000</i>
<p>Health and Social Services</p> <p>For use by Welsh Ministers to spend on Health and Social Services including promoting or improving economic, social or environmental wellbeing.</p> <p>Resource and capital funding for Local Health Boards and Welsh NHS Trusts and associated healthcare providers; Public Dividend Capital to NHS Trusts; loans to NHS Trusts; payments for contracted services including dentistry, ophthalmic and pharmaceutical services; general medical services, support for education and training; research and development; mental health services; chronic disease treatment; and measures to combat Inequalities in Health; funding for the Welsh Risk Pool; funding for support for children and their families, including children and families organisations; Grants to deliver the Substance Misuse strategy and support for the Food Standards Agency; support for older person's services and for social services and carers; social services improvement (including the funding of the Association of Directors of Social Services (ADSS) Cymru and Social Care Institute for Excellence (SCIE); for the Care Council for Wales; the National Institute for Health and Clinical Excellence (NICE); the Older People's Commissioner; and contributions to UK health and social care bodies.</p> <p>Funding for the Children and Family Court Advisory and Support Service (CAFCASS) Cymru; funding for services provided to or on behalf of the Scottish Government, Northern Ireland Executive and Department of Health; services for the improvement of health and the prevention, diagnosis and treatment of illness; and any related expenditure and non cash resource use.</p>	<p>5,605,841</p>

Ambits for expenditure incurred by Welsh Ministers (excluding accruing resources)	
<i>Column 1</i>	<i>Column 2</i>
<i>Services and purposes</i>	<i>Amount £000</i>
<p>Local Government</p> <p>For use by Welsh Ministers to spend on promoting economic, social and environmental wellbeing in the areas of local government and public service delivery and the promotion of community safety. The unhypothecated and hypothecated funding of local government unitary authorities; police and crime commissioners and fire and rescue service authorities through unhypothecated grant funding by means of revenue support grant, redistributed national non-domestic rates (NNDR) and general capital funding or discrete resource and capital grant funding for specific policy purpose relevant to the above areas of activity. The funding and sponsorship of public bodies and nonstatutory organisations with functions relating to the audit, regulation and inspection; the promotion and representation of democracy; the performance development and change management; the promotion and maintenance of standards and accountability (including appellate functions); the delivery of outcomes; and the improvement of performance in respect of local government. Funding for the programme, staffing and general administrative costs (including leasing costs) of the Care and Social Services Inspectorate and the Healthcare Inspectorate Wales, Sponsorship of Estyn including staff costs and general administrative expenditure and depreciation and any related expenditure and non cash resource use. Funding Community Safety Partnerships in respect of community safety and development; work to support the armed forces, veterans and their families; the combating of domestic abuse and sexual violence; and the prevention of young people from offending, and related expenditure and non cash resource use. Matched funding under Priority 4 of the European Social Fund and support for the Valuation Office Agency.</p>	<p>3,460,294</p>

Ambits for expenditure incurred by Welsh Ministers (excluding accruing resources)	
<i>Column 1</i>	<i>Column 2</i>
<i>Services and purposes</i>	<i>Amount £000</i>
<p>Communities and Tackling Poverty</p> <p>For use by Welsh Ministers to spend on promoting economic, social and environmental well being in the areas of Supporting Communities and People including the regeneration and development of communities, the funding of Third Sector organisations; Tackling Poverty initiatives; support the Communities First Programme; community development; development of voluntary organisations and volunteering; financial inclusion including credit unions; digital inclusion; post offices; Criminal Records Bureau checks; and welfare reform projects funding and administration.</p> <p>Funding for support for children and their families, including funding for Flying Start, Families First, the Children's Commissioner for Wales, child poverty strategies, childcare, play, children and young people's rights, participation and advocacy, children and families organisations, support for local authorities, the third and private sectors for childcare purposes and support for out of school and 'wrap-around' childcare.</p> <p>Funding for the support and promotion of Equality, Diversity and Inclusion including matters relating to programme funding for equality and equal opportunities; for improving social inclusion and social justice and community cohesion; and any other related expenditure and non-cash resource use.</p> <p>Funding for Housing and Regeneration including promoting or improving culture and economic, social or environmental wellbeing; provide funding, advice and administrative support for local authorities, agencies and other bodies to promote, facilitate and deliver a range of schemes and services in connection with Housing and Regeneration; improve the supply and quality of housing across Wales, including the standard of local authority and social landlord housing, and improve housing-related services; acquisition, leasing, development and maintenance of land and buildings; housing stock transfers, community mutual support and capacity building; social housing; support for physical regeneration including housing renewal areas and licensing houses in multiple occupation; supporting people; preventing and addressing homelessness; providing funding for adaptations and facilities to enable people to remain in their own homes; regulation and inspection of registered social landlords; Regeneration policy and administration of policies and funding including promoting economic, social and environmental</p>	<p>706,154</p>

<p>wellbeing for business, individuals, communities and places in Wales; transpose and implement UK, European and international legislation and obligations; administration and delivery of EC structural funded projects; carry out investigations, research, and evaluation; promotion, publicity and services; and any other related expenditure and non-cash resource use.</p>	
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Ambits for expenditure incurred by Welsh Ministers (excluding accruing resources)	
<i>Column 1</i>	<i>Column 2</i>
<i>Services and purposes</i>	<i>Amount £000</i>
<p>Economy, Science and Transport</p> <p>For use by Welsh Ministers on Economy, Science and Transport including promoting economic, social or environmental wellbeing for business, individuals, communities and places in Wales.</p> <p>For the provision of resource and capital funding to assist the establishment, growth, development and sustainability of business and tourism in Wales</p> <p>Expenditure relating to support culture, sport, media, publishing, and the historic and natural environment including funding Amgueddfa Cymru – National Museum of Wales; funding to the National Library of Wales; funding for the Arts Council of Wales; funding for the National Botanic Garden of Wales; funding for Sports Wales and other organisations that promote sport and active lifestyles throughout Wales; Cadw and the Royal Commission for Ancient and Historic Monuments in Wales and other organisations to promote and widen access to, conserve, protect, sustain and present buildings, ancient monuments and places of cultural, historical, archaeological or architectural interest in Wales and any other related expenditure and non cash resource use.</p> <p>Resource and capital funding for road transport, including construction, operation, maintenance and improvement of trunk roads in Wales; delivery of passenger rail and air services; road safety; regulation of pedestrian crossing and on-street parking; funding and administration of programmes to local authorities and other bodies designed to deliver a range of transport schemes and services including concessionary fares; support for the promotion and development of walking and cycling; and any other related expenditure and non cash resource use that provides broader economic benefit to Wales.</p> <p>Capital repayments to the National Loans Fund.</p>	<p>1,130,997</p>

Ambits for expenditure incurred by Welsh Ministers (excluding accruing resources)	
<i>Column 1</i>	<i>Column 2</i>
<i>Services and purposes</i>	<i>Amount £000</i>
<p>Education and Skills</p> <p>For use by Welsh Ministers on Education and Skills to fund: improving literacy and numeracy; extending entitlement and 14-19 learning pathways; the Foundation Phase; curriculum improvements support for Technquest; teacher training, development and support; qualification development and regulation; capital and resource funding for Qualification Wales; resource provision for post-16 education and training including further education, apprenticeships and work based learning; capital and resource funding for the Higher Education Funding Council for Wales; support for undergraduate medical education; schools performance improvement; the funding of inspections; support for improving standards and school effectiveness; pupil deprivation grant; capital and resource funding for IT development in learning; capital to support the school and post-16 infrastructure; skills development and workplace learning; careers advice services; support for the Youth Service; support for young people not in employment, education or training; inclusion and additional learning needs; provision of school milk; learner and student finance including Student Loans Company costs and Education Maintenance Allowances; tackling disaffection; bilingual learning; support for the Welsh Language Commissioner and grants and projects which promote the Welsh Language; support for international education initiatives; educational research and evaluation; promotion of education and skills; associated non cash items and any related expenditure and non cash resource use.</p>	<p>2,014,451</p>

Ambits for expenditure incurred by Welsh Ministers (excluding accruing resources)	
<i>Column 1</i>	<i>Column 2</i>
<i>Services and purposes</i>	<i>Amount £000</i>
<p>Natural Resources</p> <p>For use by Welsh Ministers on Natural Resources, including promoting and improving economic, social or environmental wellbeing; including environmental and energy, and renewable energy; providing funding, advice and administrative support for local authorities; agencies and other bodies to promote, facilitate and deliver a range of schemes and services in connection with Natural Resources, landscape and outdoor recreation; providing funding to support the work of Natural Resources Wales to ensure that the environment and natural resources of Wales are sustainably managed, enhanced and used; promote and deliver sustainability, climate change and environment quality; support and promote low carbon energy generation; energy efficiency and sustainable management of water resources and improvements in water quality; provide and fund water and sewerage services, flood and coastal protection and risk prevention measures; provide funding and loan support and advice relating to climate change, energy efficiency, fuel poverty, water and flood and coastal erosion risk management; provide funding, support and advice relating to the sustainable management of waste and resources; waste prevention, disposal, collection and management, recycling schemes, street cleansing and landfill tax credits; manage radioactivity, environmental pollution, environment quality and noise pollution; promotion of biodiversity, natural resource management and ecosystem services; conservation; animal and plant health; seeds, pesticides and GM crops; public health; measures to mitigate greenhouse gas emissions from the land based sector; administration of policies and grants including promoting economic, social and environmental wellbeing for business, individuals, communities and places in Wales; transpose and implement UK, European and international legislation and obligations; administration and delivery of EC structural funded projects; carry out investigations, research and evaluation; promotion, publicity and services; provide financial assistance to support landscape and the development of facilities for, and the promotion of outdoor recreation and green spaces, funding for the National Parks; projects relating to Wales' National Parks; develop and monitor planning and building regulations, legislation, policy, procedures, technical advice and standards; commissioning research, publishing reports and guidance; determining appeals and other casework, and sponsorship of the Planning Inspectorate; providing grant in aid funding and support, including the Aggregates Levy Fund; Funding for the support and promotion of</p>	<p>391,574</p>

<p>projects and initiatives of the Welsh Government Sustainable Development Policy, Scheme and charter expenditure relating to Agriculture, Rural Development, Fisheries and Marine activities, Food, Animal Welfare and Traceability, Land Management and Woodlands; disease surveillance activities and any other related expenditure and non cash resource use.</p>	
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<p>Ambits for expenditure incurred by Welsh Ministers (excluding accruing resources)</p>	
<p><i>Column 1</i></p>	<p><i>Column 2</i></p>
<p><i>Services and purposes</i></p>	<p><i>Amount £000</i></p>
<p>Central Services and Administration</p> <p>For use by the Welsh Assembly Government on administration expenditure and running costs including: staff costs and expenses; the running costs and investment for the civil estate; general administrative expenditure; expenditure on IT and communications; expenditure on business improvement programmes; other administrative resource and capital expenditure; public appointments; enabling and promoting open government; supporting research and evaluation; promoting economic, physical social or environmental wellbeing; managing corporate internal communications events and external communication of Government policy and actions; funding for inter-governmental relations, including the British Irish Council, and constitutional development, including costs of any referendum; hosting events of national importance; the costs of public inquiries; the cost of tribunals; funding to public sector bodies for achieving efficiency gains; funding Value Wales, Xchange Wales and Public Service Management Wales; payments to support overseas development and links; grants and financial support to other public sector organisations; support to EU funded projects; the administration and delivery of EC structural funded projects; and any related expenditure and non cash resource use.</p>	<p>328,408</p>

Schedule 2 – Use of accruing resources by Welsh Ministers
Part 1: Health and Social Services

<i>Column 1</i> <i>Category of accruing resource</i>	<i>Column 2</i> <i>Services and purposes for which income may be retained</i>
<p>Accruing resources include income under the Pharmaceutical Price Regulation Scheme; income in respect of settlement of legal claims; charges for accommodation, goods and services to private and NHS patients, local authorities and others; repayment of Invest to Save funding from Local Health Boards and Welsh NHS Trusts; income from the Scottish Government, Northern Ireland Executive, Department of Health, other government departments and the European Union; income from fixed penalty notices issued under the Food Hygiene Rating (Wales) Act 2013; income generation schemes; National Insurance Income from HM Revenue and Customs; non-operating income from sale of land, buildings, vehicles, equipment and property and recoveries of VAT.</p>	<p>Services and purposes include expenditure on primary and community health services; the purchase or acquisition of fixed assets by Welsh NHS Trusts, Local Health Boards and associated healthcare providers; supporting the provision and administration of health and social care services.</p>
Overall amount of Income (£000)	1,000,999

Part 2: Local Government

<i>Column 1</i> <i>Category of accruing resource</i>	<i>Column 2</i> <i>Services and Purposes for which income may be retained</i>
Accruing resources include grant funding from the European Commission; repayment and recovery of grant payments and recoveries of VAT; fees and charges for inspections and regulatory services; provision of training and development events; charges for dental registration; income from staff secondments; repayment of staff loans; rental income on property; compensation under commercial and civil settlements and levy of facilitation fees; income from the sale of capital assets.	Services and purposes include running costs, general administration costs and resource expenditure of Inspectorates and the Valuation Tribunal; the delivery of training interventions for the Welsh Public Service; supporting expenditure on safer communities and regeneration; the payment of grants to local authorities and Third Sector bodies; all European funded projects; and to support all expenditure as identified within the expenditure Ambit.
Overall amount of Income (£000)	300

Part 3: Communities and Tackling Poverty

<i>Column 1</i> <i>Category of accruing resource</i>	<i>Column 2</i> <i>Services and Purposes for which income may be retained</i>
<p>Accruing resources including repayment and recovery of grant payments and recoveries of VAT; fees and charges for inspections and regulatory services; provision of training and development events; income from staff secondments; repayment of staff loans; income from the sale of capital assets; income from repayments of Social Housing Grant; grant recoveries from local authorities, third sector organisations and other public and private sector organisations; rental income; receipts from the sales of assets, funding from other government departments and recoveries of VAT; funds via European and other funding schemes; recoveries of grants or settlements in respect of grant payments; recovery of loans made and any interest charges thereon; ad-hoc grants from other sources and recoveries of VAT.</p>	<p>The payment of grants to local authorities and Third Sector bodies; all European funded projects; Social Housing expenditure and funding and schemes part supported by other government departments; market housing expenditure and schemes; expenditure on Regeneration schemes and all European funded projects and to support all expenditure as identified within the expenditure Ambit.</p>
Overall amount of Income (£000)	0

Part 4: Economy, Science and Transport

<i>Column 1</i>	<i>Column 2</i>
<i>Category of accruing resource</i>	<i>Services and Purposes for which income may be retained</i>
Accruing resources and funding either direct or indirect from the European Commission; property rental and other associated income; business services charges; project contributions from other public sector and private sector organisations; investment income; grant repayments and repayable business finance; income from the sale of capital assets; income relating to tourism activities; transport studies receipts; compensation under commercial and civil settlements and levy of facilitation fees; Admission charges and other operational income at Cadw and the Royal Commission for Ancient and Historic Monuments sites; and recoveries of VAT.	All European funded projects and to support all expenditure as identified within the expenditure Ambit.
Overall amount of Income (£000)	76,371

Part 5: Education and Skills

<i>Column 1</i>	<i>Column 2</i>
<i>Category of accruing resource</i>	<i>Services and Purposes for which income may be retained</i>
Accruing resources include income from European Projects, research & evaluation and business skills development; curriculum and qualifications royalties; recoveries of Student Loans; funding from the Higher Education Research Capital fund; sales of publications and recoveries of VAT.	Services and purposes include supporting European projects, CQFW, programme development, business skills development, research & evaluation current expenditure; to support curriculum and qualifications current expenditure and to support all expenditure as identified within the expenditure Ambit.
Overall amount of income (£000)	183,918

Part 6: Natural Resources

<i>Column 1</i> <i>Category of accruing resource</i>	<i>Column 2</i> <i>Service and Purposes for which income may be retained</i>
<p>Accruing resources include funding either direct or indirect from the European Commission including income from European structural funds; income from wind farm projects; income from Pwllpeiran Farm or the sale of capital assets; income from grant recoveries from local authorities, third sector organisations and other public and private sector organisations; civil penalty fines associated with emission trading schemes; income from marine licences; income from the salvage of carcasses from animals slaughtered for disease control ad-hoc grants from other sources and recoveries of VAT; receipts from sales of assets including buildings, funding from other central government departments and income related to Natural Resources.</p>	<p>Services and purposes include expenditure relating to Pwllpeiran Farm; grant payments, schemes part supported by other government departments; all European funded projects and to support all expenditure as identified within the expenditure Ambit.</p>
Overall amount of Income (£000)	359,563

Part 7: Central Services and Administration

<i>Column 1</i> <i>Category of accruing resource</i>	<i>Column 2</i> <i>Services and Purposes for which income may be retained</i>
Accruing resources include income from staff secondments and fees; repayment of staff loans; the refund of statutory PAYE deductions; recoveries of VAT; the sale of land and buildings; the sub let of properties; the sale of administrative assets; the sale of goods and services; administrative income; income from ICT services provided; training provider repayments; recovery of costs shared with other public sector bodies; receipts of recoverable grants including Invest-to-Save receipts; and funding either direct or indirect from the European Commission.	Services and purposes include funding of: running costs and general administrative expenditure; supporting capital expenditure on the Assembly Government's estate and asset base; and all European funded projects.
Overall amount of Income (£000)	561,644

Schedule 3 – Expenditure Incurred by Direct Funded Bodies (excluding accruing resources)

Part 1 – National Assembly for Wales Commission

<i>Column 1</i>	<i>Column 2</i>
<i>Services and Purposes</i>	<i>Amount £000</i>
Resources other than accruing resources for use by the National Assembly for Wales Commission on resource and capital costs associated with the administration and operation of Assembly Services to support the National Assembly for Wales ('the Assembly'); promotion of the Assembly including payments to the Electoral Commission and others; payments in respect of the Commissioner for Standards and Remuneration Board; any other payments relating to functions of the Assembly or functions of the National Assembly for Wales Commission. Resources other than accruing resources for use by the National Assembly for Wales Commission in respect of decisions of the Remuneration Board and expenditure in respect of Assembly Members' Pension provision.	51,655

Part 2 – Public Services Ombudsman for Wales

<i>Column 1</i>	<i>Column 2</i>
<i>Services and Purposes</i>	<i>Amount £000</i>
Resources other than accruing resources for use by the Public Services Ombudsman for Wales ('the Ombudsman') on resource and capital costs associated with the administration of the Ombudsman's office; payments to the British and Irish Ombudsman Association; payments to the International Ombudsman Institute and associated non cash items.	4,009

Part 3 – Auditor General for Wales

<i>Column 1</i>	<i>Column 2</i>
<i>Services and Purposes</i>	<i>Amount £000</i>
Resources other than accruing resources for use by the Auditor General on the discharge of the statutory functions of the Auditor General and local government appointed auditors, and on the administration of the Wales Audit Office.	5,974

Schedule 4 – Use of accrued resources by Direct Funded Bodies
Part 1 – National Assembly for Wales Commission

<i>Column 1</i>	<i>Column 2</i>
<i>Category of accruing resource</i>	<i>Services and purposes for which income may be retained</i>
Accruing resources for retention pursuant to section 120(2) of the Government of Wales Act 2006 and use by the National Assembly for Wales Commission from the disposal of fixed assets and other capital income; rental income; gifts; grant support; recharges; income from commercial sales and other services provided to the public or others.	For use on the purchase or acquisition of fixed assets and for use on administrative costs of the Assembly.
Overall amount of Income (£000)	205

Part 2 – Public Services Ombudsman for Wales

<i>Column 1</i>	<i>Column 2</i>
<i>Category of accruing resource</i>	<i>Services and purposes for which income may be retained</i>
Income from commercial sales and other services provided to the public or others.	For use on related services and the administration of the Ombudsman service.
Overall amount of Income (£000)	6

Part 3 – Auditor General for Wales

<i>Column 1</i> <i>Category of accruing resource</i>	<i>Column 2</i> <i>Services and purposes for which income may be retained</i>
Accruing resources from fees and charges for audit and related services (excluding for local government audit, assessment and inspection work); other recoveries of costs associated with the functions of the Auditor General; miscellaneous income from publications, conferences, provision of administrative, professional and technical services; recoveries of costs of seconded staff; repayments of staff loans; recoveries of car leasing payments; and interest received on working balance fees.	For use by the Auditor General on related services and the administration of the Wales Audit Office.
Overall amount of income (£000)	17,639

Schedule 5: Resource to Cash Reconciliation 2015-16 (£000)

	Welsh Ministers	Assembly Commission	Public Services Ombudsman	Auditor General for Wales
Net Resource Requirement	12,820,394	50,496	3,996	5,876
Net Capital Requirement	817,325	1,159	13	98
Adjustments:				
Capital Charges	-121,647	-4,900	-64	0
Impairments	-60,141	0	0	0
Movements in Provisions	-106,898	-500	-47	0
Profit/Loss on sale of assets	0	0	0	0
Movements in stocks	0	0	0	0
Movements in debtors/creditors	0	0	20	0
Use of Provisions	0	0	266	0
Other	0	0	0	0
Net Cash Requirement for issue from the Welsh Consolidated Fund	13,349,033	46,255	4,184	5,974

Notes:

1. This table content and format complies with Standing Order 20.7 which states that the draft budget must set out the amounts of resources and cash which the government proposes to use for the following financial year.
2. The following tables in Schedules 6 and 7 are provided for information purposes and follow the format of the annual budget motion.

Schedule 6: Reconciliation of resources requested in the budget motion to resources made available by the Treasury for the Welsh Block for 2015-16

	2015-16 (£000)				
	Revenue DEL	Capital DEL	Revenue AME	Capital AME	Total
<i>Resources Requested in the Budget Motion:</i>					
- Welsh Ministers	12,736,703	411,876	83,691	405,449	13,637,719
- Assembly Commission	49,746	1,159	750	0	51,655
- Auditor General	5,876	98	0	0	5,974
- Ombudsman	4,215	13	-219	0	4,009
Total Resources Requested in the Draft Budget	12,796,540	413,146	84,222	405,449	13,699,357
<i>Adjustments:</i>					
(i) Resource Consumption of WGSBs and LHBS	176,847	0	107,313	0	284,160
(ii) Grants	-929,363	929,363	0	0	0
(iii) Supported Borrowing	0	88,800	0	0	88,800
(iv) Other	1,918,075	0	0	0	1,918,075
Total Adjustments in the Draft Budget	1,165,559	1,018,163	107,313	0	2,291,035
- Direct Charges on the Welsh Consolidated Fund	2,338	0	0	0	2,338
- Wales Office	4,407	25	0	0	4,432
- Unallocated Reserve	345,562	74,072	0	0	419,634
Total Managed Expenditure (Block)	14,314,406	1,505,406	191,535	405,449	16,416,796

Notes:

1. The total resource requirement for the Welsh Assembly Government is equivalent to the total of the allocations included in the Ambits of Schedule 1.
2. Standing Order 20.28(ii) states that the annual budget motion should include the Resources agreed by the Treasury for the Welsh block budget for the financial year covered by the motion. Schedule 6 satisfies this requirement.
3. Standing Order 20.28(iii) states that the annual budget motion must include a Reconciliation between the resources allocated to the Welsh block budget by the Treasury and the resources to be authorised for use in the budget motion. Schedule 6 satisfies this requirement.
4. Direct charges to the Welsh Consolidated Fund are:

Item	2015-16 £000
Payments to the National Loans Fund	1,666
Salaries and related pension costs of the Presiding Officer and the Deputy Presiding Officer	239
Salaries and related pension costs of the Ombudsman	191
Salaries and related pension costs of the Auditor General	193
Salaries and related pension costs of the Chair of the Wales Audit Office	27
Salaries and related pension costs of the Commissioner for Standards	22
National Non Domestic Rates Income	-962,000
National Non Domestic Rates Payable	962,000
Total	2,338

Schedule 7: Reconciliation of cash inflows to the Welsh Consolidated Fund to the cash issues to be requested in the budget motion (£000)

	2015-16
Estimated net amounts payable to Welsh Ministers:	
Grant payable by the Secretary of State to the Welsh Consolidated Fund under Section 118 (1)	13,619,238
Payments from Other Government Departments	941,985
Payments from other sources	2,202,810
Estimated amounts payable to Welsh Ministers	16,764,033
Less amounts authorised to be retained by Welsh Ministers	-2,182,795
Less amounts retained in the Welsh Consolidated Fund	-962,000
Amounts available for distribution from the Welsh Consolidated Fund	13,619,238
Distributed as follows:	
- Welsh Ministers	13,349,033
- Assembly Commission	46,255
- Ombudsman	4,184
- Auditor General	5,974
Cash Released from the Welsh Consolidated Fund in the Motion	13,405,446
<i>Plus:</i>	
Direct Charges on the Welsh Consolidated Fund	2,338
Unallocated Funds	211,454
Total Estimated Payments	13,619,238

Notes:

1. Section 125(3) of the Act states that the annual budget motion must be accompanied by a written statement made by Ministers showing:
 - i. the total amount of the payments which they estimate will be made for the financial year under Section 118(1);
 - ii. the total amount of the payments which they estimate will be made to the Welsh Ministers, the First Minister or the Counsel General for the financial year by Ministers of the Crown and government departments; and
 - iii. the total amount of payments which they estimate will be made to the Welsh Ministers, the First Minister or the Counsel General for the financial year otherwise than by a Minister of the Crown or government department.
2. The schedule above shows variations in these amounts as required under SO20.31.

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By virtue of paragraph(s) vi of Standing Order 17.42

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