

Agenda – Public Accounts Committee

Meeting Venue:

Committee Room 3 – Senedd

Meeting date: 30 September 2019

Meeting time: 12.45

For further information contact:

Fay Bowen

Committee Clerk

0300 200 6565

SeneddPAC@assembly.wales

(Private Pre-meeting)

(12.45 – 13.00)

1 Introductions, apologies, substitutions and declarations of interest

(13.00)

2 Paper(s) to note

(13.00 – 13.05)

2.1 Cardiff Airport: Letter from the Minister for Economy and Transport (20 September 2019)

(Page 1)

2.2 Governance Review of Betsi Cadwaladr University Health Board: Lessons Learnt: Letter from the Welsh Government (24 September 2019)

(Page 2)

3 Scrutiny of Accounts 2018–19: Assembly Commission

(13.05 – 14.20)

(Pages 3 – 199)

Research Briefing

PAC(5)–23–19 Paper 1 – Assembly Commission Annual Report and Accounts 2018–19

PAC(5)–23–19 Paper 2 – Recommendations contained in the Committee's Report on the 2017–18 Annual Report and Accounts

Manon Antoniazzi – Chief Executive and Clerk of the Assembly

Nia Morgan – Director of Finance, National Assembly for Wales



Suzy Davies AM – Commissioner with responsibility for Budget and Governance

4 Primary care out-of-hours services: Consideration of the Welsh Government Response to the Committee's Report

(14.20 – 14.30)

(Pages 200 – 203)

PAC(5)-23-19 Paper 3 – Welsh Government Response

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

(14.30)

Items 6 & 7

6 Scrutiny of Accounts 2018-19: Consideration of evidence received

(14.30 – 14.45)

7 Committee working practices and procedures: Committee Training

(14.45 – 16.00)

Ken Skates AC/AM

**Gweinidog yr Economi a Thrafnidiaeth
Minister for Economy and Transport**

Agenda Item 2.1



**Llywodraeth Cymru
Welsh Government**

Ein cyf/Our ref: MA-P-KS-3370-19

Nick Ramsay AM
Chair
Public Accounts Committee

20 September 2019

Dear Nick,

I understand that your committee is currently doing a short review of the governance of Cardiff Airport, and that you have already taken evidence from the Airport team, and will shortly be taking evidence from officials.

I would like to update you on the search to find a new Chair of Cardiff International Airport Ltd (CIAL).

Existing Chair, Roger Lewis, is due to step down in October when his 4 year tenure comes to an end. In preparation, earlier this year, CIAL undertook an open, competitive recruitment process to secure Roger's successor for the next 4 years.

I am delighted to confirm that CIAL's preferred candidate has accepted the post. However due to their existing contractual arrangements, the candidate is unable to take up the role until June 2020. We are therefore unable to confirm the name of Roger's replacement for the moment.

In light of these circumstances I am very grateful to Roger who has kindly agreed to remain in post until 31 May 2020 in order to maintain consistency at the airport during the interim period. I have no doubt that Roger will continue to bring his focus and leadership to this important role.

On behalf the Welsh Government I would like to record my gratitude for the great work Roger has done so far with the airport, and will now continue to do until June.

I will write again nearer the time to confirm the name of the new Chair for CIAL.

Kind regards,



Ken Skates AC/AM

**Gweinidog yr Economi a Thrafnidiaeth
Minister for Economy and Transport**

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Agenda Item 2.2

Cyfarwyddwr Cyffredinol Iechyd a Gwasanaethau Cymdeithasol/
Prif Weithredwr GIG Cymru
Grŵp Iechyd a Gwasanaethau Cymdeithasol

Director General Health and Social Services/
NHS Wales Chief Executive
Health and Social Services Group



Llywodraeth Cymru
Welsh Government

Mr Nick Ramsay AM
Chair, Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

Our Ref: AG/SR/SB

24 September 2019

Dear Mr Ramsay

Further to my correspondence on 5 August to the Public Accounts Committee you asked for further clarification regarding the Turnaround Director role at BCUHB and specifically whether the appointment of Phillip Burns is in addition to the earlier appointment of Geoff Lang.

I can confirm the Recovery Director position is not in addition to the earlier appointment of Geoff Lang. The Health Board has realigned its recovery work and there is no longer a Turnaround Director post within the structure. The health board has also established a Financial Recovery Group to support the Recovery Director involving both Executive and Independent Member membership and has reviewed all Improvement Groups to ensure focus on both financial recovery as well as long term transformational service improvements.

Yours sincerely



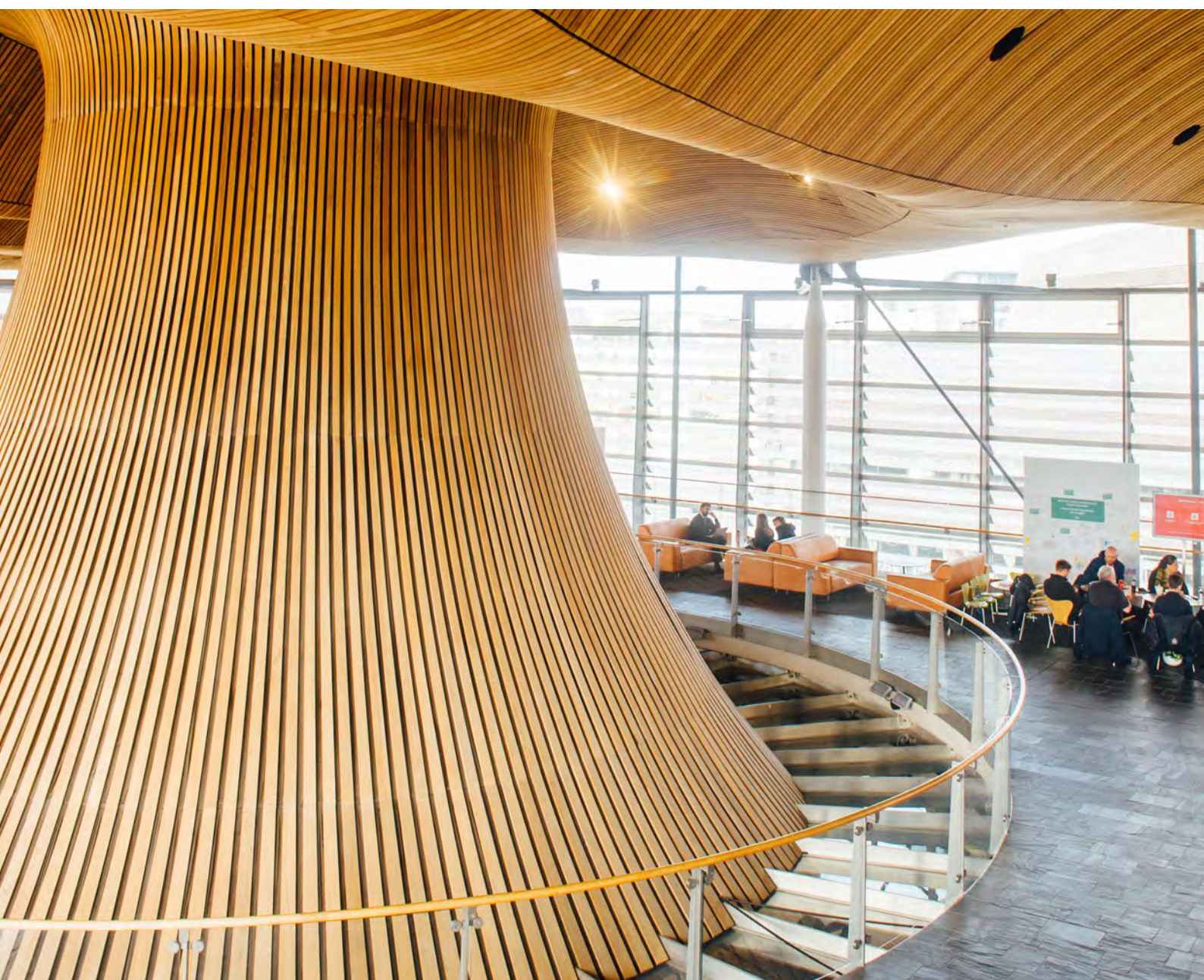
Dr Andrew Goodall CBE



Document is Restricted

Annual Report and Accounts: 2018-19

July 2019



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

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Annual Report and Accounts: 2018-19

July 2019





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OVERVIEW

This Overview provides information on the purpose, structure and strategic goals of the Assembly Commission and some key activities which have taken place over the past year.

Foreword



Elin Jones AM

Llywydd, National Assembly for Wales

I am pleased to present this annual report covering my third year as Llywydd of the National Assembly for Wales.

As we pass the mid-point of the Assembly term, I am proud of the leadership shown by the Assembly in responding to the challenges of preparing to leave the European Union. While we, as yet, are not certain on what terms this will be, and recognising there are political differences, the Assembly remains united in its desire to work in the interests of Wales.

I am pleased that, following on from the work of the Expert Panel

on Assembly Electoral Reform, the Senedd and Elections (Wales) Bill has been introduced. This Bill gives the Assembly the power to call itself Senedd, ensuring that the institution's name reflects its constitutional status as a parliament and helping to improve public understanding of the legislature's role and responsibilities.

The Bill also reduces the minimum voting age to 16 for the 2021 Assembly election which aligns

with the Assembly Commission's objective to empower and inspire young people to participate in the democratic process. In February, I was honoured to chair the first Plenary session of the Welsh Youth Parliament. It was so inspiring to see all 60 of the Welsh Youth Parliament Members display knowledge, confidence and passion for their country and the wider world.

At the time of writing we are in the midst of celebrating twenty years since the establishment of the National Assembly for Wales and, as a member of the 'Class of '99', it is a significant time to reflect

back on where we have come from, what we have achieved and to be excited about the future. I look forward to reporting on the programme of events to mark this milestone in Welsh democracy in next year's Annual Report.

I would like to thank all Assembly Commission staff for continuing to so effectively support the delivery of Assembly business and for the enthusiasm and energy they bring to meeting new demands and challenges.

Introduction



Manon Antoniazzi

Chief Executive and Clerk, National Assembly for Wales

In my introduction to last year’s Annual Report, I concluded by remarking that, as Commission staff, we were facing significant challenges in responding to the Assembly’s increasing workload.

As I looked forward to this challenge, I pointed to my confidence in a committed, engaged and values-driven workforce.

Looking back now, I am proud that the strengths I recognised 12 months ago have enabled us to achieve all that was set before us and much more besides. As Commission staff, we take pride in our work, feel passionate about our opportunities to make a difference and respect each other: values that have guided us through a busy and eventful period.

The year has seen some significant changes to our governance and management arrangements. Whilst thanking our outgoing Independent Advisers warmly

for their substantial contribution, we have welcomed several new Advisers who have brought different experiences and fresh insight to bear in giving us assurance and challenge. We have improved our senior management structures and refocused responsibilities as we appointed a new Director of Assembly Business and prepared to recruit a Director of Engagement. The work we have done to increase the transparency of our budget setting process has been well received by both Finance and Public Accounts Committees whilst our review of corporate capacity has generated a number of incremental efficiency and effectiveness improvements.

Design and delivery of our Youth Parliament was a significant

highlight of the year and I echo the Llywydd's tribute to those who made sure that our new Welsh Youth Parliament members were supported and safeguarded whilst finding their feet – and their voices.

Work on the Senedd and Elections (Wales) Bill has also been a major feature of the year for many of us, requiring a high degree of professionalism and speciality, as separate teams provided policy advice and scrutiny support to Members. It has also been a very weighty year for committees, whose work we have been proud to facilitate.

We maintain a commitment to doing all that we can to ensure the Assembly is a safe and inclusive place to work and visit. We have responded positively to the recommendations of the Standards of Conduct Committee's report 'Creating the Right Culture', alongside continuing to develop our own policies and processes. I was encouraged that there was a

positive response to our work from our annual staff survey. Through this year we have also increased the level of support that we provide to the Standards Commissioner.

We continue to make progress in meeting our commitment to allowing people to work in the language of their choice. This year, I would highlight the work we have done around recruitment and making it easier for potential candidates to understand the language requirements of a particular post. In support of this, we have also increased the levels of support for Welsh learners.

As I look forward to the next 12 months, many of the uncertainties that faced us at the start of this period remain and resolving them successfully will test us. However, I am even more confident now, that the Commission has the resources, commitment, skills, values and collective ambition to deliver all that is required of it.

Statement of Purpose

The National Assembly for Wales

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

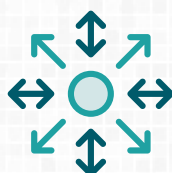
The Assembly Commission

The Assembly Commission serves the National Assembly to help facilitate its long-term success as a strong, accessible, inclusive and forward looking democratic institution and legislature that delivers effectively for the people of Wales.

Assembly Commission Strategic Goals for the Fifth Assembly



To provide outstanding parliamentary support



To engage with all the people of Wales and champion the Assembly



To use resources wisely

OUR VALUES



RESPECT

We are inclusive, kind, and value each other's contributions in delivering excellent services



PASSION

We are purposeful in our support of democracy and pull together to make a difference for the people of Wales

Priorities for the Assembly Commission for the Fifth Assembly

- Members are able to excel in their parliamentary roles, supported by responsive and innovative services.
- The Assembly has the necessary resources and expertise to represent Wales's interests, as the UK withdraws from the EU.
- The Assembly is supported to deliver constitutional reform to create a parliament that works for Wales.
- An ambitious and engaging Youth Parliament that enhances the Assembly and inspires young people to participate in the democratic process.
- There is greater understanding of the role of the Assembly and how to get involved, evidenced by higher levels of engagement.
- The Assembly's work and reputation are enhanced by developing and improving our connections with parliaments across the world.
- Commission staff are one team and everyone understands their contribution to achieving the Commission's goals.
- All Members, staff and visitors can work in a safe environment where dignity and diversity is respected.
- Financial, project and other controls enable the Commission to deliver, and we evidence value for money in everything we do.



PRIDE

We embrace innovation and celebrate our achievements together as a team

WE ARE
ONE TEAM

Commissioners

The Government of Wales Act 2006 prescribes that the National Assembly for Wales (the Assembly) appoints Assembly Commissioners who are responsible for providing the Assembly with the staff and resources they need to carry out their roles effectively for the people of Wales.



Elin Jones AM: Plaid Cymru

Elected: 11 May 2016 – Present

The Llywydd is Chair of the Assembly Commission and also has responsibility as a Commissioner for communications and engagement.

Elin attended 7 out of 7 Commission meetings.



Suzy Davies AM: Welsh Conservatives

Appointed: 9 June 2016 – Present

Commissioner with responsibility for budget and governance, including Audit and Risk Assurance Committee membership.

Suzy attended 7 out of 7 Commission meetings.



Joyce Watson AM: Welsh Labour

Appointed: 9 June 2016 – Present

Commissioner with responsibility for equalities, and the Commission as the employer of Assembly staff.

Joyce attended 7 out of 7 Commission meetings.



David Rowlands AM: UKIP Wales 6 May 2016 – 20 May 2019
Brexit Party 20 May 2019 - Present

Appointed: 15 November 2018 – Present

Commissioner with responsibility for security and Assembly resources.

David attended 2 out of 2 Commission meetings.

The Commission is chaired by the Llywydd and is made up of four Assembly Members who have been elected by the Assembly. Each member of the Commission holds a specific portfolio of responsibilities for the Fifth Assembly.

The variation in the number of meetings attended is due to their respective terms of office.



Sian Gwenllian AM: Plaid Cymru

Appointed: 22 November 2018 – Present

Commissioner with responsibility for official languages, and delivery and transformation of services to Members.

Sian attended 2 out of 2 Commission meetings.



Caroline Jones AM: UKIP Wales

Appointed: 9 June 2016 – 4 June 2018

Commissioner with responsibility for security and Assembly resources.

Caroline attended 2 out of 2 Commission meetings.



Adam Price AM: Plaid Cymru

Appointed: 22 September 2016 – 21 November 2018

Commissioner with responsibility for official languages, and delivery and transformation of services to Members.

Adam attended 5 out of 5 Commission meetings.

Independent Advisers

The Commission appoints Independent Advisers to ensure that Commissioners and the Assembly’s executive team are provided with constructive challenge and assurance that governance arrangements are correct, effective and appropriate.



Keith Baldwin

November 2012 - October 2018

Keith served as a member of the Assembly Commission Audit and Risk Assurance Committee (ACARAC) and the Remuneration Committee. His term ended as an Independent Adviser in October 2018.

Keith attended 3 out of 3 ACARAC meetings and 2 out of 2 Remuneration Committee meetings.



Helena Feltham

November 2012 - October 2018

Helena served as the Chair of the Assembly Commission’s Remuneration Committee.

Helena’s term ended as an Independent Adviser in October 2018.

Helena attended 2 out of 2 Remuneration Committee meetings.



Eric Gregory

November 2012 - February 2019

Eric served as Chair of ACARAC and a member of the Remuneration Committee.

Eric’s term ended as an Independent Adviser in February 2019.

Eric attended 4 out of 4 ACARAC meetings and 2 out of 2 Remuneration Committee meetings.

All Independent Advisers attended all the meetings they were eligible to attend during the financial year.

The variation in the number of meetings attended is due to their respective terms of office.



Hugh Widdis

November 2013 - Present

Hugh has served as a Committee member of ACARAC throughout the 2018-19 financial year.

Hugh’s term as an Independent Adviser is scheduled to end in October 2019.

Hugh attended 5 out of 5 ACARAC meetings.



Ann Beynon

November 2018 - Present

Ann took up her appointment as an Independent Adviser in November 2018 and she is a member of ACARAC and the newly formed Remuneration, Engagement and Workforce Advisory Committee (REWAC).

Ann attended 3 out of 3 ACARAC meetings and 1 out of 1 REWAC meeting.



Robert (Bob) Evans

November 2018 - Present

Bob took up his appointment as an Independent Adviser and a member of ACARAC in November 2018. In February 2019, he was appointed Chair of ACARAC.

Bob attended 3 out of 3 ACARAC meetings.



Ceri Hughes

November 2018 - Present

Ceri took up her appointment as an Independent Adviser in November 2018 and serves as a member of REWAC.

Ceri attended 1 out of 1 REWAC meeting.



Sarah Pinch

November 2018 - Present

Sarah took up her appointment as an Independent Adviser in November 2018 and has been appointed as Chair of REWAC.

Sarah Pinch attended 1 out of 1 REWAC meeting.



Dr Aled Eirug

April 2019 - Present

Aled took up his appointment as an Independent Adviser in April 2019 and will serve as a member of ACARAC.

During 2018-19 the terms of appointment for Eric Gregory, Helena Feltham and Keith Baldwin came to an end. We have now appointed five new Independent Advisers, four of whom started during 2018-19 and a fifth took up post in April 2019.

The Independent Advisers' primary role is to act as members of ACARAC or the Remuneration Committee. The new intake of Independent Advisers has presented us with an opportunity to benefit from their specific skills and, as a result, we have extended the Remuneration Committee's remit (and renamed it as the Remuneration, Engagement and Workforce Advisory Committee – REWAC) to include oversight of our workforce and engagement strategies, whilst still retaining responsibility for senior officer remuneration.

The Independent Advisers are involved in a number of the activities and service areas of the Assembly, acting as critical friends on projects and sometimes participating in the meetings of the Commission.

Remuneration

Independent Advisers receive non pensionable pay of £5,000 per annum, with £7,000 per annum for the Chairs.



Assembly Commission Senior Leadership



Manon Antoniazzi
Chief Executive and Clerk of the Assembly

In accordance with the Government of Wales Act 2006, the Assembly Commission delegates its functions, including responsibility for the management of staff, to the Chief Executive and Clerk, subject to a number of exceptions and conditions. The Chief Executive is also the Principal Accounting Officer for the Commission. To support her, the Chief Executive has a team of Directors who share the responsibility for strategic corporate management in addition to the specific responsibilities outlined below.



Siwan Davies
Director of Assembly Business

Provision of specialist parliamentary, legal, constitutional and research services to the Assembly, ensuring the efficient and effective delivery of Assembly business including the passing of legislation through the Assembly and providing impartial expert advice to Assembly Members.

Siwan took over this role in February 2019; it was previously held by Adrian Crompton (see below).



Adrian Crompton
Director of Assembly Business

In March 2018, Adrian Crompton was recommended by the National Assembly for Wales for appointment as the Auditor General for Wales and was formally appointed to the position by HM The Queen; he left the Commission on 20 July 2018.



David Tosh
Director of Assembly Resources

Provision of ICT, Estates and Facilities, Human Resources functions, Procurement and Corporate Governance and Assurance. The Director of Finance/Head of Financial Services, Nia Morgan, responsible for corporate financial strategy, planning, budget management, payments and pensions reports to David Tosh.



Craig Stephenson
Director of Engagement

Provision of Commission and Assembly Members' support services, including support to the office of the Llywydd and the senior management team, secretariat services to the corporate Boards and Commission, as well as managing translation and reporting and official languages scheme, our dignity and respect agenda, corporate communications, security and visitor engagement and public information services.



Elisabeth Jones
Chief Legal Adviser

Provision of high level legal advice across a range of the Commission's functions, focusing on constitutional change, external affairs and the impact of the United Kingdom's departure from the European Union.

Commission Management

In April 2018 following a detailed review, an Executive Board and Leadership Team were established to replace the existing Investment and Resourcing Board and Management Board.

The Executive Board is chaired by the Chief Executive and includes the Directors, Director of Finance/ Head of Financial Services, Head of Human Resources and Inclusion, Head of Communications and Head of Legal Services. It is the strategic decision-making body for all matters delegated by the Commission. It is also an advisory body to the Commission, in setting the Commission’s Strategy, goals and priorities, the budget, and managing corporate risks.

The Executive Board is responsible for ensuring that the Commission’s financial and staffing resources are planned to meet known requirements. Specifically, it is responsible for planning and prioritising the Commission’s project fund which is focussed on the maintenance of the estate, the

delivery of effective ICT services and the delivery of new projects to improve the performance and effectiveness of services. A significant element of the Executive Board’s responsibility is to provide strategic oversight and leadership of the Commission’s change programme.

The Leadership Team includes the members of the Executive Board and all Heads of Service. The Leadership Team’s primary responsibility is to ensure the effective delivery of operational plans and priorities. A significant activity through this reporting period has been to undertake scenario planning to inform the Commission’s approach to the challenges brought by Brexit and supporting Assembly Reform.

Risk

The Commission operates a tiered risk management process by which risks are identified and managed at service or project level, regularly reviewed and risks that become significant are then escalated to corporate risks to be owned by the relevant Director.

The risk mitigation approach is assured by Executive Board's quarterly review and our Assembly Commission Audit and Risk Assurance Committee also reviews corporate risks at its meetings, and selects a specific risk for a 'deep dive' assessment. Through this period we have been actively managing corporate risks in the following areas:

- the Commission's corporate capacity to deliver its priorities;
- dignity and respect;
- establishing the Welsh Youth Parliament;
- Assembly reform;
- the impact on the Assembly of leaving the European Union; and
- cyber security and compliance with the General Data Protection Regulations (GDPR).

Summary of key activity

Overview

Performance Analysis

Accountability

Financial Statements

Dignity and Respect:

The Dignity and Respect Policy was launched

National Eisteddfod for Wales:

The National Assembly hosted a range of National Eisteddfod exhibitions, discussions and events exploring life in Wales

April
2018

May
2018

July
2018

August
2018

October
2018

Executive Board and Leadership Team:

Executive Board and Leadership Team were established, which replaced the former Management Board and Investment and Resourcing Board

Official Language Services:

A new language skills matrix of speaking, listening, reading and writing skills across five levels, as well as a definition for Courtesy level Welsh was established

Brexit:

The Assembly's Brexit webpages ('Brexit hub') were launched

Change in First Minister:

Carwyn Jones AM announced his intention to stand down as the First Minister for Wales

Welsh Youth Parliament:

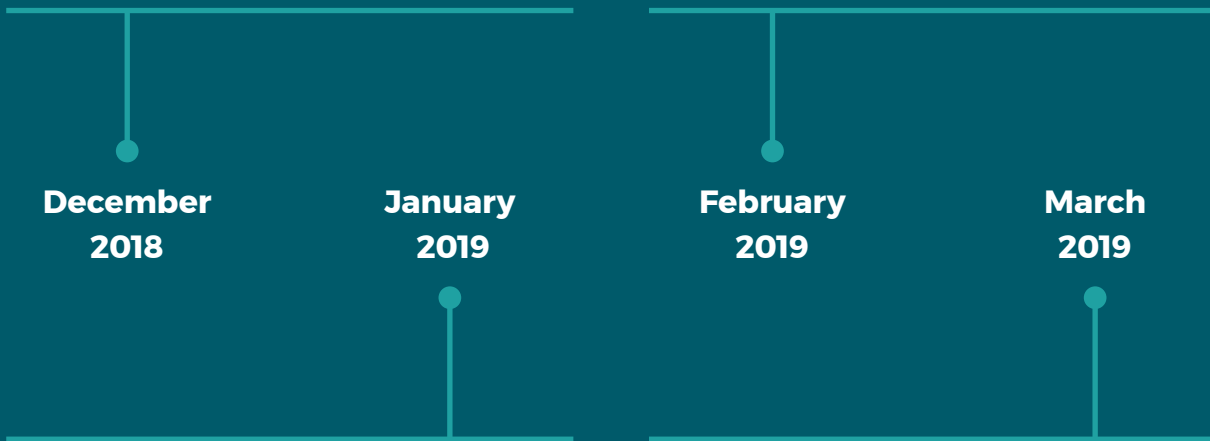
The Members of the Welsh Youth Parliament were announced

Change in First Minister:

Carwyn Jones AM tendered his resignation and his successor Mark Drakeford AM was sworn in as First Minister

Welsh Youth Parliament:

First Welsh Youth Parliament Plenary took place



Assembly Reform:

The Senedd and Elections (Wales) Bill was introduced

Brexit:

For the first time in twenty years of devolution, both the National Assembly and the Scottish Parliament discussed and voted on the same motion on the EU withdrawal negotiations simultaneously



PERFORMANCE ANALYSIS

This Performance Analysis section provides details on how we have progressed work on the Assembly Commission’s priorities under our strategic goals.

SUPPORTING PLENARY



**13 Individual
Member debates**



**72 Plenary
sessions**

QUESTIONS ASKED IN PLENARY



40 Topical Questions



872 Oral Questions



**1,751 Written
Questions**



**4 Emergency
Questions**

PROVIDE OUTSTANDING PARLIAMENTARY SUPPORT

In this section of the Annual Report we describe how we have delivered Assembly business.

SUPPORTING LEGISLATION



6 new Bills introduced



4 Bills passed to become Acts

SUPPORTING COMMITTEES



381 Committee meetings



304 Committee reports



Supporting Assembly business

Whilst Brexit has provided the backdrop to much of the Assembly's work, we have continued to support the delivery of Assembly business, including legislation, through procedural, research and legal services to Assembly Members and committees.

There has been a strong focus on engagement, with as wide a range of people and organisations as possible getting involved in committees' legislative and scrutiny work. The increase in committee reports produced this year (304 compared to 194 last year), is a result of the significant additional workload in scrutinising Brexit-related legislation.



Brexit

As Wales prepares to leave the European Union, the Assembly has an important role to play in asking questions about changes that will affect the lives of the people of Wales.

Brexit cuts across different sectors and devolved areas and the Assembly and its committees have played a full part in legislating for Brexit and scrutinising its implications, as follows.

- Numerous Plenary sessions have been held where the focus has been on Brexit-related business. On 5 March 2019, for the first time, the Assembly and the Scottish Parliament discussed and voted simultaneously on the same motion (on the EU withdrawal negotiations).
- Several Assembly committees have conducted wide-ranging inquiries into the impact of Brexit, engaging with and taking evidence from a wide range of stakeholders. As the lead Brexit committee, the External Affairs and Additional Legislation Committee has carried out extensive scrutiny work examining the implications for Wales of the UK's withdrawal from the EU to ensure Welsh interests are safeguarded during

the withdrawal process. It has also shone a light on Wales's preparedness for Brexit in areas such as the healthcare and medicines sector, the food and drink sector, and Welsh ports.

- The Assembly has considered a substantial amount of Brexit-related legislation, including UK Brexit Bills requiring devolved consent in areas such as trade, agriculture, fisheries and international arrangements for healthcare.

Prioritising our resources has ensured that Assembly committees and individual Members have been supported in carrying out Brexit related business. For example:

- Establishing a Brexit Academic Framework which has enabled us to commission short and focussed pieces of work from academics on Brexit related topics including a detailed technical analysis of the implications of the Withdrawal Agreement for Wales¹ ; an

¹ <https://www.assembly.wales/en/newhome/pages/newsitem.aspx?itemid=1936>

analysis of the impact of Brexit on rural health in Wales and a series of training sessions for Members and staff on International Trade.

- Building strong links with parliamentary colleagues across the UK to facilitate the sharing of information. Regular liaison with the other UK parliaments through Member-led channels, and between officials at all levels on all aspects, including forthcoming business and future mechanisms for interparliamentary working, has been crucial.
- Co-ordinating the Assembly's engagement with EU institutions and Brussels-based representations through the Assembly's Brussels office.
- The Assembly's Brexit online hub was launched in October 2018, to communicate the work the Assembly has been doing. This hub includes publications aimed at informing Assembly Members and the wider public about Brexit, including regular podcasts and blog articles from research subject specialists, infographic timelines setting out different scenarios, fortnightly Brexit Updates and monthly Brexit Monitoring Reports.

- Preparatory work on the Assembly's role in scrutinising Brexit beyond March 2019 has also been ongoing. This has included the mechanisms for scrutinising common frameworks, Intergovernmental Agreements and trade agreements, but it is unlikely that these matters will become clear until the summer of 2019 at the earliest.

Whilst our emphasis has been on supporting the legislative and procedural work of the Assembly, regular assessments of the impact of Brexit on the Commission's corporate services have also been undertaken to ensure we continue to deliver efficiently and effectively across a range of services.

Assembly Reform

Building on the independent advice provided by the Expert Panel on Assembly Electoral Reform, the Commission introduced the Senedd and Elections (Wales) Bill in January 2019.

The Bill proposes changing the Assembly's name to Senedd, giving effect to the Assembly's decision that its name should accurately reflect its constitutional status as a national parliament. Mindful that the change of name should have no greater effect on public spending than necessary, the Commission has planned to minimise the costs associated with changing signage and the Assembly's online presence.

The Bill will also implement the Expert Panel's recommendation to reduce the voting age to 16 for Assembly elections, a proposal endorsed by respondents to the Commission's public consultation 'Creating a Parliament for Wales', which closed in April 2018. Co-operation between the Commission and the Welsh Government on this aspect of the Bill has been underpinned by a memorandum of understanding which provides a framework for sharing expertise and ensuring that public resources are put to best use.

It is the Commission's intention that the Senedd and Elections (Wales) Bill should enshrine in law the right of 16 and 17 year olds to vote at the Assembly's general election in 2021. To ensure that young people are supported and encouraged in exercising their right to vote, the Commission is working with the Welsh Government and other partners to determine how to provide appropriate political and citizenship education as well as general awareness-raising.

Engaging young people in democracy at an earlier age and changing the Assembly's name to Senedd is the first stage in the process of reform being led by the Commission. The Commission's public consultation began a conversation with the people of Wales about how they should be represented and served by their legislature in the future. Analysis of the consultation responses, published in October 2018, showed public support for the Expert Panel's recommendations that the Assembly's size should be increased and that the system for electing Assembly Members

should be reformed. The second phase of the Commission's reform work is exploring these issues, including whether political consensus can be achieved.

The Commission has maintained a separation of responsibilities between officials supporting the Llywydd as Member in charge of the Bill, and those supporting the Deputy Presiding Officer and committees, for example, the Constitutional and Legislative Affairs Committee and Finance Committee who are currently considering the Bill, to ensure that there is no conflict of interest. Staff are skilled and experienced at working in this way through supporting Member, committee, and previous Commission Bills.

We will continue to support the Assembly to respond to other drivers for constitutional change, Justice is a major area currently under consideration. The Commission on Justice in Wales was established by Welsh Government in November 2017 to set a long term vision for the future of the justice system in Wales. Amongst other matters it is exploring how the devolution of justice powers would influence the work of the Assembly. As part of this, in March 2019 the Assembly hosted the Commission on Justice as it held a series of meetings with the Llywydd, Assembly Members, and senior Assembly officials to discuss the impact of any potential devolution of justice powers.





Dignity and Respect

We are committed to providing an inclusive culture that is free from harassment and we expect that everyone, including visitors, Assembly Members, Members' staff and Assembly Commission staff, are treated with dignity and respect.

The Commission has worked with the Standards of Conduct Committee to develop a Dignity and Respect Policy which was launched in May 2018. In September 2018 the Standards of Conduct Committee published its report: 'Creating the Right Culture', which included a number of recommendations for the Commission.

We have considered all of the Committee's recommendations which were addressed to the Commission and a number of changes and improvements have been introduced:

- We have delivered awareness training across the Commission and embedded it into our induction and professional development programmes.
- Through conducting anonymous checks, we have gained assurance that the Dignity and Respect website pages are user friendly and accessible.

- Our Contact Officers are providing an important, trusted service, providing user-focused advice, guidance and emotional support where required.
- Specialist external support is available for any complainants regarding sexual harassment or sexually inappropriate behaviour.
- An Annual Dignity and Respect Survey is undertaken which includes a series of questions around experiences and awareness of the complaints procedures and processes. This is issued to Assembly Members, their staff and Commission staff.

Future work will see a campaign to further increase awareness, alongside the continuing review of our policies and practices to ensure that a culture of dignity and respect remains embedded throughout the Assembly.

Bilingual services

Much of the work over the past year has centred around the delivery of the first theme outlined in the Official Languages Scheme (OLS) for the Fifth Assembly which is to increase the level of basic Welsh language skills across the organisation and to build on our existing bilingual ethos.

In July 2017 a working group on recruitment was established in partnership with our trade unions and tasked with delivering the theme. A year later in July 2018, the working group concluded its work and delivered a major change to the way all vacancies are advertised in the Commission.

The working group agreed a language skills matrix of speaking, listening, reading and writing skills across five levels (further details of which can be found in our OLS), as well as a definition for Courtesy level Welsh. Posts that do not require specific language skills are automatically designated as Courtesy level, with all other posts using a combination of skills levels from the matrix in accordance with the requirements of the post and the existing bilingual capacity in the team or service area.

As a result of this change, the Language Skills Team has

developed Courtesy Level Welsh training to support individuals and teams. We have also seen take-up of Welsh learning and refreshing across all levels increase. The introduction of language skills levels in addition to Courtesy Level Welsh means that the pattern of language skills across the organisation has changed. This approach also provides far more opportunities for Welsh learners who previously were unlikely to have applied for posts described as ‘Welsh Essential’.

Our aim is to encourage all staff members to proactively use the language skills they have so that the bilingual ethos of the organisation continues to flourish naturally.

Several organisations across Wales have contacted us and visited us to discuss our innovative approach, with the aim of developing a similar system.



Cynulliad Cenedlaethol Cymru
National Assembly for Wales
Senedd





Steffan Lewis AM

On 11 January 2019 we sadly lost one of our Assembly Members, Steffan Lewis AM.

Among the tributes made in Plenary on 15 January, Adam Price AM, stated:

“Wales is a small nation, but every now and then we breed giants... Steffan had all the qualities to become, one day, the father of the nation. That, sadly, cannot be, but he was the nation’s perfect son.”

The Llywydd Elin Jones AM paid this tribute:

“Such a sad loss of one of our youngest and our best. Steffan Lewis made such an impact in the Senedd - with a caring heart, a charming smile and an intellect the size of Wales. When Steffan spoke, we all listened. We’ll still listen Steffan.”

SHARING OUR WORK



97,761
Twitter
followers

168,093 views of the
Research Service
Blog

ENGAGING WITH PEOPLE



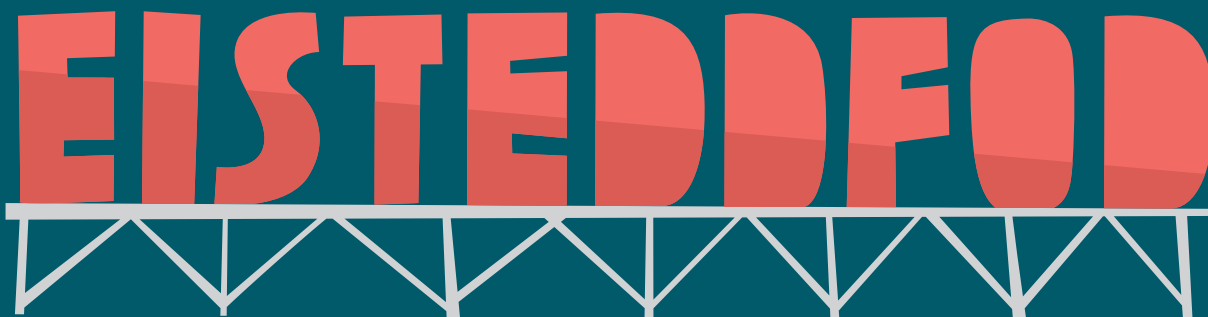
18
outward visits

61

inward visits



223,090 visitors to the Assembly Estate



6,950 people attending events at the Senedd as part of the Societies Pavilion during the National Eisteddfod

7.6-million people online audience reach during the National Eisteddfod

ENGAGE WITH ALL THE PEOPLE OF WALES AND CHAMPION THE ASSEMBLY

This section of the Annual Report highlights the work we have done to raise awareness of the Assembly and its work and to make it more accessible to all the people of Wales.

INVOLVING OTHERS IN OUR WORK



**9 pieces of work
commissioned from
academics using
the Brexit Research
Framework
Agreement**



**3,200+ submissions
received to
the Assembly
Commission's
consultation on
electoral reform**

WELSH YOUTH PARLIAMENT

After the Assembly signed the Youth Engagement Charter in 2014 it heeded calls from young people and professionals and committed in October 2016 to establish a Welsh Youth Parliament.

The Assembly consulted over 5,000 young people in Wales to help decide what the Welsh Youth Parliament's aims, membership, and work should be.

On 5 December 2018 the members of the Welsh Youth Parliament were announced following a pioneering online ballot. The Parliament is made up of 60 young people aged between 11 and 18 years, 40 of whom were elected to represent geographical constituencies, with a further 20 nominated from organisations and charities. The Members will serve a two-year term.

The first meeting with all 60 Members was held in Cardiff Bay over the weekend of 23-24 February, with the first Plenary taking place in the Siambur and chaired by the Llywydd, Elin Jones AM.

A variety of issues were discussed and debated, culminating in a vote to agree three priority issues as a focus for the Parliament's work during its two year term.

The three issues selected by the Welsh Youth Parliament Members (WYPM's) were:

- Emotional and Mental Health Support
- Littering and plastic waste
- Life skills in the curriculum

Reflecting on the first Youth Parliament Plenary, the Llywydd stated:

“

You will have an influence on behalf of your young people, on behalf of the many subjects you feel so passionately about, and I have felt that passion in this Chamber today.

You have rejuvenated my hope and my belief that Welsh democracy is alive and well, and it is alive and well in everything that you are saying to us.

Elin Jones AM

Llywydd,
National Assembly for Wales

”



**WELSH
YOUTH
PARLIAMENT**

**SENEDD
IEUENCTID
CYMRU**

National Eisteddfod of Wales

Between 3 – 11 August 2018 the Assembly was proud to support the National Eisteddfod, with the Senedd becoming home to Y Lle Celf (the art exhibition) and the Societies Pavilion and across the estate we hosted a number of exhibitions, discussions and events.

The discussions addressed issues including austerity, women’s role in politics, votes at 16, democracy and the arts, electoral reform and justice in Wales, with nearly 7,000 people attending events at the Societies Pavilion during the week. These sessions were also broadcast on Facebook Live, allowing people from all over the world to take part.

The Pierhead hosted Shw’mae Caerdydd – the centre for information about the Welsh language.

With such a significant national festival taking place literally on

our doorstep, this provided an excellent opportunity to encourage visitors to find out about the Assembly and its work, including: the role, function, and powers of the Assembly and its Members; the Assembly’s work on electoral reform and the establishment of the Welsh Youth Parliament.

From our subsequent visitor survey, we know that we achieved a change in visitors’ levels of engagement, with respondents stating that their knowledge of the Assembly had increased as a result of their visit.





Citizen Engagement - supporting committees

The Commission's Citizen Engagement Team works with Assembly committees, to gather information to understand the public's attitudes, opinions and behaviours.

Through effective engagement, we encourage contributions from more diverse and hard to reach audiences, particularly those with lived experience, service users and front line staff. Through this period we have undertaken citizen engagement activity for a range of committee inquiries and the examples below highlight the contribution and insight that this work brings:

Health, Social Care and Sport Committee

As part of the Committee's post-legislative scrutiny of the Social Services and Well-being (Wales) Act 2014, we held 12 focus groups across Wales, with those caring for people with a range of conditions and disabilities. Over 130 people attended the focus groups. We asked whether the new law had improved the support on offer and what challenges remained. The experiences shared with us were presented to the Committee. Participants from the focus groups were invited to watch subsequent evidence sessions with the Welsh Government and have provided feedback and suggestions on further changes needed for those with caring responsibilities.

Children, Young People and Education Committee

To help the Committee better understand the benefits and challenges of the Welsh Baccalaureate Qualification, we ran a survey for secondary school pupils and parents to share their experiences, receiving over 1,220 responses. We also ran focus group sessions with young people between the ages of 14 and 18 from different areas in Wales. The Committee recently launched its report and we invited some of the pupils who took part in the focus groups to discuss the issues, and the report, on a panel at the launch event.

Equality, Local Government and Communities Committee

Pregnancy and maternity discrimination focus groups were held with mothers in Cardiff, where we arranged for a creche to enable women to bring their young children. An online discussion forum was also created where participants could share their views and ideas. Contributors included young mothers, single mothers, mothers from low-income households – some of whom were employed, some were in part-time work or on zero hour contracts, and others were out of work. The engagement and inquiry closed with two of the mothers conducting a Facebook Live event with the Committee Chair, questioning him on the report.



Celebrating sporting achievement

Tour de France - Geraint Thomas

During the National Eisteddfod week, a real highlight was the Geraint Thomas homecoming event, hosted on the steps of the Senedd. On 9 August 2018, in front of large cheering crowds, Geraint Thomas, the first Welshman to win the Tour de France, was welcomed to the Assembly and thanked on behalf of the people of Wales by the Llywydd and the First Minister.



Six Nations

On 18 March, Wales's Grand Slam winning rugby team were given a hero's reception at the Senedd, in front of hundreds of supporters, to mark their victory in the 2019 Guinness Six Nations championship. The team clinched the Grand Slam after beating Ireland 25-7 at the Principality Stadium, extending their record unbeaten run to 14 matches.

The squad, staff, management and officials from the WRU were welcomed and thanked by the Deputy Llywydd, Ann Jones AM, and First Minister, Mark Drakeford AM.



International visits

The Assembly continues to play an active role in promoting Welsh democracy to international audiences both in Wales and abroad, and, through active engagement, has been able to showcase the Assembly as an innovative and pioneering parliament.

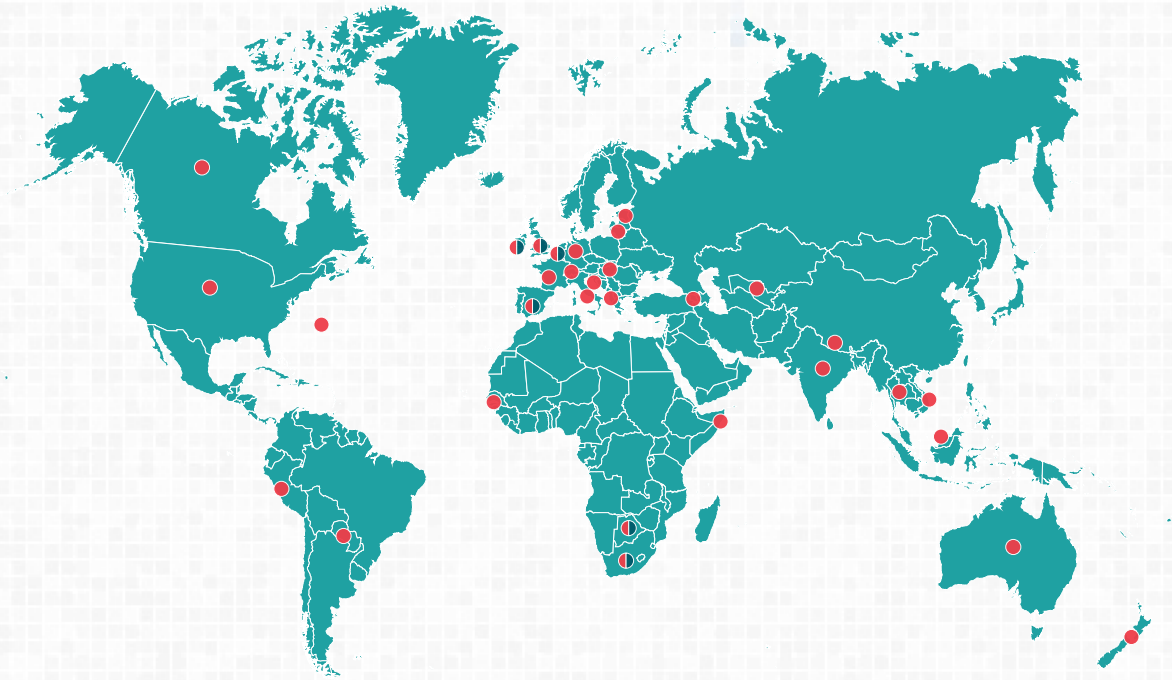
Following an invitation from Speaker Jan Peumans, the Llywydd led a visit of the Commission to the Flemish Parliament in June 2018. The programme provided an opportunity to learn more about our respective parliaments and to exchange best practice. This visit was the culmination of sustained engagement between the Welsh and Flemish legislatures, initially sparked through our joint membership of the Conference of European Regional Legislative Assemblies (CALRE).

We have assisted the parliaments of Botswana and the Gambia with a focus on sharing the Assembly's expertise to develop effective research services. Positive feedback from the work the Assembly has undertaken with the Botswana parliament was received during the Llywydd's visit to Gaborone in February 2019.

A highlight of our inward activity was the hosting, in November 2018, of a visit of some 60 delegates representing over 30 different legislatures from every region of the Commonwealth. The programme was delivered as part of a wider seminar in partnership with the UK Parliament. Positive feedback was received from the visiting delegates. The programme provided an excellent opportunity to champion the Assembly as a small but distinct and progressive legislature from which others can learn.

The Assembly continues good working relations with international organisations such as the Commonwealth Parliamentary Association (CPA) and the Westminster Foundation for Democracy (WfD) to promote good governance within evolving and developing democracies.

AN INTERNATIONAL ASSEMBLY



Inward visits 1 April 2018 – 31 March 2019

- | | | |
|-----------------|-------------------|------------|
| ● Nepal | ● South Africa | ● Germany |
| ● Bermuda | ● Western Balkans | ● Somalia |
| ● Peru | ● Gambia | ● Vietnam |
| ● New Zealand | ● Switzerland | ● Hungary |
| ● Canada | ● Paraguay | ● Italy |
| ● Armenia | ● France | ● Thailand |
| ● Croatia | ● Belgium | ● India |
| ● Lithuania | ● Malaysia | ● UK |
| ● Spain | ● Estonia | ● Ireland |
| ● Australia | ● Botswana | |
| ● United States | ● Uzbekistan | |

Outward visits 1 April 2018 – 31 March 2019

- | | | |
|-----------|----------------|-----------|
| ● Spain | ● Botswana | ● UK |
| ● Belgium | ● South Africa | ● Ireland |

Preparing to mark 20 years of Devolution

6 May 2019 marked exactly 20 years since the people of Wales went to the polls to vote in the first ever Assembly election.

The Commission has planned a series of events to run from May to September in recognition of this significant anniversary.

“

This anniversary presents a unique opportunity to reflect on how much Wales has changed over the past twenty years and the impact that devolution has had on our lives. In doing so we also have the chance to focus on the future. Through this programme of events our aim is to begin a new dialogue with people across the country about their ambitions for Wales and how the Assembly, the home of Welsh democracy, can help deliver that.

Elin Jones AM

Llywydd, National Assembly for Wales

”

20
DATGANOLI
DEVOLUTION



FINANCIAL RESPONSIBILITY

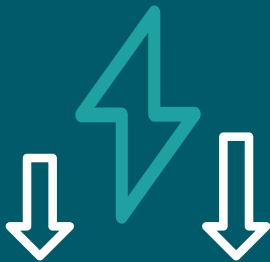


38% of procurement expenditure with Welsh suppliers

0.5% underspend forecast at year end

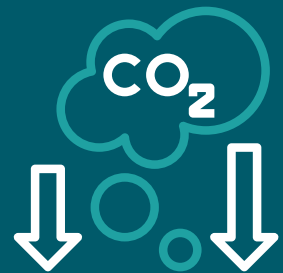


ENVIRONMENTAL RESPONSIBILITY



42% decrease in total energy emissions compared to 2012-13 baseline

55% decrease in total gross greenhouse gas emissions compared to 2012-13 baseline



100% diversion of waste from landfill

USE RESOURCES WISELY

This section of the Annual Report highlights how we use our resources to support the business of the Assembly and how we ensure we use them efficiently and effectively.

AWARDS AND ACCREDITATION





Our People

We recognise that our staff are our most valuable resource as they are vital to the delivery of the Commission's strategic goals, corporate strategy and values.

During the year, we have developed, consulted on and agreed a new strategic approach to give a clear focus on the Commission's people priorities for the Fifth Assembly and beyond. We have identified four inter-related aims to support service delivery and further embed our values and behaviours:

- We want to attract, retain and recognise the widest range of talent;
- We want to ensure that we have the flexibility to respond to changing priorities;
- We will build organisational capability through a values-led leadership and management culture; and
- We want to continuously develop a work culture that protects, promotes and supports the health and wellbeing of all Commission employees.



Capacity planning

During the last year we have concluded an organisational review of capacity to provide assurance to the Commission that the structure and levels of staff resources are appropriate, and also to identify opportunities to increase organisational efficiency and effectiveness. There were two phases to the review, focussed on these two objectives.

Phase one, via an extensive study of ‘how we do things’ backed up by comparison and benchmarking, provided assurance that the Commission’s resourcing levels are not excessive for its responsibilities, and specifically as we are required to deliver services bi-lingually. This phase identified a number of ‘themes’ to develop actions to improve efficiency and effectiveness:

- An agreement on the Commission’s priorities;
- Improved planning and delivery;
- Greater agility in capacity and capability; and
- Development of a shared understanding of our purpose.

These themes were addressed in **phase two** by a Steering Group which identified more than 20 actions, including the following, which have now been delivered:

- A revised set of corporate priorities for the remainder of

this Assembly term, to provide clarity for all on the purpose and focus of our work.

- We have worked with our staff to develop and agree a new set of organisational values.
- We have established more regular engagement with committee Chairs to achieve a shared understanding of priorities. In particular this has helped us to manage the demands of Brexit alongside the other areas of committee work.
- We have introduced a new Annual Planning Cycle.
- We have introduced a criteria-based Investment Prioritisation tool and process, to support our decision making and we have used this extensively throughout the year.
- We have delivered some immediate changes to staffing policies to deliver greater flexibility and we have improved our capability to manage and forecast staff resources. As

a result we have been able to meet all of our additional resource needs in 2018, by re-prioritising and reallocating vacant posts and we have done this within our existing establishment.

- We have established a Staff Engagement Network in response to staff calls.

Voluntary Exit Scheme

During this reporting period the Commission agreed a Voluntary Exit Scheme (VES), the aims of which were to: create capacity to change the organisational skills and experience mix needed to support the Assembly, improve efficiency, create space for organisational change and, where possible, deliver long-term savings or avoid additional costs in meeting skill shortages.

43 applications were considered by a Panel, which included one of the Commission's Independent Advisers and a Trade Union observer, 24 were approved and these staff will exit by September 2019. There were 2 departures at Director level, and both business cases for were submitted to and approved by the Cabinet Office.

The overall cost of the scheme is £1.016m which was within the agreed budget and within the Cabinet Office Scheme approved

budget of £1.5m.

At all stages of the VES we have taken into account recommendations raised in Wales Audit Office (WAO) reports and previous Internal Audit Reports. We have also, ensured that independent and objective assurance was provided throughout.

Supporting Wellbeing

We have continued our work to reduce sickness absence by supporting staff and line managers to manage the impact of both short term and long term absence. As a result, we have seen a reduction in the annual rate from 3.77% to 3.66%.

There has also been a continuing focus on Mental Wellbeing, including wellbeing sessions for affected staff and those with home caring responsibilities, awareness raising about mental health in young people, and we have introduced trained mental first-aiders. We believe that this work will help to deliver a reduction in absence attributed to mental ill-health.

Widening inclusion through recruitment

In order to attract the widest range of talent we have refreshed our approach to recruitment. This has included redesigning advertising, changing the imagery we use to illustrate the Assembly as a place to work and short narratives to describe our culture, people and inclusivity.

For our 2018 Apprenticeship Scheme we engaged with a community outreach programme and the local BAME community to attract a more diverse range of candidates, to good effect - results from recent campaigns have shown an increase in diversity, volume and quality of applications.

Diversity and inclusion

The Diversity and Inclusion Annual Report 2018-2019 includes detailed information of our work in this area, as well as accompanying workforce and recruitment diversity monitoring data, and our equal pay and gender pay gap reporting data. These are available via our website.

Some of the highlights of the year include:

- Introduced a new Dignity and Respect Policy for the Assembly;
- Worked with the Welsh Youth Parliament Team to build an inclusive, inaugural Welsh Youth Parliament, embedding diversity

and inclusion into its initial design and beyond;

- Named by Stonewall UK as among the top five employers of LGBT staff in the UK for the fifth year running. The latest annual Stonewall Workplace Equality Index has also placed our organisation as the top employer in Wales, has recognised it as a Top Trans-inclusive employer, and a Star Performing Organisation for our continued presence at the top of the Index;
- Awarded both a Chartered Institute of Personnel and Development (CIPD) Wales Gold Award 2018 for Diversity and Inclusion Initiative (Making our Workforce More Diverse) and a Training Journal Silver Award 2018 for Best Diversity and Inclusion Programme which acknowledged our inclusive approach to designing and delivering our 2018 Apprenticeship Scheme;

- Engaged with communities across Wales to encourage democratic participation and to promote the Assembly as an employer of choice, including events in Rhyl to mark International Women’s Day, at Pride Cymru, Black History Month and promoting the inaugural Welsh Youth Parliament. We have also promoted diversity and inclusion outside Wales at the International Congress of Parliamentary Women’s Caucuses in Dublin in September 2018, where the theme was ‘Our Vision for Women in 2118’.
- Our committees have undertaken a number of inquiries relating to diversity and inclusion including: the impact of Welsh Government funding decisions on equalities, children and young people; the Blue Badge Scheme; the impact of the Social Services and Wellbeing (Wales) Act 2014 on carers; and scrutiny of the Autism (Wales) Bill. There have also been a variety of petitions relating to diversity and inclusion which have been considered by the Assembly’s Petitions Committee.



Financial management of our budget

The Commission must provide the Assembly with the staff, property and services required to fulfil its role as a strong, accessible and forward-looking democratic legislature that delivers effectively for the people of Wales.

The Commission's budget is used to meet the running costs of the Assembly as well as the costs of Assembly Members' salaries and allowances, as determined by the independent Remuneration Board.

The Commission has continued to refine the way it presents its budget based upon the scrutiny and feedback it has received from both the Public Accounts and Finance Committees. In developing its most recent budget strategy, for 2019-20, the Commission introduced further

changes to the presentation of its budget document to improve the transparency of its budgeting process.

Also during 2018-19, the Finance Committee considered the Commission's Draft Budget for 2019-20 at its meeting on 3 October 2018. Following the publication of the Committee's Report and the Commission's response, the 2019-20 Budget was laid on 7 November 2018 and agreed through a motion of the Assembly on 14 November 2018.





Sustainable Development and Future Generations

Assembly committees have incorporated the Well-being of Future Generations (Wales) Act 2015 in their scrutiny in a variety of ways. Budget scrutiny in particular has focused on how the Welsh Government is working across a variety of departments to achieve cross-cutting objectives, with all committees asking Ministers for written evidence of how their budgets had changed in the light of the Act.

The Future Generations Commissioner for Wales is also invited annually to give evidence as part of the Finance Committee's scrutiny of the Welsh Government's Budget, as well as to a number of other committees for scrutiny on aspects of her work that relate to committee portfolios. The Research Service and the Commissioner's Office offered a joint training session to staff prior to the draft budget publication to ensure a

wider understanding of how the Commissioner expects Welsh Government to demonstrate its application of the Act and the Commissioner wrote a guest Research Service blog on this topic.

The Assembly Commission is not listed as a public body for the purpose of the Well-being of Future Generations (Wales) Act 2015. However, we have undertaken our own analysis and are able to cite



good examples of contributions which we are making towards the seven Welsh well-being goals as follows:

- **A prosperous Wales** – being a living wage employer and extending this to those who work on our estate but who are not directly employed by us;
- **A resilient Wales** – working with our suppliers to phase-out single-use plastics, wherever possible;
- **A healthier Wales** – providing mental health awareness training to all our staff through the organisation Time to Change Wales;
- **A more equal Wales** – publishing data on equal pay and being open and transparent with what we report;
- **A Wales of cohesive communities** – making our iconic estate available to groups and charity organisations from across Wales, in order that they can raise their profile, engage with Assembly Members and other stakeholders;
- **A Wales of vibrant culture and thriving Welsh language** – progressing our Official Languages Scheme, including encouraging Welsh speaking staff and learners to use Welsh in the workplace, wear the laith Gwaith Cymraeg comma on their lanyards to show where the Welsh language can be used on a day-to-day basis; and
- **A globally responsive Wales** – measuring, monitoring and reporting our environmental impact and developing strategies to further reduce this by using more green energy, reducing staff travel and introducing an electric pool car and e-car charging points.



Environmental impacts

The past year has seen the introduction of several environmental initiatives around the estate, including the provision of four electric vehicle charging points and an electric pool car. We have also installed beehives on the roof of the Pierhead, to help enhance the biodiversity of the immediate environment.

Work has continued to install more energy-efficient technology that will enable further reductions in emissions and cost-savings to be realised.

Plastic was a significant topic for 2018-19 and we have removed single-use plastic wherever possible from our staff canteen and the Senedd café. Several years ago, we took steps to eliminate the use of disposable coffee cups on the estate.

Our overall level of greenhouse gas emissions has again reduced this year.

Our environmental work continues under formally-certified management system (ISO14001) which includes an annual audit by a UKAS-accredited body.

A summary of our performance is provided below, alongside the required statistical data, but further information can be found in our Annual Environmental Report, available via our website.

Energy

We have experienced a slight increase in electricity use this year, largely due to the extended period of hot weather during the summer of 2018 and the resultant increase in the use of air-conditioning.

We have also seen a rise in energy costs primarily as a result of increases in unit prices. We continue to purchase energy through the National Procurement Scheme (NPS), in-line with most of the rest of the Welsh public sector.

We have continued with the installation of energy-saving measures across the estate, including more LED lighting and newer, more efficient air-conditioning systems, the benefit of which we hope to realise in the summer of 2019.

Waste and Resources

The total amount of waste produced over this period has reduced. We have again achieved zero waste to landfill, all of our waste is recycled where possible, with a small percentage sent for energy recovery.

Water use is similar to previous years and fluctuates in response to factors including events being run in Cardiff Bay.

Our use of biomass has increased this year resulting in a lower carbon footprint for heating the Senedd.

Paper use has seen a slight reduction compared to last year.

Travel

We have made significant changes to enable low-carbon travel. We have switched the pool car to an electric vehicle; this saves several tonnes of carbon emissions and is cheaper to operate. We have installed more electric vehicle charging points to meet demand and encourage more building occupants and contractors to take up this low-carbon option.

Pool bikes have also been introduced, both to facilitate emissions-free travel locally, as well as to encourage people to cycle.

Our performance on business travel is in-line with last year and we have established a new 'stretch target' to drive improvement.



Greenhouse Gas Emissions ^{2,3,4}		2012-13 (baseline)	2015-16	2016-17	2017-18	2018-19
Non-financial indicators (tCO2e)	Total gross emissions scope ⁵	329	248	308	297	237
	Total gross emissions scope ⁶	1,470	1,367	1,133	955	732
	Total gross emissions scope ⁷	432	423	396	344	188
	Total outside of scope emissions	298	7	4.1	5.3	7.4
	Total gross emissions	2,588	2,047	1,846	1,601	1,167
	Total net emissions	2,290	2,040	1,841	1,596	1,159
Expenditure on accredited offsets (e.g. Government Offsetting Fund)		£0	£0	£0	£0	£0
Financial Indicators (£)	CRC Gross Expenditure	N/A	N/A	N/A	N/A	N/A

² All energy data now contains current and retrospective transmission and distribution emissions and well-to-tank emissions where applicable.

³ All travel data now contains current and retrospective well-to-tank emissions for fuel use.

⁴ Excludes Assembly Member and AMSS travel February and March 2018 due to delayed reporting requirements. Previous years have been adjusted as final claims for those years have been processed.

⁵ Includes costs for electricity and air conditioning in offsite server farm from 2010 onwards.

⁶ All energy data now contains current and retrospective transmission and distribution emissions and well-to-tank emissions where applicable.

⁷ All travel data now contains current and retrospective well-to-tank emissions for fuel use.

Energy Consumption ^{8,9}		2012-13 (baseline)	2015-16	2016-17	2017-18	2018-19
Non-financial indicators (kwh)	Electricity (non-renewable)	3,194,890	2,791,282	2,623,244	2,602,054	2,572,324
	Gas	1,741,299	1,214,901	1,481,681	1,452,075	1,314,772
	Biomass (renewable)	840,438	535,050	308,850	409,770	492,420
Non-financial indicators (tCO2e)	Total energy emissions	1,880	1,663	1,563	1,363	1,066
Financial Indicators (£)	Total energy expenditure	458,168	407,442	377,993	431,187	467,404

Waste consumption		2014-15	2015-16	2016-17	2017-18	2018-19
Non-financial indicators (tonnes)	Total waste arising	125	123	140	142	128
	Recycled/ Recovery	119	118	136	142	124
	Energy Recovery	-	-	-	4.04	4.07
	Landfill	4.7	3.7	5	0	0
	Waste composted	5.5	12.5	15.9	17	17
	Hazardous waste	1	0.4	0.15	0.4	0.3
	Paper purchased (A4 and A5) (per million sheets)	2.6	2.48	1.99	2.92	2.73
Financial indicators (£)	Expenditure on all waste disposal	26,930	33,266	36,455	33,008	31,649

⁸ Includes costs for electricity and air conditioning in offsite server farm from 2010 onwards.

⁹ All energy data now contains current and retrospective transmission and distribution emissions and well-to-tank emissions where applicable.

Water consumption		2014-15 (baseline)	2015-16	2016-17	2017-18	2018-19
Non-financial indicators (m3)	Water consumption:					
	Supplied (direct)	6,117	5,174	5,347	4,158	5,857
	Collected (indirect)	1,554	502	853	578	542
	Abstracted (indirect)	0	0	0	0	0
Financial indicators (£)	Expenditure on supply and sewerage	22,245	18,954	19,376	15,424	12,189

Official Travel ^{10,11}		2013-14 (baseline)	2015-16	2016-17	2017-18	2018-19
Non-financial indicators (miles)	Business travel	884,176	875,999	820,851	724,400	626,857
	Owned and leased vehicles	31,949	27,638	15,803	16,512	16,705
Financial Indicators (£)	Expenditure on official business travel	349,775	358,666	328,532	281,196	256,397

The information contained above has been developed for our Annual Report and Accounts in accordance with HM Treasury's Sustainability Reporting Guidance for the 2018-19 financial year. We also use the DEFRA conversion factors for 2018 for carbon dioxide equivalent (CO2e) figures. CO2e is a universal unit of measurement that allows the global warming potential of different GHGs to be compared.

Emissions are reported based on a financial control approach for the core administrative estate only.

A full summary of our environmental performance can be found in the Assembly's Annual Environmental Report, available on our website.

¹⁰ All travel data now contains current and retrospective well-to-tank emissions for fuel use.

¹¹ Excludes Assembly Member and AMSS travel February and March 2018 due to delayed reporting requirements. Previous years have been adjusted as final claims for those years have been processed.

Corporate Key Performance Indicator Report

Our Corporate Key Performance Indicator Report looks at how the Assembly Commission performed against its strategic goals for the period April 2018 to March 2019.

The report consists of a number of headline indicators, allocated under the strategic goals, which are then broken down into more detailed indicators.

A ‘traffic light’ system is used to show performance against the indicator targets. Tolerance levels against the target have been set for each indicator, therefore performance for each indicator is determined depending on where the results fall within the tolerance levels.



Red: There are significant issues impacting the achievement of business objectives. To achieve delivery, changes must be made to timing, costs and/or scope.



Amber: There are issues or risks which must be addressed. However, successful delivery is achievable without major impacts to budget, service standards or target dates.



Green: Work is meeting agreed standards or is proceeding to plan. All known risks are being managed.

This year there are a small number of indicators showing ‘red’ however, our analysis confirms that these are due to significant changes in count, rather than any significant issues affecting business objectives. For example, visitor numbers have fallen significantly in 2018-19 but this is because we hosted the Weeping Window display – a major attraction – in 2017-18.

New Approach for 2019-20

We have completed a review of the existing Key Performance Indicators (last reviewed in 2014) and a new approach going forward has been agreed.





A new set of strategic measures of overall corporate performance, which are closely linked to the Commission's goals and priorities, will be reported. These will be static indicators for at least the remainder of the Fifth Assembly.





In addition, a set of measures that provide 'stretch' to develop performance in areas identified for performance improvement will be reported. This set of indicators will be reviewed annually.







This new approach will be reported next year in the 2019-20 Annual Report and Accounts.





Achievement against Strategic Goals

Summary overview of the more detailed key performance indicator (KPI) information that follows:

Provide outstanding parliamentary support	April 2017 – March 2018	April 2018 – March 2019
<p>KPI 1: All parliamentary business has taken place as planned</p> <p>A consistently high performance on timeliness of issuing committee papers, briefings and the publication of the Record of Proceedings.</p>	 Green	 Green
<p>KPI 2: Providing effective Professional Development</p> <p>As expected at this point in the Fifth Assembly, the take up of continuous professional development activities has decreased when compared to previous years. There continues to be an increase in the number of Welsh learners.</p>	 Green	 Green

Engage with all the people of Wales and champion the Assembly	April 2017 – March 2018	April 2018 – March 2019
<p>KPI 3: Help build an understanding about the role and work of the Assembly</p> <p>The change from green to amber reflects the fluctuation in visitor numbers depending on the nature of activities taking place annually. In 2017-18 the Weeping Window exhibition brought an increase in visitors over a prolonged period whereas the National Eisteddfod in 2018 saw increased visitor numbers over a much shorter period of time.</p> <p>We are now collecting information to assess whether visitors to our estate are leaving with more understanding of our work.</p>	 Green	 Amber
<p>KPI 4: Champion the work of the Assembly</p> <p>Whilst growth on the Assembly's main corporate account has steadied, we have seen considerable growth in the number of followers on our other channels, including an increase in the number of followers of the youth parliament twitter feed.</p>	 Green	 Amber

Use resources wisely	April 2017 – March 2018	April 2018 – March 2019
<p>KPI 5: Expenditure to target</p> <p>A contract saving of circa £134K is reported. The timeliness of payments to suppliers and Assembly Members continues to be well within target. The percentage of procurement expenditure with Welsh suppliers is a new indicator with a stretch target of 43%.</p>	 Green	 Green
<p>KPI 6: Staff resource requirements and expectations are being met</p> <p>Absence rates for the rolling 12 month average (the measure which most efficiently accounts for natural seasonality through the year) has decreased slightly. Activity to support improved Mental wellbeing continues. The annual staff survey, which was open from December 2018 to January 2019, has shown a decrease in response rates. The timing of the survey will revert to September in future years. The engagement score remains unchanged at 74%.</p>	 Amber	 Amber
<p>KPI 7: ICT services are being delivered as planned</p> <p>Some incidents, such as Outlook issues and the rollout of new kit, have resulted in a slight decrease in achievement against the SLA agreement targets.</p>	 Green	 Green

Use resources wisely	April 2017 – March 2018	April 2018 – March 2019
<p>KPI 8: Freedom of Information (FOI) requests are being processed as required</p> <p>Due to staff capacity issues, eight FOI requests exceeded the statutory deadline in this period.</p>	 Amber	 Amber
<p>KPI 9: Environmental targets are being delivered as planned</p> <p>Continued implementation of energy-efficient equipment and practices, combined with a reduction in the carbon conversion factor for UK grid electricity, has helped realise a significant drop in the combined energy footprint again this year and we have met our long-term 2021 target.</p>	 Green	 Green

Strategic Goal: Provide outstanding parliamentary support

KPI 1: All parliamentary business has taken place as planned ¹²	Target	April 2017 – March 2018	April 2018 – March 2019	
Percentage of committee papers issued by deadline agreed with each committee	100%	95.4%	96.3%	●
Plenary Record of Proceedings published within deadline	100%	100%	100%	●
Committee Record of Proceedings published within 5 working days	100%	98.5%	100%	●
Percentage of Assembly proceedings (committee/Plenary meetings) affected by failure to deliver Commission services	0%	0% (0 out of 415)	0% (0 out of 457)	●
Research Service enquiries answered within agreed deadline	100%	99.5%	99.8%	●

KPI 2: Providing effective Professional Development	Target	April 2017 – March 2018	April 2018 – March 2019	
Number of delegate spaces filled by AMs on a Continuous Professional Development (CPD) programme ¹³	180	143	122	●
Number of delegate spaces filled by Assembly Member Support Staff (AMSS) on a CPD programme ¹⁴	350	586	534	●
The extent to which AMs and AMSS anticipate the provided training will have a positive impact on their work ¹⁵	70% positive impact	98.2%	91.4%	●
Number of Welsh learners (Commission staff, AMs and AMSS) receiving tuition through the Language Skills Team ¹⁶	-	131	146	-
Number of Welsh learners progressing to a higher level	-	34	24	-

¹² Data is shown as an average for the reporting period.








¹³ Data is shown as a total for the reporting period.

¹⁴ Data is shown as a total for the reporting period.

¹⁵ Data is shown as an average for the reporting period.

¹⁶ Data is shown as at the end of March.

Strategic Goal: Engage with all the people of Wales and champion the Assembly

KPI 3: Help build an understanding about the role and work of the Assembly	Target	April 2017 – March 2018	April 2018 – March 2019
<p>Number of visitors to the Senedd¹⁷</p> <p>As mentioned above, during 2017-18 the Senedd hosted the Weeping Window display and this significantly increased visitor numbers. Therefore the Red indicator reflects a decrease in numbers. In future, we will collect information to assess whether visitors to our estate are leaving with more understanding of the purpose and work of the Assembly.</p>	Maintain each period	108,778	90,759 
<p>Number of visitors to the Pierhead¹⁸</p>	Maintain each period	99,523	132,331 
<p>Number of visitors on tour¹⁹</p> <p>Visitors undertaking tours of the Senedd fluctuate year on year and these figures represent a reduction in comparison to last year. Group tour availability during the year was lower due to significant staff turnover. When staffing levels were restored, the take up of tours was similar to previous years.</p>	Maintain each period	23,238	15,022 
<p>Customer rated good/very good overall experience of taking a tour on the estate²⁰</p>	80%	100%	100% 
<p>Number of events organised on the estate²¹</p>	Increase on previous period	308	293 
<p>Customer rated good/very good overall experience of organising an event on the estate²²</p>	80%	98.0%	100% 
<p>Number of face to face general awareness raising sessions held with young people²³</p>	Maintain each period	643	684 

¹⁷ Data is shown as a total for the reporting period.

¹⁸ Data is shown as a total for the reporting period.










¹⁹ Data is shown as a total for the reporting period.

²⁰ Data is shown as an average for the reporting period.

²¹ Data is shown as a total for the reporting period.

²² Data is shown as an average for the reporting period.

²³ Data is shown as a total for the reporting period.

KPI 4: Champion the work of the Assembly	Target	April 2017 – March 2018	April 2018 – March 2019
Web Traffic: ²⁴ <ul style="list-style-type: none"> ▪ Visitors ▪ Visits ▪ Page views 	Maintain each period	50,162 91,046 265,990	48,172 84,476 249,910   
Facebook: Average Reach ²⁵ Facebook (FB) introduced changes that prioritised worthwhile and close friend content over brand and business feeds, which affects what users see. As a result, Assembly feeds are included in the publisher and political organisation category rather than individual categories. We are making changes to our KPIs to make them independent of any future changes, including measuring the total reach over each month from April 2019 rather than the average daily reach as reported.	Maintain each period	13,039	1,428 
Facebook: Likes ²⁶	Maintain each period	10,345	12,465 
Twitter: <ul style="list-style-type: none"> ▪ Impressions (the number of people who saw the content) ²⁷ ▪ Followers (main corporate account) ²⁸ ▪ Followers (other accounts) ²⁹ 	Maintain each period	509,936 ³⁰ 48,723 30,225	580,095   
YouTube: ³¹ Views	Maintain each period	29,072	33,777 

²⁴ Data is shown as an average for the reporting period.

²⁵ Data is shown as an average for the reporting period.

²⁶ Data is shown as at the end of March.





²⁷ Data is shown as an average for the reporting period.

²⁸ Data is shown as at the end of March.

²⁹ Data is shown as at the end of March.

³⁰ This figure was reported incorrectly in the 2017-18 report

³¹ Data is shown as a total for the reporting period.






KPI 4: Champion the work of the Assembly	Target	April 2017 – March 2018	April 2018 – March 2019
YouTube: ³² Minutes watched We are seeing a switch from YouTube to Senedd.tv (see below), following improvements to this service.	Maintain each period	182,318	152,786 
Use of Senedd.tv: ³³ <ul style="list-style-type: none"> ▪ Views ▪ Users 	Maintain each period	344,470 52,247	418,140  63,508 
Research Service Blog³⁴ <ul style="list-style-type: none"> ▪ Views (English and Welsh) 	Maintain each period	185,256	168,093 






³² Data is shown as a total for the reporting period.

³³ Data is shown as a total for the reporting period.

³⁴ Data is shown as a total for the reporting period.

Strategic Goal: Use resources wisely

KPI 5: Expenditure to target	Target	April 2017 – March 2018	April 2018 – March 2019	
Per cent underspend forecast at year end ³⁵	<0.5%	0.8%	0.5%	
Achieving value for money target ³⁶	£100,000	£138,116	£133,976	
Average days taken to pay suppliers ³⁷	<10 days	4.2	3.9	
Average days taken to pay AMs ³⁸	<5 days	1.9	2.9	
Percentage of procurement expenditure with Welsh suppliers	43%	-	38.0%	

KPI 6: Staff resource requirements and expectations are being met	Target	April 2017 – March 2018	April 2018 – March 2019	
Sickness absence - % rolling 12 month average ³⁹	<3.7%	3.8%	3.7%	
Sickness absence - % monthly average ⁴⁰	<3%	3.2%	4.0%	
Completion of staff performance reviews (twice annually – April and October)	100%	89.5%	89.0%	
Employee response rate to the annual staff survey ⁴¹	Civil Service Median – currently 65%	82.0%	62.0%	
Employee engagement level against the 5 core questions in the annual staff survey	Civil Service Median – currently 58%	74.0%	74.0%	
Number of staff: ⁴²				
▪ Headcount	-	468	478	-
▪ Full Time Equivalents (FTEs)	-	444.6	454.1	-

³⁵ Data is shown as at the end of March.

³⁶ Data is shown as at the end of March.

³⁷ Data is shown as an average for the reporting period.



³⁸ Data is shown as an average for the reporting period.


³⁹ Data is shown as at the end of March.



⁴⁰ Data is shown as at the end of March.

⁴¹ The annual staff survey was launched from 14 December 2018 to 25 January 2019.

⁴² Data is shown as at the end of March.

KPI 7: ICT services are being delivered as planned ⁴³	Target	April 2017 - March 2018	April 2018 - March 2019
Achievements against Service Level Agreement (SLA) targets for all incidents	90%	89.2%	88.9% 
Customer satisfaction score for incident handling (out of 9)	8	8.7	8.5 

KPI 8: Freedom of Information (FOI) requests being processed as required ⁴⁴	Target	April 2017 - March 2018	April 2018 - March 2019
Number of FOI requests answered	-	78	68 -
Per cent of FOI requests answered to statutory deadline	100%	94.9%	88.2% 

KPI 9: Environmental targets are being delivered as planned ⁴⁵	Target	April 2017 - March 2018	April 2018 - March 2019
Combined energy footprint (Cardiff Bay Estate)	30% reduction in total energy emissions by 2021	27.0%	42.0% 
Diversion of waste from landfill	100% by 2021	100%	100% 

⁴³ Data is shown as an average for the reporting period.







⁴⁴ Data is shown as a total for the reporting period.




⁴⁵ Data is shown as at the end of March.



Assembly Member and Support Staff satisfaction survey

Assembly Members and Assembly Member Support Staff are asked to complete an annual satisfaction survey to help gauge how well the services provided by Commission staff have performed over the past year. Questions use a 10 point scale, where 1 = poor and 10 = excellent. Data is shown as an average score provided by Assembly Members and Assembly Member Support Staff. A summary of results are presented here.

Strategic Goal - Providing outstanding parliamentary support	Target	2018	2019
Overall support for Assembly committees	8	8.4	8.9 
Overall support for Plenary	8	8.4	8.6 
Overall support to conduct your work in the language of your choice	8	8.4	8.9 
Overall support provided by the Research Service	8	-	9.1 
Overall support provided by Members' Business Support	8	8.9	8.7 
Overall support provided through the Professional Development function	8	8.2	8.5 

Strategic Goal - Engage with all the people of Wales and champion the Assembly	Target	2018	2019
Overall effectiveness of the Assembly Commission in involving the people of Wales in committee business	8	-	7.6 
Overall effectiveness of the Assembly Commission in promoting the Assembly's work on media and social media platforms	8	-	7.4 
Overall effectiveness of the Assembly Commission in engaging with children and young people	8	-	7.9 

Strategic Goal - Use resources wisely	Target	2018	2019	
Overall support provided by ICT on the Assembly estate ⁴⁶	8	8.3	8.6	●
Overall support provided by ICT in the constituency or regional offices	8	8.3	8.4	●
Overall support provided for Tŷ Hywel, Pierhead and the Senedd	8	8.1	8.6	●
Overall confidence in the protective security measures on the Assembly estate	8	-	9.0	●
Overall security advice and guidance provided for your constituency or regional office	8	-	8.1	●
Overall level of support for arranging an AM sponsored event on the Assembly estate	8	-	8.5	●

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

 Date: 15 July 2019

⁴⁶ In 2018 there were two separate questions asking about the overall support provided by ICT in Tŷ Hywel and the Senedd. The average score from both of these questions has been used.



ACCOUNTABILITY

Overview

Performance Analysis

Accountability

Financial Statements

Corporate governance

This report, which has been signed by the Chief Executive and Clerk as Principal Accounting Officer in line with Treasury rules, provides information about senior remuneration and audit.

Directors' report

Commissioners and other office holders

Information on the Presiding Officer and Commissioners is included on pages 14-15.

Independent Advisers

Information on the Independent Advisers and Independent Committee members is included on pages 16-19.

Senior management

Information on the Chief Executive and Clerk, and senior management having responsibility for directing the major activities of the Commission during the year is included on pages 20-21.

Significant interests held by Members

A Register of Financial and Other Interests of Assembly Members is available at www.assembly.wales and www.cynulliad.cymru.

Personal data related incidents

There were two incidents of personal data loss requiring reporting to the Information Commissioner's Office between 1 April 2018 and 31 March 2019. There were five incidents of personal data breach reported internally, which were investigated and managed internally. Given that the likelihood of damage or distress to the data subject in each case was considered to be low, no further escalation was required.

Diversity, Inclusion and Staff engagement

Information on the Commission's policies and activities relating to diversity, inclusion and staff engagement can be found within the Remuneration Report (pages 110 to 125).

Auditor

The Accounts of the National Assembly for Wales Commission are audited by the Auditor General for Wales. The Audit Report can be found at page 131. The estimated external audit cost for the audit of these financial statements is £57,958 (2017-18, £57,958). No additional non-statutory audit work was incurred during 2018-19 (2017-18, nil).

Disclosure of information to the Auditor General for Wales

So far as I am aware:

- there is no relevant audit information of which our auditor is unaware; and
- I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information, and to establish that our auditor is aware of that information.

Accounts Direction

The accounts set out in pages 126 to 141 have been prepared in accordance with the Treasury Direction issued under Section 137 of the Government of Wales Act 2006. The financial statements comply with the requirements specified in HM Treasury's Financial Reporting Manual and are supported by explanatory notes. These accounts set out the financial impact of decisions made by the Commission both within the financial year and arising from previous financial years.

Information about the Assembly and Commission is also available on the Assembly website at www.assembly.wales and www.cynulliad.cymru.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 15 July 2019

Statement of Commission and Principal Accounting Officer responsibilities

The Chief Executive and Clerk of the Assembly is, by virtue of Section 138 of the Government of Wales Act 2006, the Principal Accounting Officer for the Commission.

The Chief Executive and Clerk of the Assembly has prepared the statement of accounts in accordance with the Direction issued by HM Treasury and with the accounting principles and disclosure requirements set out in the Government Financial Reporting Manual. The Resource Accounts are prepared on an accruals accounting basis and give a true and fair view of the Commission's state of affairs at the year-end and of its net resource outturn; resources applied to objectives; statement of comprehensive net expenditure; statement of financial position; cash flows, and statement of changes in taxpayers' equity for the financial year.

In preparing the accounts the Chief Executive and Clerk of the Assembly has:

- complied with the accounts direction issued by HM Treasury;
- complied with the relevant accounting and disclosure requirements and applied suitable accounting policies on a consistent basis;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepared the accounts on a going concern basis.

The relevant responsibilities of the Principal Accounting Officer, including the responsibility for the propriety and regularity of the finances of the Commission and for the keeping of proper records, are set out in a memorandum issued by HM Treasury.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 15 July 2019

Governance Statement

This Statement, which is signed by the Chief Executive and Clerk as Principal Accounting Officer, sets out the way in which the National Assembly for Wales Commission is governed and managed and how it is accountable for what it does.

Governance framework

Under the terms of the Government of Wales Act 2006, the National Assembly for Wales Commission (the Commission) is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and the management of risk.

The governance framework comprises the structures, systems and processes, and culture and values, by which the Commission is directed and controlled and the activity through which it is accountable to and engages with the Assembly and the people of Wales. The framework addresses: strategic and operational planning; management of risk and performance; information governance; procurement; and financial management. Corporate policies and codes of conduct ensure everyone working at, or with, the Commission is aware of the need to operate to the highest governance standards. There are also policies on fraud, corruption and bribery, and whistleblowing. The governance framework supports the Commission to plan for and monitor the achievement of its strategic goals and objectives and to assess whether those have led to the delivery of appropriate, cost-effective services.

Governance structure

Assembly Commission

The Commission comprises the Llywydd (Presiding Officer) who is its Chair, and four Commissioners. Further information on the Commission is included within the Overview section of the Annual Report.

The Commission's Principal Accounting Officer is the Chief Executive and Clerk ("Chief Executive") who is accountable to the Commissioners for the delivery of their strategic goals and priorities and personally accountable to

the Assembly for the organisation and quality of management in the Commission, including its use of public money and the stewardship of its assets. Assembly staff are employees of the Commission.

Assembly Commission Committees

As part of the governance framework, the Commission has an Audit and Risk Assurance Committee and a Remuneration, Engagement and Workforce Advisory Committee, membership details of which can be found within the Overview section of the Annual Report and Accounts. These are independent advisory bodies with no executive powers and produce and publish their own Annual Reports.

The Audit and Risk Assurance Committee's role is to review the comprehensiveness, reliability and integrity of assurances and whether they meet the Assembly Commission and the Accounting Officer's needs. It has a focus on internal and external audit reports including the implementation of recommendations; the Commission's Annual Report and Accounts; reports on risk management; major projects, and governance and internal control arrangements.

The Remuneration Committee makes recommendations on matters regarding the remuneration and terms of service of the Chief Executive and other senior posts. This assists the Commission in ensuring that remuneration arrangements meet the highest standards of probity and accountability for the use of public funds. During the year the remit of the group has been expanded to include matters associated with the Commission's strategic approach to engagement and workforce development and it has been renamed as the Remuneration, Engagement and Workforce Advisory Committee (REWAC).

Public Appointments

The Assembly is responsible for the following public appointments: the Auditor General for Wales, the Public Service Ombudsman for Wales, the Standards Commissioner and the Chair of the Wales Audit Office.

We have reviewed the arrangements for these public appointments. This review concluded that, whilst it was clear in the legislation that the Assembly was responsible for each appointment and the terms and conditions associated with them, in some cases there was an absence of clear delegation from the Assembly to the Commission, where the Assembly

chose to make this delegation. The roots of this are historical, going back to the time before the implementation of the Government of Wales Act 2006.

We have taken external legal advice to confirm that nothing irregular has resulted from this technical deficiency and this advice has confirmed that the appointments made and the requirement to pay the appointees appropriately are both regular and legal. As a consequence, we will take the opportunity as it arises to add this clarity to the legislation, so that delegation, where the Assembly agrees to do so, is explicitly granted as part of the Assembly agreeing to the new appointment. We have already done this with the Public Service Ombudsman (Wales) Bill.

We have also taken the opportunity to review and revise the procedures for monitoring the various linkages that set the pay for such public appointments, to ensure that when the linked scales change, the pay of the appointee is duly revised.

The salaries for these public appointments are paid from direct charges on the Welsh Consolidated Fund. In accordance with the requirements of the Government of Wales Act 2006, the Principal Accounting Officer of the Welsh Consolidated Fund is the Permanent Secretary of the Welsh Government and its auditor is the Auditor General for Wales. In addressing the issues identified we have engaged with the Welsh Government and the Wales Audit Office to ensure that there is an agreed way forward. The Commission's Head of Governance and Assurance provides updates to the Audit and Risk Assurance Committee on these issues.

Other

Outside the Commission's governance framework, there is also an independent Remuneration Board with statutory functions to determine the salaries and other financial support available to Assembly Members. This Board produces and publishes its own Annual Report.

Compliance with governance principles

The Commission has adopted and complies with a set of governance principles and supporting provisions⁴⁷, which are consistent with the UK Corporate Governance Code and the International Framework: Good Governance in the Public Sector. The Assurance section of this statement (page 103) describes how evidence of this compliance has been gathered through assurance statements and use of the Assurance Framework.

Decision taking and business management

The Commission meets on a regular basis to provide direction and to oversee delivery of the Commission's strategic goals and objectives. The Commission delegates its day-to-day management functions to the Chief Executive and Clerk. The formal delegation⁴⁸ outlines exceptions and areas on which the Chief Executive and Clerk must consult with the Commission. There is also an established system of delegated authorities to control resource management which covers finance, staffing and other resource responsibilities, such as procurement. The Commission administration is divided into three Directorates: Assembly Business; Assembly Resources; Engagement, reporting to the Chief Executive. The Director of Finance is a member of the Assembly Resources Directorate. The Directorates are further sub-divided into service areas, led by Heads of Service.

Commission Management

Following a review of the Commission's governance structure and in consultation with senior management, the Chief Executive introduced a new governance structure from April 2018, which has helped clarify decision-making responsibilities. This consists of an Executive Board and a Leadership Team, which replaced the Investment and Resourcing Board and Management Board. Further details on the Executive Board and Leadership Team can be found on page 22 in the Overview section of the Annual Report.

⁴⁷ http://www.assembly.wales/en/abthome/about_us-commission_assembly_administration/comm-corporate-framework/Pages/governance_principles_supporting_provisions.aspx

⁴⁸ http://www.assembly.wales/en/abthome/about_us-commission_assembly_administration/comm-corporate-framework/Pages/delegation_of_assembly_commission_functions.aspx

Directorate structure

In July 2018, the Director of Assembly Business left the Assembly Commission. Temporary management arrangements were put in place for the Assembly Business Directorate, until a new Director was appointed in February 2019. The Chief Executive provided direct line management for the Directorate's Heads of Service who took on the significant leadership elements of the Director role during this interim period. Decision-making responsibilities relating to oversight of governance matters have been led by the Head of Legal Services who has represented the Directorate at Executive Board.

The departure of the Director of Assembly Business was taken as an opportunity to review the Commission's senior staffing structure in order to consider how to evolve our model to reflect changing Assembly demands and add resilience when further changes occur.

The decision was taken to backfill the role of Director of Assembly Business and to rebalance the senior roles, by realigning line management around the Commission's broad functions and strategic objectives of parliamentary support, engagement and resources. The new structure now includes a replacement Director of Assembly Business, a Director of Engagement (a new title for the Director of Commission Services), and a Director of Assembly Resources (postholder in place).

Planning and performance measurement

The Commission's strategy for the Fifth Assembly, 2016-21⁴⁹, which was agreed in June 2016, has provided direction and informed planning at a corporate and service level. This strategy was reviewed by the Commission during 2018-19 to take account of drivers and external influences that have shaped the Commission's services, including constitutional change. This review, alongside the capacity review, has resulted in a revised set of corporate priorities for the remainder of this Assembly term as outlined in an 'Assembly on a Page' document⁵⁰.

⁴⁹ [http://www.assembly.wales/NAfW%20Documents/About%20the%20Assembly%20section%20documents/Commissionstrategy-Englishbranded1\(final\).pdf](http://www.assembly.wales/NAfW%20Documents/About%20the%20Assembly%20section%20documents/Commissionstrategy-Englishbranded1(final).pdf)

⁵⁰ www.assembly.wales/NAfW%20Documents/About%20the%20Assembly%20section%20documents/Assembly-on-a-Page-E.pdf

The Leadership Team carries out regular reviews and scrutiny of service plans and capacity plans which helps ensure effective planning for current and future demands across the Commission. Planning of resources within and across directorates and service areas is also now done continuously which enables the quick deployment of staff in response to emerging priorities and pressures.

The Commission's Corporate Performance Report includes Key Performance Indicators which demonstrate the Commission's performance across services. A review of performance measures for the remainder of the Fifth Assembly has taken place and more relevant, challenging and outcome-focused measures are to be introduced from 1 April 2019.

Progress and performance

In last year's Governance Statement, we identified a number of areas for focus and development; progress is outlined below:

Implementing the changes recommended within the Capacity Review

Last year we reported on phase one of the Capacity Review. The output of phase one was picked-up in phase two and a Steering Group was established to develop an organisational action plan, much of which has now been implemented during 2018-19. The full details of the progress made in this area can be found on pages 60 and 61 of the Annual Report.

Keeping pace with Assembly reform and constitutional change

We have continued to horizon scan and engage with the Llywydd and the Assembly Commissioners to review the political and constitutional landscape in respect of future reforms to the devolution settlement in Wales.

We have also worked positively with the Welsh Government under the terms of a Memorandum of Understanding (MoU) in relation to the changes to the Assembly's franchise in the Senedd and Elections (Wales) Bill ("the Bill"). It sets out the governance arrangements by which the Assembly Commission and Welsh Government work together and share resources. Welsh Government officials have advised and worked for the Llywydd to support the development of the Bill to ensure a coherent electoral registration framework for both Assembly and Local Government elections.

We are conscious of the need both to deliver at pace and to ensure that the work has the right level of support. We have addressed this by utilising the skills and expertise of staff from across the organisation to support this important work and additional support from staff loaned from the Northern Ireland Assembly.

The concerted efforts of staff and close working relationship with Welsh Government during the year culminated in the introduction of the Senedd and Elections (Wales) Bill by the Llywydd in February 2019.

Effectively resourcing the Assembly Commission to address the implication of Brexit

The main impact of Brexit on the National Assembly has related to its work as a legislature. The volume and range of Assembly-related Brexit activity has increased significantly since September 2018. Several of the Assembly's committees have held inquiries into Brexit preparedness or its impact on a range of sectors and devolved areas. Brexit-related legislation to correct the statute book prior to leaving the EU is being considered by the Assembly.

In dealing with and planning for Brexit, resources have been reallocated via an organisational 'expressions of interest' exercise to release some short term, temporary resource to support Members' work. We have planned as much as possible for the events and issues that we know are likely to happen. Resourcing for Brexit remains a top priority to ensure Members get the support they tell us they want (e.g. via Chair's Forum).

In terms of assurance and governance, the Head of Research is the Brexit lead, and we now have a part-time Brexit co-ordinator to help support Brexit preparedness across the Commission. Work has included scenario planning exercises, resource and forward planning, regular ongoing dialogue between the Llywydd and Committee Chairs in relation to workloads and regular liaison with other UK Parliaments.

While the emphasis has been on supporting the legislative and procedural work of the Assembly, regular assessments of the impact of Brexit on the Commission's corporate services have also been made including liaising with the other UK Parliaments, considering any short term implications for our employees and analysing the potential effects on procurement and our supply chains.

Delivering the Assembly’s Public Engagement Strategy in a way that offers the best value for money. Taking forward recommendations from the Digital and Information Task Force, promoting transparency, engagement and efficiency, and making access to Assembly business data easier

Engagement priorities were agreed by the Commission in autumn 2018 enabling us to plan resources for effective delivery.

The majority of the Digital and Information Task Force recommendations have now been delivered.

Work is now underway to reform our communications and engagement functions; this has included an external review.

Reviewing and assessing the impact of new governance arrangements brought about by the new board structure

The governance arrangements, as outlined on page 91 have been in place for a year. During that time, the role of the Executive Board has also begun to evolve, taking ownership of organisational change by also acting as a Change Board.

As part of the agreed forward work programmes, the Head of Governance and Assurance is due to carry out a review of the effectiveness of the Executive Board and Leadership Team, after which the Terms of Reference will be updated as required.

Evaluating and determining future senior staff arrangements

The departure of the Director of Assembly Business triggered a review of the Commission’s senior staffing structure and the realignment of Directorates, as described on page 95.

Continuing to monitor and review the implementation and compliance with GDPR across the organisation

The transition to GDPR was successfully delivered, led by the Information Governance Manager, with effective support from Legal Services and the GDPR working group. We continue to carefully monitor the GDPR corporate risk and have engaged internal audit to provide assurance on our progress. Going forward, we are mindful of the need to keep a close eye on unfolding case-law and guidance from the Information Commissioner’s Office as GDPR

beds-in. To aid us in this we have developed in-house bilingual GDPR training material which will be rolled out to all staff throughout the organisation.

The development and launch of updated Dignity & Respect policies and procedures for Assembly Members, Support Staff and Commission staff

This was achieved during 2018-19. A number of recommendations from our Standards of Conduct Committee were reported in September 2018 and these have been delivered or planned. The Standards of Conduct Committee continues its work in relation to the Code of Conduct.

Financial management and performance

Our financial management and performance reflects the Commission’s continuous improvement ethos. We have continued to make improvements in financial control, reporting and forecasting to ensure we make best use of available resources.

Early in the year, a series of exercises was undertaken to prioritise investment proposals. This gave Executive Board clarity over the forward programme and the project fund. Each quarter, service and project budgets are tested in order to ensure any change in the level of funds required is identified promptly and, where appropriate, funds re-allocated.

An internal audit on financial management and the scheme of delegation took place in the autumn and there was a positive outcome. An extract from this report reads:

“The positive responses {to the survey} reflect the concerted efforts taken forward by Finance staff, over the past two years, to engage with the wider organisation, improve budget managers’ understanding and to ensure that an accurate record of the Assembly Commission’s financial position is monitored throughout the financial year. This ensures that the Executive Board is presented with timely, and accurate financial management information which aids effective decision making and ensures that financial resources are managed effectively and efficiently.”

During the year the Fixed Asset Register has been incorporated into the NAV finance system thereby eliminating the need for a separate manual ledger and increasing efficiency.

The effectiveness of financial management was reflected in:

- a clean audit of the 2017-18 accounts: positive feedback from the Audit and Risk Assurance Committee Chair and no areas for improvement raised by the Wales Audit Office;
- a reduction in the Audit Fee for 2017-18 for the third year running, reflecting the improvement in working practices and papers, allied to a refreshed audit approach resulting in an efficient, smooth audit process;
- a positive outcome from the internal audit; and
- the Commission's focus on delivering Value for Money continues, although the scale of potential areas for achieving savings is gradually reducing: for the seventh consecutive year we have exceeded our savings target, which had been reduced from £500k to £100k.

It has been a demanding year in terms of scrutiny and oversight, specifically the challenge we have received from the Commission and Finance Committee around the level and use of Commission resources. Finance and HR have led on producing and assuring the accuracy of information on establishment, headcount and budgets. This approach has had organisation-wide benefits in developing ownership of this information across all services, which will serve us well for the future. The Finance team has been instrumental in developing options for future budget strategy and presentation, resulting in the Commission and Finance Committee welcoming this process for its transparency.

An extract from the scrutiny report on the draft budget for 2019-20 by the Finance Committee in October 2018 reads:

“The Committee welcomes the efforts made by the Commission and the Chief Executive to address previous concerns over the way the Commission’s budget is allocated and presented. The Committee recognises that, in light of the changes to the Remuneration Board’s Determination, the Commission would likely have had to make changes as the underspend would have reduced, but the Committee firmly believes that the changes contribute to transparency in budgeting. The Committee welcomes the approach taken by the Chief Executive since her appointment, and is particularly pleased with the openness shown by the Chief Executive and her willingness to work with the Committee.”

Risk identification and management

The system of internal control is based on a continuous process designed to identify, prioritise and effectively manage the risks to the achievement of the Assembly’s strategic goals and priorities, and compliance with policies and procedures.

The Commission’s Executive Board (the Board) carries out reviews of its corporate risks throughout the year. The Board also carries out regular horizon scanning of emerging risks and closely monitors and reports on the risks identified to ensure the controls are adequate and that progress is being made on further actions to improve the controls.

At the start of the 2018-19 year, the corporate risk register contained some significant risks which have remained on the register because of their ongoing severity, particularly due to their potential impact, despite a sharp focus on mitigation actions.

These risks relate to the following:

- dignity and respect;
- pressures on accommodation;
- corporate capacity/capability to deliver the Commission's strategic goals and priorities;

- developing proposals for Assembly Reform;
- Brexit;
- cyber-security;
- compliance with the new General Data Protection Regulation (GDPR) which came into force in May 2018.

Throughout the year we have added risks around the Youth Parliament and implementation of the Assembly Reform programme and refocused the risk around dignity and respect from dealing with allegations of harassment to trust in our processes and procedures.

Cyber security is a corporate risk which has been reviewed regularly, including by the Audit and Risk Assurance Committee. This threat remains high and the Commission has responded by continuing to introduce a range of protective measures and awareness raising campaigns. Cyber security will continue to be kept in sharp focus going forward and will remain on the annual internal audit plan, with regular updates to the Audit and Risk Assurance Committee.

We have removed risks around financial pressures and physical security from the corporate risk register due to the controls in place which mitigate the risks as much as possible, however, both risks will continue to be monitored at a service level.

As well as considering individual corporate risks in detail and their cumulative impact, the Audit and Risk Assurance Committee has maintained an overview of the effectiveness of risk management arrangements. The Committee welcomed the continual assessment and visibility of risks and the focus on change and uncertainty and the new system which facilitates the capture, analysis and reporting of risk.

Assurance

Assurance Framework

The Commission's Assurance Framework has been used to help gather evidence on levels of assurance to inform service-level assurance statements, which in turn informed Directorate-level assurance statements. Scrutiny and challenge of the process for gathering evidence of assurance and the assurance statements by an independent member of the Commission's Audit and Risk Assurance Committee adds a further layer of assurance.

During 2018-19 our co-sourced internal audit partners, TIAA, undertook a review of our Assurance Framework and concluded that:

“The arrangements underpinning the Commission's Assurance Framework are robust and ensure that a bottom up approach is taken to provide assurance that each of the assurance map components is in place and operating effectively. This in turn provides a comprehensive audit trail to support the Annual Governance Statement.”

However, the approach to gathering evidence on, and reporting on assurance will continue to be evaluated and updated to ensure it remains fit for purpose.

Internal Audit

The Commission's Head of Governance and Assurance fulfils the role of Head of Internal Audit for the organisation. He provides assurance across a range of service areas and attends each meeting of the Audit and Risk Assurance Committee.

Internal audit work has maintained the balance of audits of systems, including payroll and financial delegation, together with other assurance reviews including an internal audit looking at the impact of the Assembly Commission's Events Review.

The internal audit reports have identified a number of areas where the Commission demonstrates good practice in terms of the systems and controls it has established. However, where weaknesses or issues are identified, management continues to take positive action to address audit

recommendations. For example, incorporating the changes suggested in the internal audit report when issuing guidance for the latest round of Assurance Statements and updating the NAV financial system to reflect changes in budgetary responsibilities resulting from findings of the financial delegation audit report.

Internal Audit and the Wales Audit Office (as the Commission’s external auditors) continue to have an effective working relationship and have a joint working protocol in place. The Wales Audit Office has taken account of the internal audit work on financial delegation and payroll when undertaking the planning and internal control evaluation as part of their external audit procedures. They also place reliance on the internal audit work completed on Members’ expenses.

The 2018-19 Head of Internal Audit’s Annual Opinion and Report concludes that, “... the Accounting Officer can take moderate assurance that arrangements to secure governance, risk management and internal control, are suitably designed and applied effectively”. The Audit and Risk Assurance Committee considered the report to be a good assessment of work undertaken during the year.

Other Governance Areas

The Head of Governance and Assurance has undertaken a review of the Commission’s policies on fraud and whistleblowing. In March 2019, he reported to the Audit and Risk Assurance Committee that there had been no substantive changes to either policy during 2018-19. However, through membership of networks and extensive review of the latest material from organisations such as HM Treasury, National Audit Office, Wales Audit Office and Protect (formerly Public Concern at Work), Internal Audit keeps up to date with latest developments and ensures the policies are kept under review to ensure they remain relevant, up to date and reflect the latest best practice.

No incidents of fraud have been noted during 2018-19. The Head of Governance and Assurance produced an Annual Report on Fraud and presented this to the Audit and Risk Assurance Committee, alongside his Annual Report and Opinion. There have also been no incidents of whistleblowing reported during 2018-19.

The Senior Information Risk Owner reported that there were two incidents of personal data loss that required reporting to the Information Commissioner’s

Office between 1 April 2018 and 31 March 2019. We have used external frameworks and internationally recognised frameworks and standards to guide our governance and assurances around cyber-security. These help us to continue to develop and strengthen our cyber-security controls and to ensure that risks associated with information and data security are dealt with appropriately.

The Commission carries out formal compliance monitoring against legal and regulatory obligations, reports on which are published on the Commission's website. Examples of this are the Annual Equalities Report, the Official Languages Scheme Annual Compliance Report, the Annual Environmental Report, and the Annual Report of the Senior Information Risk Owner.

The Governance Team delivers a specific governance module of the Assembly Commission Management Development programme which has seen take up from staff across the organisation. Bespoke governance training can also be delivered to specific teams and this has included delivering governance training for the Parliamentary Venues and Visitors Service (PaVVS) senior staff and ICT.

Meetings between the Governance Team and Heads of Service take place through the year and, alongside the assurance statement exercise, help to identify any areas which need further focus or training. This is then addressed through further briefing or training sessions delivered by the Governance Team. Following the initial assurance statement exercise for 2018-19, for example, briefings have been given on the role of the Audit and Risk Assurance Committee and the role of internal audit. Sessions covering the Whistleblowing Policy and the procurement procedures have also been delivered.

Independent Assurance

The Commission's non-executive, Independent Advisers⁵¹ provide support and constructive challenge to the Assembly Commission and its work. Following the appointment of new Independent Advisers, new arrangements have been agreed and are described on page 19.

The results of independent external recognition activities are also important to the Commission and reflect the inclusive culture and environment in

⁵¹ <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=386>

which Commission staff work. Further information on the Commission is included within the Using Resources Wisely section of the Annual Report.

External Independent Assurance

The existence of the Remuneration Board⁵², as a statutorily independent body, with responsibility for setting the pay, pensions and financial support available to Members and their staff, greatly strengthens the governance arrangements of the Commission. The application of the Remuneration Board's Determination is regularly audited and continues to be effective, so safeguarding the reputation of Members and the Assembly.

Similar assurance arises from the independent Standards Commissioner⁵³. The existence of the office, and the exceptional expertise, experience and track record of both the former and current Standards Commissioner, provide a high level of assurance with regard to Member conduct and the standards regime. During the year we have enhanced the independent support to the Standards Commissioner's office.

Review of effectiveness of internal control and governance arrangements

Core to the review of the effectiveness of the governance arrangements was a self-review and challenge process completed by the Executive Board on 11 February 2019.

This review considered the assurance statements from Directors which had been produced taking account of detailed assurance statements from each Head of Service. A member of the Audit and Risk Assurance Committee attended the meeting to provide independent challenge.

The review covered assurances on:

- progress against key achievements;
- awareness of and compliance with governance principles, rules and procedures and the effectiveness of the governance arrangements;

⁵² <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=375>

⁵³ <http://standardscommissionerwales.org/>

- management of risks;
- progress against areas identified for improvement; and
- areas for focus or strengthening.

Areas of focus and development for 2019-20

The scale of future change facing the organisation remains significant. The Commission's plans for electoral reform, the implications of Brexit and other aspects of constitutional change and the operation of a small Assembly with the high and growing workload, mean that the Assembly Commission will face significant resource pressures next year.

The main strategic concern for the coming year remains our ability to continue to deliver the Commission's Goals and priorities at the same time as facing a number of unprecedented challenges.

Specific areas of focus and development for 2019-20 will include:

- Ensuring effective political and external engagement with stakeholders to support the Llywydd and the development of the Assembly Reform programme, including the Senedd and Elections (Wales) Bill;
- Planning effectively to ensure a smooth and orderly transition to the Assembly's name change, scheduled for May 2020 should the Bill pass;
- Starting to plan for how our services can best support Members in the Sixth Assembly;
- Completing our response to the Standards of Conduct Committee recommendations and mainstream activities across the organisation to help embed a culture of dignity and respect;
- To review and take forward the work of the Youth Parliament, ensuring continuing good practice in relation to safeguarding and linking its work effectively with that of the Assembly; and
- Commission a review of corporate recruitment – examining the whole lifecycle of the existing process with the aim of making improvements to how we can be more agile in recruiting in the

long term. This will run alongside (but in advance of) the introduction of a new online recruitment system.

Concluding statement

In summary, I am confident that the organisation has a very high standard of governance. The strength of this position is particularly important as we continue to face significant challenges. I am satisfied that the weaknesses identified through our assurance processes have been addressed or are in the process of being addressed. I am also satisfied that, over the course of the year, the systems and processes within our governance framework were operated and developed effectively.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 15 July 2019



Remuneration and staff

This section of the report sets out financial information and commentary about Commission office-holders, staff and others paid by the Commission.

Remuneration Policy

The independent Remuneration Board (the Board) established by the National Assembly for Wales (Remuneration) Measure 2010 has responsibility for setting Members' Pay and Allowances. The Board became operational in September 2010. The Board has been chaired by Dame Dawn Primarolo since September 2015.

The Chair receives a day rate of £333. The four other members of the Board (Ronnie Alexander, Dame Jane Roberts, Trevor Reaney and Michael Redhouse) receive a day rate of £267. As an independent Board, it publishes its own Annual Report. The Determination on Members' Pay and Allowances, published in May 2018, set Members' base salary for the 2018–19 financial year at £66,847 (2017–18, £65,344). The following positions were entitled to additional salaries as follows:

Position	From 1 April 2018	From 1 April 2017
Presiding Officer	£42,824	£41,861
Deputy Presiding Officer	£21,934	£21,441
Assembly Commissioners	£13,578	£13,273
Committee Chairs (higher) ⁵⁴	£13,578	£13,273
Committee Chairs (lower) ⁵⁵	£9,045	£8,842
Business Committee Member	£9,045	£8,842

This table is subject to audit

⁵⁴ Committees were Children, Young People and Education; Climate Change, Environment and Rural Affairs; Constitutional and Legislative Affairs; Culture, Welsh Language and Communications; Economy, Infrastructure and Skills; Equality, Local Government and Communities; External Affairs and Additional Legislation; Finance; Health, Social Care and Sport and Public Accounts.

⁵⁵ Committees were Petitions and Standards of Conduct.

From 1 April 2018 a leader of a political group without an executive role received an additional office holder's allowance calculated using a base level of £13,578 (2017-18, £13,273) plus an additional £1,044 (2017-18, £1,021) for every member of the group to a maximum additional salary of £37,601 (2017-18, £36,756).

The Commission does not provide any benefits-in-kind. Assembly Members are members of the National Assembly for Wales Members' Pension Scheme for which separate annual accounts are published via the Assembly website⁵⁶.

The Commission pays the salaries and related costs of Welsh Ministers and the Counsel General and they are charged to the Commission's resource accounts for administrative efficiency. The Welsh Government Consolidated Resource Accounts contain the disclosure information.

Commission office holders

The Commission was established in May 2007 under Section 27 of the Government of Wales Act 2006 (the 2006 Act). The Commission is made up of five Commissioners: the Llywydd (Presiding Officer), who chairs the Commission, and four other Assembly Members appointed by the Assembly. The Commissioners who served during 2018–19 are listed on pages 14 to 15.

Their pension details are not included in the details below because only part of their remuneration related to their roles as Commissioners. Their accrued pension and Cash Equivalent Transfer Values (CETV) as Commissioners cannot be disaggregated from the total amounts accrued.

The salary costs for the Presiding Officer and the Deputy Presiding Officer are a direct charge on the Welsh Consolidated Fund and are not charged to the Commission's resource accounts.

⁵⁶ www.assembly.wales

Table 1: Single total figure of remuneration

Name and title	Salary		Pension Benefits ⁵⁷⁵⁸		Total	
	2018-19 £'000	2017-18 £'000	2018-19 £'000	2017-18 £'000	2018-19 £'000	2017-18 £'000
Elin Jones AM – Presiding Officer	105-110	105-110	33	36	140-145	140-145
Ann Jones AM – Deputy Presiding Officer	85-90	85-90	35	38	120-125	120-125

This table is subject to audit.

Table 2: Presiding Officer and Deputy Presiding Officer – pension benefits

Name and title	Real increase in pension £'000	Total accrued pension £'000	CETV at 31 March 2019 £'000	CETV at 31 March 2018 ⁵⁹ £'000	Real increase in CETV £'000
Elin Jones AM – Presiding Officer	0-2.5	40-45	717	656	18
Ann Jones AM – Deputy Presiding Officer	0-2.5	35-40	715	673	34

This table is subject to audit.

The Clerk of the Assembly (appointed under Section 26 of the 2006 Act) is the Chief Executive of the Commission and its Principal Accounting Officer. In practice the Commission has delegated its operational responsibilities to the Chief Executive and Clerk, with some exceptions. Its staff are appointed under paragraph 3 of Schedule 2 to the 2006 Act. The Commission is independent of Ministers of the Welsh Government.

The Commission has a duty to ensure that the Assembly is provided with the property, staff and services it requires to undertake its statutory obligations. This ensures the Assembly and its committees can convene, encourage

⁵⁷ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. (Pension benefits are shown to the nearest £1,000).

⁵⁸ Some members may incur Annual Allowance tax charges as a result of pension accrual during the accounting period.

⁵⁹ CETV at the start of the year has been re-stated for these members due to a change in the factors used in the CETV calculation following the review of all of the factors on completion of the 2017 actuarial valuation.

public awareness of and engagement with the democratic process and support the aspiration to make the Assembly an accessible and effective parliamentary body that inspires the confidence of the people of Wales.

Independent Advisers and Committee members

The Assembly Commission appoints Independent Advisers to ensure that Commissioners and the Assembly's senior management team are supported and constructively challenged in their roles. The Independent Advisers who served during 2018–19 are listed on pages 16 to 19.

Commission senior staff

Appointments of Commission staff, on terms and conditions set by the Commission, are made on merit on the basis of fair and open competition. This approach is in line with civil service arrangements. Staff are not members of the Civil Service but are entitled to benefits under the Civil Service pension arrangements.

The Commission's senior staff are shown in the table below. These director-level posts were agreed in accordance with the Commission's Instrument of Delegation. Directors have declared that they hold no significant third party interests that may conflict with their duties.

The senior managers covered by this report hold appointments which are open-ended. Early termination, other than for misconduct or resignation, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Name	Title and attendance at meetings
Manon Antoniazzi	Chief Executive and Clerk of the Assembly Manon Antoniazzi attended six out of seven Commission meetings, six out of six Audit and Risk Assurance Committee meetings, two out of two Remuneration Committee meetings and one out of one Remuneration, Engagement and Workforce Advisory Committee meeting
Adrian Crompton – to 20 July 2018	Director of Assembly Business
Siwan Davies – from 4 February 2019	Director of Assembly Business
Dave Tosh	Director of Assembly Resources Dave Tosh attended four out of four Audit and Risk Assurance Committee meetings and one

Name	Title and attendance at meetings
	out of one Remuneration, Engagement and Workforce Advisory Committee meeting
Craig Stephenson	Director of Engagement Craig Stephenson attended one out of one Remuneration, Engagement and Workforce Advisory Committee meeting
Elisabeth Jones	Chief Legal Adviser

Aside from the Chief Executive and Clerk of the Assembly, the directors do not attend all Commission and Committee meetings. The directors attend relevant meetings that correspond to their individual responsibilities.

Table 3: Single total figure of remuneration

Name	Salary (£'000)		Pension benefits (to the nearest £1,000) ⁶⁰		Total (£'000)	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Manon Antoniazzi from 24 April 2017	130-135	115-120	51	46	180-185	160-165
Claire Clancy to 23 April 2017	-	5-10	-	1	-	10-15
Siwan Davies from 4 February 2019	10-15	-	6	-	15-20	-
Adrian Crompton to 20 July 2018	35-40	120-125	8	37	45-50	160-165
Dave Tosh	110-115	105-110	38	37	145-150	145-150
Craig Stephenson	100-105	90-95	92	47	190-195	135-140
Elisabeth Jones	80-85	75-80	16	16	95-100	95-100

This table is subject to audit.

“Salary” includes gross salary, overtime, recruitment and retention allowances.

⁶⁰ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

The Chief Executive and Clerk of the Assembly and the directors do not receive any bonus payments or benefits-in-kind.

Elisabeth Jones left the Assembly Commission on 31 May 2019 under agreed terms and the cost of £115-120,000 is provided for within the 2018-19 accounts and has been paid in 2019-20. Craig Stephenson will be leaving the Assembly Commission on 13 September 2019 under agreed terms and the cost of £125-130,000 is provided for within the 2018-19 accounts and will be paid in 2019-20. These payments were part of a wider Voluntary Exit Scheme detailed within note 2D of these accounts.

The 2018-19 full year equivalent salary for Adrian Crompton was £124,953 and for Siwan Davies was £89,817. The 2017-18 full year equivalent salary for Manon Antoniazzi was £125,170 and for Claire Clancy was £153,785.

Commission staff salaries

The relationship between the mid-point of the banded remuneration of the highest-paid director during the year ended 31 March 2019 and the median remuneration of the Commission staff is disclosed in the following table. Salaries are the annualised, full time equivalent remuneration of all staff (including agency and temporary staff) as at 31 March 2019. They do not include Employer's National Insurance or Superannuation contributions. There were no benefits-in-kind or performance related bonuses payable in 2018-19 or in 2017-18.

Measure	2018-19 Salary £	2017-18 Salary £
Band of highest paid director	130,000 – 135,000	125,000-130,000
Median total remuneration	34,315	33,304
Ratio	3.86	3.83

This table is subject to audit.

The banded remuneration of the highest-paid director in the National Assembly for Wales Commission in the financial year 2018-19 was £130,000 - £135,000 (2017-18, £125,000 – £130,000). This was 3.86 times (2017-18, 3.83) the median remuneration of the workforce, which was £34,315 (2017-18, £33,304).

The main factor contributing to the increase of approximately three percent in the median salary is a pay award implemented in August 2018. The ratio

has increased by 0.8 per cent as the salary of the highest paid director has moved up one band.

In 2018-19 and 2017-18 there was no remuneration paid in excess of the highest-paid director. Remuneration ranged from £18,000, which ensured that employees received a Living Wage, to £132,000 (2017-18, £16,000 to £125,000).

Total remuneration includes salary. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Pensions

Table 4: Senior management – pension benefits

Real increase in pension ⁶¹ £'000	Total accrued pension ⁶² £'000	CETV at 31 March 2019 ⁶³ £'000	CETV at 31 March 2018 £'000	Real increase in CETV £'000
Chief Executive and Clerk of the Assembly: Manon Antoniazzi – from 24 April 2017				
2.5-5.0	15-20	206	150	29
Chief Executive and Clerk of the Assembly: Claire Clancy – to 23 April 2017				
n/a	n/a	n/a	1,672	n/a
Director of Assembly Business: Adrian Crompton – to 20 July 2018				
0-2.5 plus lump sum of 0	50-55 plus lump sum of 120-125	891	880	2
Director of Assembly Business: Siwan Davies – from 4 February 2019				
0-2.5	0-5	4	-	3
Director of Resources: Dave Tosh				
0-2.5	40-45	633	541	23
Director of Commission Services: Craig Stephenson				
2.5-5 plus a lump sum of 10-12.5	45-50 plus a lump sum of 140-145	1,033	856	85
Chief Legal Adviser: Elisabeth Jones				
0-2.5	40-45	856	756	17

This table is subject to audit.

Claire Clancy retired from the Commission on 23 April 2017 and the CETV figure stated above was calculated at that date.

⁶¹ Real increase in pension and related lump sum at pension age.

⁶² Total accrued pension at pension age and related lump sum at 31 March 2019 for current post holders and at date they ceased to hold office for previous post holders.

⁶³ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Civil Service pensions

Pension benefits for Assembly staff are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member’s State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits “banked”, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes.)

Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a “money purchase” stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6 per cent and 8.05 per cent of pensionable earnings for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years’ initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October

2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32 per cent. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8 per cent and 14.75 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5 per cent of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for senior staff show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

The Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Pension liabilities

The treatment of pension liabilities and details of the relevant pension schemes are set out in the Statement of Accounting Policies within these accounts.

Voluntary Exit Scheme

Details of obligations arising as a result of the Voluntary Exit Scheme can be found in Note 2 D (on page 158). Further information can also be found within the Using Resources Wisely section of the Annual Report.

Staff numbers

Staff numbers by category

All senior managers and staff are employees of the Commission. The **average** number of full time equivalent persons employed by the Commission across the year (including senior management) was as follows:

Table 5: Average full time equivalent staff

Category	2018-19	2017-18
Employed staff	432.49	433.11
Seconded staff	2.29	3.55
Temporary/casual staff	8.01	14.53
Total	442.79	451.19

This table is subject to audit.

At the **end** of the financial year, the Commission employed 454 full time equivalent staff (31 March 2018: 445).

Table 6: Staff composition by gender and band*

Category	31 March 2019				Total
	Female	Male	Non-binary	Other Gender Identity	
Directors	3	2	0	0	5
Staff	241	232	0	0	473
Total	244	234	0	0	478

Category	31 March 2018				Total
	Female	Male	Non-binary	Other Gender Identity	
Directors	2	3	0	0	5
Staff	232	231	0	0	463
Total	234	234	0	0	468

*In the tables above staff employed are reported as full time equivalent numbers. However, the gender breakdown is reported as actual numbers.

Independent advisers are not included in the FTE figures or gender breakdown above.

Sickness absence data

The overall sickness absence rate for the year was 3.66 per cent (2017-18, 3.77 per cent), or 7.75 (2017-18, 8.29) average working days per person. The Commission maintains a strategic focus on absence management and actively supports absences through line management, Human Resources and Occupational Health support.

Absence related to mental health and wellbeing now accounts for 35% of total absence and is driving a continued focus on how we can support staff to manage the personal and work-related impact. This focus has included wellbeing sessions for affected staff and those with home-caring responsibilities, awareness raising about mental health in young people, an amendment to working practices designed to support work-life balance and the introduction of trained mental health first aiders. We believe that these actions will help to deliver a reduction in absence. This will be a continuing focus in 2019-20.

Disability

We have measures in place to support employees who identify as having a disability. Our Vacancy Filling Policy references our guaranteed interview position for applicants who meet the minimum role requirements, which also applies internally for employees seeking promotion.

Reasonable adjustments are made, wherever possible, following discussions between employees and managers for employees in post or returning to work following injury or development of an illness that may have an impact on their ability to do their work.

Our People

We recognise that our staff are our most valuable resource as they are vital to the delivery of the Commission's strategic goals, corporate strategy and values.

During the year, we have developed, consulted on and agreed a new strategic approach to give a clear focus on the Commission's people priorities for the Fifth Assembly and beyond. We have identified four inter-related aims to support service delivery and further embed our values and behaviours:

- We want to attract, retain and recognise the widest range of talent;
- We want to ensure that we have the flexibility to respond to changing priorities;
- We will build organisational capability through a values-led leadership and management culture; and
- We want to continuously develop a work culture that protects, promotes and supports the health and wellbeing of all Commission employees.

We have policies and systems in place to support all Commission staff to continually develop their skills, identify new opportunities, support work life balance and inform them of key developments on how the Assembly operates. We believe that all staff should have access to the development they need to do their job, and we are fully committed to developing a learning culture where the skills, knowledge and behaviours of our staff are continuously developed.

Expectations on Commission staff are high. The People Strategy seeks to ensure that our employment arrangements allow us to attract and retain people with the skills and behaviours required to deliver the best possible services.

Engagement with staff is a core objective set out in the People Strategy, and we do so in a number of ways. We have continued to develop our approaches during 2018-19, developed our organisational values, and have introduced a staff engagement forum to work alongside our existing staff networks and Trade Union Side partnership.

Trade union relationships

The National Assembly for Wales Partnership Forum is a body consisting of management and TUS representatives that meets once a quarter. Subjects for discussion may be raised by either side and are generally those that have an impact across the Assembly Commission. Each of the three official Unions (PCS, FDA and Prospect) have their own representatives but all three regularly work together to represent all Union members.

Diversity and Inclusion

Information on equality and diversity can be found in the Using Resources Wisely section on page 62.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 15 July 2019

Accountability and audit

Statement of National Assembly for Wales supply and supporting notes

a) Summary of Resource Outturn 2018-19

		Budget	Outturn	2018-19	2017-18
		Total £'000	Total £'000	Net total outturn compared with budget: under spend / (excess) £'000	Outturn £'000
Resources for use by the National Assembly for Wales Commission	Note SOS 01	37,887	38,216	(329)	37,748
Resources in respect of Remuneration Board decisions	Note SOS 01	15,701	14,731	970	14,408
Annually Managed Expenditure	Note SOS 01	1,500	1,418	82	1,696
		55,088	54,365	723	53,852

This table is subject to audit.

Explanations of variations between budget and outturn are given in SOS 01 and in the Performance Report.

b) Net cash requirement 2018-19

		Budget	Outturn	2018-19	2017-18
		£'000	£'000	Net total outturn compared with budget: under spend /(excess)	Outturn
				£'000	£'000
Net cash requirement	Note SOS 03	51,538	50,156	1,382	50,172

This table is subject to audit.

SOS 03 can be found in the Annex – regularity reporting, page 169.

Notes to the Resource Accounts

(Statement of National Assembly for Wales' supply)**SOS 01. Analysis of net resource outturn 2018-19**

	Outturn	Analysis of approved budget	Outturn compared with approved budget	Analysis of revised budget	Outturn compared with revised budget	Outturn 2017-18
Revenue expenditure	£'000	£'000	£'000	£'000	£'000	£'000
Staff salaries and related costs	23,507	24,399	892	24,399	892	22,279
Non staff costs	14,712	13,288	(1,424)	13,288	(1,424)	15,595
Gross revenue expenditure	38,219	37,687	(532)	37,687	(532)	37,874
Gross revenue income applied	(181)	(300)	(119)	(300)	(119)	(193)
Net revenue expenditure	38,038	37,387	(651)	37,387	(651)	37,681
Capital expenditure	178	500	322	500	322	67
Net resource outturn (Commission expenditure)	38,216	37,887	(329)	37,887	(329)	37,748
Members' salaries allowances and related costs	14,731	16,201	1,470	15,701	970	14,408
Resource outturn	52,947	54,088	1,141	53,588	641	52,156
Members' Pension finance costs	1,418	2,000	582	1,500	82	1,696
Total net resource outturn	54,365	56,088	1,723	55,088	723	53,852

This table is subject to audit

The notes on pages 142 to 168 form part of these accounts

Analysis of net resource outturn – Management commentary

The resource outturn, before pension finance costs, for 2018-19 was £53.0 million against a budget of £53.6 million resulting in an overall underspend of £0.6 million (1.1 per cent).

In previous years the Assembly Commission has redeployed un-used resources from the Members' Salaries and Allowances budget in order to fund priority requirements rather than having to request a Supplementary Budget.

In 2018-19 the Commission stated in its Budget document that only £0.6 million of any underspend on this line would be used in this way. The operational underspend on resources for use by the Commission was therefore £0.3 million or 0.5 per cent.

There was an underspend against Remuneration Board resources of approximately six per cent due largely to a high level of churn among AM support staff. As stated above £0.6million of this underspend was utilised by the Commission on investment priorities.

During 2018-19 a number of areas of investment were taken forward. These included the inaugural Youth Parliament, Assembly Reform, the development of new technology to process Members' expense claims, infrastructure works in Tŷ Hywel, rolling replacement of ICT equipment and technology solutions to support Plenary, Committees and research.

Staff salaries and related costs were also underspent against budget by approximately four per cent as a result of a higher than usual level of staff churn. This underspend was utilised to fund the Voluntary Exit Scheme (VES). Costs associated with the VES are included within non-staff costs which, as a result, were greater than budgeted. More detail about the VES can be found in Note 2D.

The Commission's AME budget is for the non-cash accounting adjustment in respect of the future financial liability of the Assembly Members' Pension Scheme. The budget for 2018-19 was laid in November 2017 and the estimate required for AME spend of £2.0 million was made based on data available at the time.

In June 2018 the Commission received updated estimates from professional advisors. The new calculations reflected known changes to the variables

The notes on pages 142 to 168 form part of these accounts

which impact on the estimated liabilities of the scheme and resulted in a revised estimate for 2018-19 of approximately £1.4 million.

The Commission submitted a supplementary AME budget of £1.5 million to allow for some contingency to manage any variation from the estimate in the final year-end figures. The confirmed end of year figure was £1.4 million which meant there was an underspend of £0.1 million. The supplementary budget also returned £0.5 million of projected underspend within the Members' Salaries and Allowances budget.

SOS 02. Reconciliation of outturn to net operating expenditure

	Note	2018-19 £000	2017-18 £'000
Net resource outturn	SOS 01	54,365	53,852
Capital expenditure	4	(178)	(67)
Direct charges on the Welsh Consolidated Fund		728	701
Income payable to the Welsh Consolidated Fund	SOS 05	-	-
Net operating expenditure		54,915	54,486

This table is subject to audit

The direct charges on the Welsh Consolidated Fund £728,112 (2017-18, £701,480) are in respect of the salary costs of the Presiding Officer, Deputy Presiding Officer, Auditor General for Wales, Standards Commissioner, Acting Standards Commissioner, Public Services Ombudsman for Wales and the Wales Audit Office Chair. These salaries are paid by the Commission but, as a direct charge on the Fund, are excluded from the net resource outturn. The total sum drawn down in the year was £741,551 of which £728,112 related to costs incurred in 2018-19 and the balance of £13,438 related to previous periods. The amount of £13,438 was accrued as a cost in the 2017-18 annual accounts.

The Certificate and independent auditor's report of the Auditor General for Wales to the National Assembly for Wales

Report on the audit of the financial statements

Opinion

I certify that I have audited the financial statements of the National Assembly for Wales Commission for the year ended 31 March 2019 under the Government of Wales Act 2006. These comprise the Statement of National Assembly for Wales' Supply, Statement of Comprehensive Net Expenditure, Statement of the Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and related notes, including a summary of significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In my opinion the financial statements:

- give a true and fair view of the state of the National Assembly for Wales Commission's affairs as at 31 March 2019 and of its net cash requirement, net resource outturn and net operating cost for the year then ended; and
- have been properly prepared in accordance with HM Treasury directions issued under the Government of Wales Act 2006.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Principal Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Principal Accounting Officer is responsible for the other information in the Annual Report and Accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the National Assembly for Wales and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report on other requirements

Opinion on other matters

In my opinion, the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government of Wales Act 2006.

In my opinion, based on the work undertaken in the course of my audit:

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Governance Statement has been prepared in accordance with HM Treasury guidance;
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Report has been prepared in accordance with HM Treasury directions.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report or the Governance Statement.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- proper accounting records have not been kept;
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns;

- information specified by HM Treasury regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

I have no observations to make on these financial statements.

Responsibilities

Responsibilities of the Principal Accounting Officer for the financial statements

As explained more fully in the Statement of Principal Accounting Officer's Responsibilities, the Principal Accounting Officer is responsible for preparing the Annual Report, including the Remuneration Report and the financial statements, in accordance with the Government of Wales Act 2006 and HM Treasury directions made thereunder, for being satisfied that they give a true and fair view and for such internal control as the Principal Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Principal Accounting Officer is responsible for assessing the body's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website

www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Responsibilities for regularity

The Principal Accounting Officer is responsible for ensuring the regularity of financial transactions.

I am required to obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

Anthony J Barrett

Assistant Auditor General for Wales
16 July 2019

24 Cathedral Road
Cardiff
CF11 9LJ

The maintenance and integrity of the National Assembly for Wales' website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.



FINANCIAL STATEMENTS

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Statement of Comprehensive Net Expenditure

For the year ended 31 March 2019

Income from operations	Note	2018-19 £'000	2017-18 £'000
Income from sale of goods and services	SOS 05	181	193
Total operating income		181	193
Operating expenditure			
Members, office holders and staff salary costs	2a	28,432	27,956
Members' other costs	2b	8,592	8,629
Members' Pension finance cost	2a and 9	1,418	1,696
Depreciation and impairment charges	3	2,319	2,582
Other administration costs	3	14,335	13,816
Total operating expenditure		55,096	54,679
Net operating expenditure		54,915	54,486
Net expenditure for the year ended 31 March		54,915	54,486
Other comprehensive net expenditure			
Items which will not be reclassified to net operating costs:			
<ul style="list-style-type: none"> ▪ Actuarial loss/(gain) on pension scheme liabilities 	2a and 9	1,631	(2,460)
Comprehensive net expenditure for the year		56,546	52,026

All activities are continuing.

There are no significant gains or losses other than those included within the Statement of Comprehensive Net Expenditure.

Statement of Financial Position

As at 31 March 2019

Non-current assets:	Note	31 March 2019 £'000	31 March 2018 £'000
Property, plant and equipment	4	59,986	62,114
Intangible assets	5	-	13
Total non-current assets		59,986	62,127
Current assets:			
Inventories		13	19
Trade and other receivables	6	1,724	1,745
Cash and cash equivalents	7	292	73
Total current assets		2,029	1,837
Total assets		62,015	63,964
Current liabilities:			
Trade and other payables	8	(4,929)	(4,265)
Total current liabilities		(4,929)	(4,265)
Total assets less current liabilities		57,086	59,699
Non-current liabilities:			
Provisions	9	(18,148)	(15,099)
Total non-current liabilities		(18,148)	(15,099)
Total assets less total liabilities		38,938	44,600
Taxpayers' equity and other reserves:			
General Fund		41,344	43,957
Pension Fund Reserve		(18,028)	(14,979)
Revaluation Reserve		15,622	15,622
Total equity		38,938	44,600

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 15 July 2019

The notes on pages 142 to 168 form part of these accounts

Statement of Cash Flows

For the year ended 31 March 2019

	Note	2018-19 £'000	2017-18 £'000
Cash flows from operating activities			
Net operating expenditure	SOS 02	(54,915)	(54,486)
Adjustments for non-cash transactions:			
Depreciation, amortisation and impairment	4 and 5	2,319	2,582
Decrease in inventories		6	4
Decrease in trade and other receivables	6	21	20
Increase / (decrease) in trade and other payables	8	664	(623)
(Decrease) / increase in payables relating to items not passing through the Statement of Comprehensive Net Expenditure		(219)	1
Pension finance costs	9	1,418	1,696
Net cash outflow from operating activities		(50,706)	(50,806)
Cash flows from investing activities			
Purchase of property plant and equipment	4	(178)	(67)
Net cash outflow from investing activities		(178)	(67)
Cash flows from financing activities			
From the Welsh Consolidated Fund (supply)		50,448	50,245
From the Welsh Consolidated Fund (direct charges)		728	701
Payments to the Welsh Consolidated Fund		(73)	(74)
Net cash inflow from financing activities		51,103	50,872
Net increase/(decrease) in cash and cash equivalents	SOS 03	219	(1)
Cash and cash equivalents at beginning of year	7	73	74
Cash and cash equivalents at end of year	7	292	73

The notes on pages 142 to 168 form part of these accounts

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2019

	Note	General Fund £'000	Revaluation Reserve £'000	Pension Reserve £'000	Taxpayers' equity £'000
Balance at 31 March 2017		45,874	15,622	(15,743)	45,753
Comprehensive net expenditure for the year		(54,486)	-	2,460	(52,026)
Transfer between reserves		1,696	-	(1,696)	-
Welsh Consolidated fund					
▪ Supply (authorised)		50,245	-	-	50,245
▪ Direct charges		701	-	-	701
Amount payable to the Welsh Consolidated Fund					
▪ Supply		(73)	-	-	(73)
Balance at 31 March 2018		43,957	15,622	(14,979)	44,600
Comprehensive net expenditure for the year		(54,915)	-	(1,631)	(56,546)
Transfer between reserves	9	1,418	-	(1,418)	-
Welsh Consolidated Fund					
▪ Supply (authorised)	SOS 3	51,538	-	-	51,538
▪ Supply (not drawn)	SOS 3	(1,090)	-	-	(1,090)
▪ Direct charges		728	-	-	728
Amount payable to the Welsh Consolidated Fund					
▪ Supply		(292)	-	-	(292)
Balance at 31 March 2019		41,344	15,622	(18,028)	38,938

The notes on pages 142 to 168 form part of these accounts

Notes to the Accounts

01. Statement of accounting policies

These financial statements have been prepared on an accruals basis in accordance with the 2018-19 Financial Reporting Manual (FReM) suitably adapted for the constitution of the National Assembly for Wales and the Commission as specified by the Government of Wales Act 2006. The accounting policies contained in the FReM follow International Financial Reporting Standards (IFRS) to the extent that it is meaningful and appropriate to the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The Commission's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts. In addition to the primary statements prepared under IFRS, the FReM also requires the Commission to prepare two additional statements of supply.

A review of all new standards and interpretations issued and effective in 2018-19 by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) during the year has been completed and proven not to have an impact on the Commission financial statements.

Accounting convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of fixed assets in accordance with International Financial Reporting Standards (IFRS).

Property, plant and equipment

The minimum level for capitalisation of a tangible asset is £5,000 inclusive of irrecoverable VAT.

Professional valuations are obtained for land and buildings every three years as a minimum. Other tangible assets are not revalued but held at fair value

as, in the opinion of the Commission, the amounts involved would not be material.

Asset impairment

Property, plant and equipment are reviewed annually to ensure that assets are not carried above their recoverable amounts. Where these values are less than the carrying amount of the assets, an impairment loss is charged to the Statement of Net Expenditure.

Assets under construction

Assets under construction are carried at historic cost as this is considered to be a satisfactory proxy for fair value. Once brought into use, the asset is transferred to the appropriate asset category and included in subsequent revaluations and impairment reviews.

Intangible assets

Software licences are capitalised as intangible fixed assets and amortised on a straight line basis over the expected life of the asset.

Donated assets

Donated assets are capitalised at current value on receipt and are normally revalued in the same way as purchased assets. The value of donated assets is credited with the value of the original donation and subsequent revaluations. The value of donated assets is included within the General Reserve in accordance with HM Treasury's guidance under the Clear Line of Sight Programme.

Depreciation

Assets under construction are not depreciated. Depreciation is provided at a rate calculated to write off the value of buildings and other tangible assets by equal instalments over their estimated useful lives. Assets are analysed into relevant component parts to reflect the differing economic lives. Assets are not depreciated in the year of acquisition.

Asset lives are normally as follows:

Asset	Asset life
Land and Buildings:	50 years or an alternative period provided by a qualified (RICS) valuer
Fixed plant:	10 years, or an alternative period provided by the supplier at the time of purchase or valuation
ICT, audio visual and broadcasting equipment:	Four to six years
ICT infrastructure:	10 years
Intangible assets (software):	Five years
Motor vehicles:	Four years
Donated assets:	Assessed on receipt of asset

Realised element of depreciation from revaluation reserve

Depreciation is charged on the revalued amount of assets. An element of the depreciation, therefore, may arise due to an increase in valuation and would be in excess of the depreciation that would be charged on the historical cost of assets. The amount relating to such an excess would be a realised gain on valuation and is to be transferred from the Revaluation Reserve to the General Fund, on disposal of the asset.

Asset components

Property assets are reviewed through the triennial professional valuations to confirm whether any part of the asset has a significantly different useful life. Where this is the case the asset will be split into components and the different parts will be depreciated over their respective useful lives. Assets purchased in the interim period are reviewed by the Finance team and Asset Managers.

ICT assets are “grouped” into ICT; audio visual and broadcasting equipment; ICT infrastructure, and intangible assets. The different parts will be depreciated over their respective useful lives.

Statement of comprehensive expenditure

Operating income and costs relate directly to the operating activities of the Commission. Income includes charges for goods and services provided on a full cost basis to external customers. Income and costs are shown net of Value Added Tax where it is recoverable.

The Commission reimburses Members in respect of expenses or costs incurred in each financial year in accordance with the Determination on Members' Pay and Allowances, subject to the various limits on expenses or costs set out in the Determination.

Inventories

Inventories, including goods held for resale in the Commission's shop, are stated at the lower of cost and net realisable value.

Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with the Government Banking Service and with commercial banks which are readily convertible to a known amount of cash and which are subject to insignificant risk to changes in value.

Operating lease charge

Rentals payable under operating leases are charged to the statement of comprehensive expenditure in the period to which they relate.

Segmental reporting

Management is satisfied that under the requirements of IFRS 8 the organisation has no additional disclosure to make.

Employee benefits

Salaries, wages and the cost of all employment related benefits, including the liability associated with untaken annual leave, are recognised in the period in which the service is received from employees.

Pensions

Civil Service and Others Pension Scheme

Staff employed directly by the Commission and staff seconded to the Commission are eligible for membership of the Scheme. It is an unfunded multi-employer defined benefit scheme and the Commission is unable to identify its share of the underlying assets and liabilities. The valuation of the Scheme was completed as at March 2016 on 26 February 2019. Amounts payable to the Scheme are charged to the Statement of Comprehensive Net Expenditure when due.

Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation Accounts (<http://www.civilservice.org.uk/about-us/resource-accounts/>).

The Assembly Members' Pension Scheme (AMPS)

A pension scheme for the Members of the Assembly was originally established under the Government of Wales Act 1998 and continues in force under the Government of Wales Act 2006. The scheme is a defined benefit scheme, and applies to the salary of Members and to any office holder salary. The cost of pensions provided for the Members is met by payment of charges calculated on an accruing basis, with liability for payment of future benefits charged to the accounts of the AMPS. Any liabilities of the fund arising from a deficit on assets would currently be met through increased funding by the Commission. In reporting on the assets and liabilities of the Scheme, the Commission has followed International Accounting Standard 19. In accordance with IAS 19, the Scheme Trustees are required to undertake a sensitivity analysis for each significant actuarial assumption as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption at that date.

The AMPS prepares its own annual accounts, separate from the Commission's accounts, and **[these are available on the Assembly website](#)**⁶⁴.

⁶⁴ <http://www.assembly.wales/en/memhome/pay-expenses-financial-interests-standards/Pages/mem-pay.aspx>

Value Added Tax

The Commission is treated as a Crown Body for the purposes of the Value Added Tax Act 1994 and accordingly for the purposes of Section 41 of that Act (application to the Crown) it is treated as a government department, and VAT on goods and services supplied to the Assembly may be recoverable. The Commission is standard rated for VAT on its trading activities, such as the Assembly shop.

Provisions

The preparation of the financial statements requires various estimates and assumptions to be made that affect the application of accounting policies and reported amounts. The Commission recognises a provision in full in the year that the obligating event occurred. All such estimates and judgments are reviewed on an ongoing basis and any revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. The most significant areas of estimation and critical judgments are:

- Assembly Member Pension Scheme. Details of the actuarial assumptions can be found in Note 02.A and the Annual Report and Accounts for the Pension Scheme.
- Dilapidations. Provision is based on assessment of the likely cost of rectifying dilapidations under the lease terms of Tŷ Hywel. The Commission considers that its leased buildings are kept to such a standard, with the minimal backlog of maintenance and the annual review and agreement to the 10-year forward work programme, that there is no current need to make a provision for general dilapidations.
- A provision created in 2016-17, in the sum of £120,000, specifically for the cost of removing the foot bridges between Tŷ Hywel and the Senedd and the subsequent repair of the wall of Tŷ Hywel after their removal.

02. A – Member and staff related costs

Information on Members and staff numbers (and other relevant disclosures) can be found in the Accountability Section – Remuneration and Staff Report.

Member and staff related costs

Table 7: Staff costs comprise

Category	Staff £'000	Members and office holders £'000	Total 2018-19 £'000	Total 2017-18 £'000
Salaries				
Permanent Staff, Members and office holders	16,320	5,192	21,512	21,178
Temporary and Agency Staff	9	-	9	28
Seconded staff	85	-	85	222
Social security costs				
Permanent Staff, Members and office holders	1,772	655	2,427	2,382
Temporary and Agency Staff	1	-	1	3
Seconded staff	10	-	10	24
Other pension costs				
Permanent Staff, Members and office holders	3,458	1,020	4,478	4,172
Temporary and Agency Staff	1	-	1	6
Seconded staff	16	-	16	38
Subtotal Members, office holders and staff salary costs	21,672	6,867	28,539	28,053
Less recoveries in respect of outward secondments	(107)	-	(107)	(97)
Total Members, office holders and staff salary costs	21,565	6,867	28,432	27,956

The Commission pays the salary and related costs of the Welsh Ministers, as explained in the Remuneration Report within these accounts. Amounts paid to the Welsh Ministers are disclosed within the Welsh Government's consolidated resource accounts. As at 31 March 2019 there were 60 serving Assembly Members. At the year-end there were 42 office holder posts of which 14 formed the Cabinet: one First Minister, one Deputy Minister and

Chief Whip, seven Ministers, four Deputy Ministers and one Minister who is also Counsel General.

Civil Service Pension arrangements

For 2018-19 employer's contributions of £3.443million (2017-18, £3.387million) were payable at one of four rates in the range 20 per cent to 24.5 per cent of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

New employees since 1 April 2015 are eligible to join either alpha or partnership. Alpha is a career average defined benefit pension scheme; partnership is a defined contribution pension scheme.

The partnership pension account is a stakeholder pension arrangement. Contributions due to the partnership pension providers at the Statement of Financial Position date were £16,318 (2017-18, £11,838). There were no contributions prepaid at that date.

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk.

Assembly Members' Pension Scheme

The National Assembly for Wales (the "Assembly") provides a defined benefit scheme, governed by section 18 of the Government of Wales Act 1998. Section 20 (4) of and Schedule 11 to the Government of Wales Act 2006 provides continuity for the Scheme. The Government of Wales Act 2006 has not affected the legal status of the Scheme.

The Scheme provides benefits for Assembly Members and Office Holders. All Assembly Members are members of the Scheme from the date they enter the Assembly unless they opt specifically not to be.

The Remuneration Board as part of its Determination for the Fifth Assembly introduced a new career average pension scheme for Members. The Scheme was approved by HM Treasury in accordance with the Public Service Pensions Act 2013 and introduced with effect from 6 May 2016. Members aged 55 or over on 1 April 2012 are subject to 'Transitional Protection' and continue to

have their benefits calculated on a final salary basis for an additional five years until 5 May 2021.

The Scheme has an accrual rate of 1/50th and pension age linked to State Pension Age. The member contribution rate is 10.5 per cent for new members and for those who moved to the CARE scheme on 6 May 2016. Members aged 55 or over on 1 April 2012 are subject to 'Transitional Protection' and continue to have their benefits calculated on a final salary basis for an additional five years until 5 May 2021. These members will continue to contribute at their current rate of either 10 per cent or 6 per cent for 40th or 50th accrual respectively. The employer contribution rate will be 19.9 per cent and will be subject to a cap.

Normal Retirement Age is linked to State Pension Age (or 65, whichever is higher). Any Final Salary pension accrued before 6 May 2021 will continue to be payable at a Normal Retirement Age of 65.

The assets of the Scheme are held, separately from those of the Assembly Commission, by Mobius Life Limited, and are managed by four investment managers. The Trustees invest in a Diversified Growth fund ("DGF"), an Absolute Return fund, a Private Markets fund, an ethical Equity Index fund, a Property fund and an Index Linked Gilts fund.

The Remuneration Board of the National Assembly for Wales is the independent body responsible for setting the pay, allowances and pensions for Assembly Members and their staff. Details of pay and allowances are contained in the Board's Determination published in June 2018.

The principal funding objective is to maintain a fund of assets which is expected to be sufficient to provide the benefits promised to members and their beneficiaries. This objective is as advised by the Trustees of the Scheme, taking into account advice from the Actuary. The aim is to ensure that accruing benefits are paid for during members' participation in the NAFW AMPS and that the charges borne by the Assembly for accruing benefits are reasonably stable over time. These objectives are addressed by determining a contribution rate expressed as a level percentage of pensionable salary called the Standard Contribution Rate. This standard rate is such that it would be just sufficient to finance the benefits under the Scheme, provided that experience is in accordance with the actuarial assumptions made. Depending on the size of the accumulated fund and the actual experience of the Scheme as disclosed at each three-yearly actuarial valuation, larger or

smaller contributions may have to be paid for a period to allow, in particular, for amortising surpluses and deficits.

The Pension Scheme was set up in 1999 and is immature, with contribution income still exceeding regular outgoings on benefits. The weighted average duration of the scheme's liabilities is around 20 years.

Table 8: The amounts recognised in the Statement of Financial Position are as follows

	Note	31 March 2019 £'000	31 March 2018 £'000
Present value of scheme liabilities		(55,178)	(50,385)
Fair value of scheme assets		37,150	35,406
Net liability		(18,028)	(14,979)
Amount in the Statement of Financial Position			
Liabilities		(18,028)	(14,979)
Assets		-	-
Net liability	9	(18,028)	(14,979)

Table 9: Analysis of amounts charged to the Statement of Comprehensive Net Expenditure

	2018-19 £'000	2017-18 £'000
Current service cost	1,974	2,016
Interest on pension liability	1,304	1,329
Interest on scheme assets	(909)	(924)
	2,369	2,421
Allocated in the account as:		
Other pension costs	951	725
Pension finance costs	1,418	1,696
	2,369	2,421

Table 10: Analysis of amounts recognised in the Statement of Change in Taxpayer's Equity (SCITE)

	2018-19 £'000	2017-18 £'000
Actual return less interest on scheme assets	388	669
Experience gains and losses arising on pension liabilities	(370)	297
Changes in assumptions	(1,649)	1,494
Net actuarial (losses)/gains recognised in SCITE	(1,631)	2,460

Table 11: Movement in liabilities during the year

	31 March 2019 £'000	31 March 2018 £'000
Liabilities at 1 April	50,385	49,456
Current service cost (net of member contributions)	1,974	2,016
Member contributions (including net transfers-in)	497	472
Benefits paid during the year	(1,001)	(1,097)
Interest on pension liability	1,304	1,329
Actuarial losses/(gains)	2,019	(1,791)
Liabilities at 31 March	55,178	50,385

Table 12: Movement in assets during the year

	31 March 2019 £'000	31 March 2018 £'000
Assets at 1 April	35,406	33,713
Interest on scheme assets	909	924
Actual return less interest on scheme assets	388	669
Contributions by NAFW	951	725
Contributions by Members (including net transfers-in)	497	472
Benefits paid and expenses	(1,001)	(1,097)
Closing fair value of scheme assets at 31 March	37,150	35,406

The Commission expects to contribute £982,096 to the Members' Pension Scheme in 2019-20.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

Table 13: major categories of scheme assets as a percentage of total scheme assets

	2018–19	2017–18
Equities	45%	41%
Alternative investments	5%	12%
Property	9%	10%
Fixed interest and cash	41%	37%
	100%	100%

The Pension Board carried out a review of the Scheme’s investment strategy in 2017. As a result of the review the assets of the Scheme invested in a diverse spread of funds as follows:

- Baillie Gifford Diversified Growth
- Invesco Perpetual Global Targeted Returns
- Legal & General Investment Management (“LGIM”) Managed Property
- Partners Group Generations
- LGIM Ethical Global Equity Index
- LGIM Over 5 Year Index-Linked Gilt

This strategy is forecast to deliver a similar expected level of return to the Scheme’s previous investment strategy but with a lower expected level of risk.

The actual return on scheme assets in 2018-19 was a gain of £1.420 million (2017-18, £1.721 million gain).

Principal actuarial assumptions at the Statement of Financial Position date:

Table 14: Principal actuarial assumptions at the Statement of Financial Position date

Assumption	31 March 2019	31 March 2018
Discount rate	2.45%	2.55%
Future earnings increases – in excess of discount rate	-1.90%	-1.65%
Future pension increases (CPI) – in excess of discount rate	0.10%	0.25%
Expectation of life at age 65 (years):		
Men	24.5	24.4
Female members	25.9	25.8
Widows	24.6	24.5

Sensitivity to main assumptions

If the real rate of return in excess of earnings changes by 0.5 per cent a year, the total actuarial liability would change by around 1 per cent and the change in total liabilities by circa £0.5 million.

If the real rate of return in excess of pension changes by 0.5 per cent a year the total actuarial liability would change by about 10 per cent and the change in total liabilities by circa £5.5 million.

If longevity at retirement were assumed to be 2 years greater, this would increase the total actuarial liability by about 7 per cent and would increase total liability by circa £4.0 million.

Amounts for the current and previous four periods are as follows:

Table 15: Amounts for the current and previous four periods

	31 March 2019 £'000	31 March 2018 £'000	31 March 2017 £'000	31 March 2016 £'000	31 March 2015 £'000
Defined benefit obligation	55,178	50,385	49,456	38,352	38,175
Scheme assets	37,150	35,406	33,713	29,669	29,028
Net Liability	(18,028)	(14,979)	(15,743)	(8,683)	(9,147)
Experience gains and losses arising on pension liabilities	(370)	297	160	338	1,306
Actual return less interest on scheme assets	388	669	3,615	(1,041)	1,477

Further information on the **Assembly Members' Pension Scheme**⁶⁵ can be found in the Annual Report and Accounts for the scheme for the year ending 31 March 2019.

⁶⁵ <http://www.assembly.wales/en/memhome/pay-expenses-financial-interests-standards/Pages/mem-pay.aspx>

02. B – Members’ other costs

Members’ other costs of £8.592 million (2017-18, £8.629 million) in the Statement of Comprehensive Net Expenditure consist of:

Category	2018–19 £’000	2017–18 £’000
Office Costs	982	1,035
Additional Costs	272	263
Members’ Staff Costs	7,119	7,094
Travel costs	219	237
Total Members’ other costs	8,592	8,629

Members’ staff costs include one severance payment, totalling £2,859, made in 2018-19, (2017-18, 2 payments totalling £26,570).

The National Assembly for Wales has a group stakeholder (defined contribution) scheme with AVIVA to which the Commission makes a monthly contribution of 10 per cent of gross salary for Assembly Member support staff. In addition, there is an option for the employee to make a regular monthly contribution. The Scheme was compliant with automatic enrolment legislation and the Scheme’s re-enrolment staging date was 1 January 2017. The employer pension contributions paid in 2018-19 were £681,557 (2017-18, £635,213).

02. C – Commissioner for Standards

Under the terms of the National Assembly for Wales (Commissioner for Standards) Measure 2009, the Commission pays the salary of and any related costs incurred by the Commissioner. The Commission is responsible for ensuring that the salary and allowances agreed in the terms and conditions of the appointment of the Commissioner and any reasonable liabilities incurred in the course of his duties, are charged to the Welsh Consolidated Fund.

The Commissioner for Standards is Sir Roderick Evans who took up the position on 1 December 2016. The post is a 6 year fixed term appointment. More information about Sir Roderick Evans and his work is available from <http://standardscommissionerwales.org/>

Acting Commissioner

In November 2018 the Assembly agreed to the appointment of Douglas Bain as Acting Commissioner to act on matters relating to a specific complaint and subsequent complaints received on the same issue. The appointment took effect on 7 November 2018 and came to an end on 25 April 2019 when notice was given to the Acting Commissioner by the Clerk of the Assembly. The Acting Commissioner's remuneration was set at a daily rate of £392 (or pro-rata for part of a day) for activities relating directly to the role and responsibilities of the post plus reasonable expenses.

Complaints were received relating to a matter that had been previously looked into by the current Commissioner. The current Commissioner therefore judged that he was unable to act in relation to the new complaints and recommended that an Acting Commissioner be temporarily appointed to deal with the complaints. The two roles run concurrently, with the Acting Commissioner only looking into the specific complaint and only in the role until consideration of the complaint is complete.

Staffing support

During the year the support available to the Standards Commissioner's office was strengthened. Until November 2018 the office was supported on a part-time basis by one individual employed by the Assembly Commission. Since then two members of Commission staff have been seconded to deal with the amount of casework under consideration and to ensure that the office runs effectively.

Staffing hours and costs

Nature of cost	2018-19		2017-18	
	Hours	Costs	Hours	Costs
Commissioner Hours	336		234	
Commissioner Costs	-	£26,105		£19,715
Acting Commissioner Hours	81	-	-	
Acting Commissioner Costs	-	£5,481	-	-
Support Staff Hours	1,333	-	161.5	-
Support Staff Costs	-	£44,798	-	£5,756
Total Hours / Costs	1,750	£76,384	395.5	£25,471

02. D – Voluntary Exit Scheme (VES)

The Assembly Commission launched a Voluntary Exit Scheme (VES) across all service areas on 22 November 2018. The closing date for applications was 18 January 2019. In total 24 people were given approval to leave.

At 31 March 2019 none of the staff who were granted approval had left and there was an obligation on the Commission to make payments to 24 members of staff during 2019-20. The total cost of this obligation at 31 March 2019 was £1,104,000. This is reflected in SOS 03 on page 169 where it is reported that the Commission did not draw £1.1 million of its cash budget for the year.

Exit package cost band	Total number of exit packages by cost band 2018-19
£0 - £20,000	5
£20,001 - £40,000	5
£40,001 - £60,000	8
£60,001 - £80,000	3
£80,001 - £100,000	1
£100,000 - £150,000	2
Total number of exit packages	24
Total resource cost (£000s)	1,104

There were no severance payments made to Commission staff in 2018-19 in addition to the Voluntary Exit Scheme. There was one severance payment to a member of staff in 2017-18 as part of a negotiated settlement package totalling £95,000.

Two Directors are included within the number of exit packages shown above and details are therefore disclosed within the Remuneration and Staff report.

03. Other administration costs

Other administration costs of £16.7 million (2017-18, £16.4 million) in the Statement of Comprehensive Expenditure consist of:

	2018–19 £'000	2017–18 £'000
Leases - buildings	2,800	2,826
Leases - other	102	150
Accommodation and facilities costs	5,342	5,677
ICT costs	2,786	2,906
Administrative expenses	1,629	1,720
Staff related costs	1,676	537
Other administration costs	14,335	13,816
Depreciation, amortisation and impairment charges	2,319	2,582
Total Other administration costs	16,654	16,398

The estimated external audit cost for the audit of these financial statements is £57,958 (2017-18, £57,958). No additional non-statutory audit work was incurred in 2018-19 (2017-18, nil).

04. Property, plant and equipment

	Land and buildings	ICT	Furniture and fittings ⁶⁶	Vehicles	Assets under construction	2018-19 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 April 2018	61,641	15,147	1,701	80	-	78,569
Additions	-	-	166	-	12	178
Disposals	-	(8,330)	(491)	(80)	-	(8,901)
At 31 March 2019	61,641	6,817	1,376	-	12	69,846
Depreciation						
At 1 April 2018	(1,716)	(13,448)	(1,211)	(80)	-	(16,455)
Charged in year	(1,716)	(510)	(80)	-	-	(2,306)
Released on disposal	-	8,330	491	80	-	8,901
At 31 March 2019	(3,432)	(5,628)	(800)	-	-	(9,860)
Carrying amount at 31 March 2019	58,209	1,189	576	-	12	59,986
Carrying amount at 31 March 2018	59,925	1,699	490	-	-	62,114

The latest revaluation of land and buildings was undertaken by DS Gibbon FRICS of GVA Grimley International Property Advisers, as at 31 March 2017, in accordance with the Royal Institution of Chartered Surveyors Valuation Standards. The Senedd and the Pierhead were re-valued at depreciated replacement cost (DRC) as a proxy for current value. The valuer's approach included calculating the cost of constructing modern equivalent buildings and depreciating the cost to account for the age and future economic life of the buildings.

Impairment reviews did not identify any indications of impairment at 31 March 2019 and hence no impairments have been recognised.

⁶⁶ Furniture and fittings includes 'donated assets', consisting of the Mace donated by the Parliament of New South Wales for the opening of the Senedd.

	Land and buildings £'000	ICT £'000	Furniture and fittings ⁶⁷ £'000	Vehicles £'000	2017-18 Total £'000
Cost or valuation					
At 1 April 2017	61,641	15,080	1,701	80	78,502
Additions	-	67	-	-	67
Reclassification and transfers	-	-	-	-	-
At 31 March 2018	61,641	15,147	1,701	80	78,569
Depreciation					
At 1 April 2017	-	(12,757)	(1,129)	(80)	(13,966)
Charged in year	(1,716)	(691)	(82)	-	(2,489)
At 31 March 2018	(1,716)	(13,448)	(1,211)	(80)	(16,455)
Carrying amount at 31 March 2018	59,925	1,699	490	-	62,114
Carrying amount at 31 March 2017	61,641	2,323	572	-	64,536

⁶⁷ Furniture and fittings includes 'donated assets', consisting of the Mace donated by the Parliament of New South Wales for the opening of the Senedd.

05. Intangible assets

Intangible assets comprise software and software licences for major systems used by the Commission:

	Software £'000	2019 Total £'000
Cost or valuation		
At 1 April 2018	2,317	2,317
Disposal	(1,433)	(1,433)
At 31 March 2019	884	884
Amortisation		
At 1 April 2018	(2,304)	(2,304)
Charged in year	(13)	(13)
Disposals	1,433	1,433
At 31 March 2019	(884)	(844)
Carrying amount at 31 March 2019	-	-
Carrying amount at 31 March 2018	13	13

	Software £'000	2019 Total £'000
Cost or valuation		
At 1 April 2017	2,317	2,317
Additions	-	-
At 31 March 2018	2,317	2,317
Amortisation		
At 1 April 2017	(2,211)	(2,211)
Charged in year	(93)	(93)
At 31 March 2018	(2,304)	(2,304)
Carrying amount at 31 March 2018	13	13
Carrying amount at 31 March 2017	106	106

06. Trade and other receivables

	31 March 2019 £'000	31 March 2018 £'000
Amounts falling due within one year:		
Trade receivables	87	52
Other receivables	22	34
Prepayments	1,290	1,310
Recoverable VAT	325	349
	1,724	1,745

There were no receivable amounts falling due after more than one year.

07. Cash and cash equivalents

	2019 £'000	2018 £'000
Balance at 1 April	73	74
Net change in cash and cash equivalent balances	219	(1)
Balance at 31 March	292	73
The following balances at 31 March were held at:		
Government Banking Service	204	58
Commercial banks and cash in hand	88	15
Balance at 31 March	292	73

08. Trade payables and other current liabilities

	31 March 2019 £'000	31 March 2018 £'000
Amounts falling due within one year:		
VAT	15	8
Other taxation and social security	773	758
Trade payables	735	1,111
Accruals	3,114	2,315
Amounts due to the Welsh Consolidated Fund	292	73
	4,929	4,265

There were no payable amounts falling due after more than one year.

09. Provisions for liabilities and charges

	AM Pension Scheme £'000	Dilapidation Provision £'000	2018-19 Total £'000	2017-18 Total £'000
Balance at 1 April	14,979	120	15,099	15,863
Increase/(decrease) in provision	1,631	-	1,631	(2,460)
Pension finance cost	1,418	-	1,418	1,696
Provisions utilised in the year	-	-	-	-
Balance at 31 March	18,028	120	18,148	15,099

Under IAS 19, a liability of £18.028 million is recognised for the Assembly Members' Pension Scheme. Further information is provided on this in Note 02.A. Additional information on the dilapidation provisions can be found within the provisions section of Note 01 – Statement of accounting policies.

From the total £18.148 million (2017-18, £15.099 million) provision, no amount is expected to crystallise within one year (2017-18, £0 million).

10. Contingent liabilities

Pension contributions

Assembly Member support staff have contractual rights to have the equivalent of 10 per cent of gross annual salary contributed towards a pension. Liability continues until six years after cessation of employment.

At the end of the year there is no longer any potential liability under this heading as time limits for leavers have expired. Since May 2011 all staff are contractually enrolled in the relevant pension scheme.

Pension contributions for AM support staff who:	Amount outstanding 31 March 2019 £'000	Amount outstanding 31 March 2018 £'000	Amount paid out 2018-19 £'000	Comments
Are currently employed but not contributing to a pension scheme	-	3	-	Remote
Have left employment without ever joining a pension scheme	-	3	-	Remote

The Commission has not entered into any quantifiable or unquantifiable contingent liabilities through giving guarantees, indemnities or letters of comfort.

11. Commitments under leases

(a) Operating leases

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which payments are incurred.

Category	31 March 2019 £'000	31 March 2018 £'000
Land and buildings:		
Not later than one year	2,777	2,777
Later than one year but not more than five years	11,040	11,040
Later than five years	22,149	24,908
	35,966	38,725
Other – car, printers and copiers:		
Not later than one year	31	41
Later than one year but not more than five years	6	41
	37	82

(b) Finance leases

There are no current obligations under finance leases.

12. Capital and other commitments

There were no contracted capital commitments at 31 March 2019 and 31 March 2018.

13. Other financial commitments

The Commission has contracts that make reference to early termination but do not quantify charges for such an event. Early termination would be a breach of contract and the contractor would be entitled to damages representing the loss of profit on the work which would have been done under the contract if it had run its full course. As this figure is variable for each contract, such contracts have not been included in this note.

14. Financial instruments

The Commission does not issue or trade in financial instruments such as loans and has no borrowings. It relies primarily on funding from the Welsh Consolidated Fund for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits, and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

15. Related-party transactions

The Commission has a number of transactions with the Welsh Government and with other government departments and public bodies, including HM Revenue and Customs. Additionally, regular transactions take place with the Assembly Members' Pension Scheme (see Remuneration and staff report, page 110). Standing Orders of the National Assembly for Wales require the Assembly, on a motion proposed by the Commission, to elect Trustees to the Members' Pension Scheme.

The Assembly may give special or general directions to the Commission for the purpose of, or in connection with, the exercise of the Assembly Commission's functions.

The Commission has not undertaken any material transactions directly with Commissioners, senior managers or their close family members nor with any organisations where Commissioners, senior managers or members of their close family hold positions of control or influence.

Joyce Watson, one of the Commissioners for the Fifth Assembly, was a trustee of the Assembly Members' Pension Scheme from 22 February 2017; Caroline Jones, also a Commissioner at that time, replaced Joyce Watson as the Commission representative on 25 January 2018. Caroline Jones resigned as a trustee on 5 June 2018.

Bob Evans, who is also an independent Adviser to the Assembly Commission's Audit and Risk Assurance Committee (ACARAC) became the Commission representative to the Pension Board on 20 December 2018.

An independent Remuneration Board was established by the National Assembly for Wales Remuneration Measure 2010. The Remuneration Board determines the salaries and allowances of all Assembly Members and office holders. The Members may employ family members as their support staff.

However, this is only permitted where the Assembly Member plays no part in the fair and open selection process, which is conducted by Commission staff on their behalf.

The Commission decides the policies on salary and conditions for Commission staff. There are no restrictions in place relating to the employment by the Commission of family members of Commissioners or senior management.

Directors have declared that they hold no significant third party interests that may conflict with their duties. A Register of Financial and Other Interests of Assembly Members is available at www.assembly.wales and www.cynulliad.cymru.

Annex – regularity reporting

Regularity Reporting

The National Assembly for Wales Commission's budget is authorised by the Assembly via formal budget motions. These motions authorise the Commission's capital and revenue expenditure, as well as retainable income and the amount that may be drawn from the Welsh Consolidated Fund.

The Statement and supporting notes have been prepared in accordance with the 2018–2019 Government Financial Reporting Manual (FRM) suitably adapted for the constitution of the National Assembly for Wales and the Commission as specified by the Government of Wales Act 2006.

SOS 3 Reconciliation of Net Cash Requirement to increase / (decrease) in cash

	31 March 2019 £'000	31 March 2018 £'000
Net cash requirement	(50,156)	(50,172)
From the Consolidated Fund (supply) – current year	51,538	50,245
Amounts due from the Consolidated Fund not drawn	(1,090)	-
Amounts paid to the Consolidated Fund	(73)	(74)
Increase/(decrease) in cash	219	(1)

This table is subject to audit.

SOS 4 Reconciliation of Net Resource Outturn to Net Cash Requirement 2018-19

	Note	Budget	Outturn	Net total outturn compared with budget: under spend/(excess)	Outturn 2017-18
		£'000	£'000	£'000	£'000
Net Resource Outturn	SOS 01	55,088	54,365	723	53,852
Accruals adjustments					
Non-cash items	See below	(3,900)	(3,737)	(163)	(4,278)
Changes in working capital other than cash		350	(472)	822	598
Net cash requirement		51,538	50,156	1,382	50,172

<i>Non-cash items</i>	Note	Budget	Outturn	Outturn compared with budget 2018-19	Outturn 2017-18
		£'000	£'000	£'000	£'000
Depreciation and amortisation and de-recognition	4 and 5	(2,400)	(2,319)	(81)	(2,582)
IAS 19 Pension finance cost and other provision movements		(1,500)	(1,418)	(82)	(1,696)
		(3,900)	(3,737)	(163)	(4,278)

This table is subject to audit.

SOS 5 Analysis of income payable to the Welsh Consolidated Fund

	Budget 2018-19 £'000	Outturn 2018-19 £'000	Outturn 2017-18 £'000
Retainable operating income	300	181	193
Subtotal	300	181	193
Amount retained	300	181	193
Amount payable to the WCF	-	-	-

There has been no other operating income in 2018–19 (2017-18, nil).

This table is subject to audit.



Public Accounts Committee

Scrutiny of Accounts 2018–19

Recommendations contained in the Committee's Report on the 2017–18 Annual Report and Accounts

Recommendation 2. The Committee recommends that the Assembly Commission's targets include alternative measures, for its financial performance, ensuring rigour in the management of its finances. These could reflect the separation of the resources available for its use and for the Remuneration Board.

Recommendation 3. The Committee recommends that the Assembly Commission sets a broader and more ambitious target for cost savings or efficiencies that reflects the full range of its activities rather than it relate solely to the contracts it is due to renew in the year. Performance against the target should be reported each year in the Assembly Commission's accounts.

Recommendation 4. The Committee recommends that the Assembly Commission provides to the Committee, when more detail is known, an update on the operation and the outcome of its Voluntary Exit Scheme, including how it was informed by its Capacity Review.

Recommendation 5. The Committee recommends that the Assembly Commission includes a breakdown of staff absence data in its internal monitoring reports, as well as its annual accounts, to differentiate absences due to mental health issues from other illnesses/reasons.

Recommendation 6. The Committee recommends that the Assembly Commission provides the Committee with information on how staff turnover rates have changed over the last four years from 2015–16 to 2018–19.

Recommendation 7. The Committee recommends that the Assembly Commission provides to the Committee details of the changes it has made to its performance management system, together with an assessment of their effectiveness in strengthening arrangements.

Recommendation 8. The Committee recommends that the Assembly Commission builds on the work to engage with Black, Asian and Minority Ethnic Communities and leads the way across the Public Sector by including, in its annual report and accounts, disclosure of the ethnicity pay gap.

Recommendation 9. The Committee recommends that the Assembly Commission ensures there is sufficient investment in other sustainability measures, including charging points, to promote the use of electric vehicles and increase its environmental credentials.

Recommendation 10. The Committee recommends that the Assembly Commission works with the Welsh Government to share more widely any relevant learning from its own efforts to increase its Welsh supplier base.



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA-P-VG-3198-19

Nick Ramsay, AM
Chair – Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

11 September 2019

Dear Nick,

***PUBLIC ACCOUNTS COMMITTEE REPORT: MANAGEMENT OF FOLLOW UP
OUTPATIENTS ACROSS WALES - RESPONSE TO THE REPORT***

I have pleasure in enclosing a copy of the Welsh Ministers response to the above report which will be laid before the Table Office.

On behalf of the Cabinet, I would like to thank you and the Committee for the careful and considered way in which you undertook the investigation and produced the report.

The relevant Additional Accounting Officer will be pleased to provide any further information, explanation or detail if required, following this response.

Yours sincerely,

Vaughan Gething AC/AM

Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol
Minister for Health and Social Services

Enclosure: Annex A

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Response to the Report of the National Assembly for Wales Public Accounts Committee Report on “Management of follow up outpatients across Wales”

Provided by: Minister for Health and Social Services

The Welsh Government welcomes the findings of the report and offers the following response to the 10 recommendations contained within it.

Recommendation 1. The Committee recommends that the Welsh Government sets out how the National Outpatient plan is based around the principles of prudent health care, and how the Health Boards will be accountable to the plan. We recommend that an implementation programme is drawn up to which sets out deliverables, which are SMART (Specific, Measurable, Attainable, Realistic/Relevant and Time Bound), against the plans objectives to prevent further deterioration against follow up outpatient targets

Accept – The National Outpatient Plan, currently being developed, will be based around the principles of prudent health care and will clearly articulate the roles of health boards in delivering this plan. This plan will include the vision for outpatients, key actions to deliver the vision including pathway transformation, clinical risks, outcomes, actions to reduce outpatient waiting lists and review those coming to harm, targets. This will set out the deliverables and milestones. The National Outpatient Plan will be issued in November 2019.

Recommendation 2. The Committee recommends the Welsh Government should review international best practice on performance data to ensure the targets and performance measures for Outpatients do not encourage gaming of the system and measure what clinically matters. The Welsh Government should ensure the new outpatient performance measures can be compared with other nations, are published regularly and have clear standards for what constitutes “good” performance

Accept – Welsh Government will commission research that will review international evidence on best practice performance data for outpatients. It will initially focus upon areas where there are high clinical risks such as urology and cardiology. The research will explore whether there are comparable outpatient measures. This work will be commissioned in September 2019 and is expected to report within 6 months.

Recommendation 3. The Committee recommends that the Welsh Government provide the Committee with evidence that all Health Boards are making the required improvements against the new targets for outpatient follow up services by early 2020, and with a clear action plan for improvement for those Health Boards not displaying improvement.

Accept – This action is already in place. Health plans have submitted plans for reduction in their follow up waiting lists with an agreed trajectory for March 2020.

These are reviewed and monitored at each outpatient steering group and at Welsh Government Quality and Delivery meetings with the health boards. Welsh Government will write to the Chair of the Committee with the requested information by the end of April 2020.

Recommendation 4. The Committee recommends that the Welsh Government clarifies with the Committee what the consequence will be for Health Boards which fail to meet the new outpatients' targets will be.

Accept – The Welsh Government will write to the Chair of the Committee with the requested information by the end of December 2019.

Recommendation 5. The Committee recommends that the Welsh Government provides the Committee with an update in early 2020 on progress made by all NHS bodies to ensure all patients in the follow up lists have an agreed review date, and sets out the actions to prevent large numbers being on the waiting list without agreed review dates.

Accept – Welsh Government will write to the Chair of the Committee with the requested information by the end of April 2020.

Recommendation 6. The Committee recommends the Welsh Government clarifies whether each health board has appropriately robust mechanisms to monitor and manage the clinical risks to patients waiting for a follow up outpatient appointment.

Accept – Welsh Government will clarify the processes in place to monitor clinical risk with all health boards and provide an update to the Chair of the Committee by the end of December 2019. Welsh Government will ask the NHS Delivery Unit to undertake a review of these processes in 2020.

Recommendation 7. The Committee recommends that the Welsh Government bring forward proposals for recording occasions when patients have come to harm as a result of waiting for a follow up outpatient appointment or treatment more generally. The information needs to be collated centrally on a Wales basis and published in an open and accessible format.

Accept – The Welsh Government will work with Medical Directors to establish how this might be achieved and the timescales for doing so. A decision will then be taken on implementation once options have been developed. This decision will be taken no later than December 2019.

Recommendation 8. The Committee recommends that the Welsh Government issues guidance to the Health Boards about sharing information with consultants on the numbers of patients on follow up outpatient lists without appointments booked.

Accept – The Welsh Government will work with Health Boards to establish how this might be achieved and the timescales for doing so. A decision will then be taken on implementation once options have been developed. This decision will be taken no later than December 2019.

Recommendation 9. The Committee recommends the Welsh Government establishes mechanisms that enables good practice to be shared more consistently across NHS bodies and which hold NHS bodies to account for the adoption of that good practice.

Accept – The Welsh Government, the Planned Care Programme and 1,000 Lives are already working together to encourage the spread of good practice. The Planned Care Programme and the Outpatient Steering Group have held three best practice collaboration events, and published an on-line compendium of good practice. This work will be continued and supplemented by a best practice implementation programme with each health board partnering with another to help embed best practice across NHS Wales. Health boards will be expected to incorporate best practice models within their service planning and IMTPs.

Recommendation 10. The Committee recommends that the Welsh Government should evaluate the approach undertaken in the development of the eye care services and consider adopting similar approaches across other specialisms, The Committee would welcome an update on this by July 2020.

Accept – The introduction of the new eye care measure was developed in response to concerns from clinicians about patients potentially coming to harm whilst on a waiting list. Implementation has been challenging for the system and a review of the implementation has already been undertaken by the Delivery Unit. This will be followed up in 2020. Welsh Government will work with other specialities, with a focus on those with the greatest clinical risk to consider the most appropriate measures. Welsh Government will write to the Chair of the Committee with the requested information by the end of July 2020.