

Agenda – Committee on Senedd Electoral Reform

Meeting Venue:

For further information contact:

Videoconference via Zoom

Helen Finlayson

Meeting date: Thursday, 6 August 2020

Committee Clerk

Meeting time: 13.30

0300 200 6565

SeneddReform@senedd.wales

Pre-meeting

(13.30–13.45)

1 Introductions, apologies, substitutions and declarations of interest

(13.45)

2 Electing a more diverse Senedd: written evidence

(13.45–13.50)

(Pages 1 – 5)

Attached documents:

CSER(5)–11–20 Paper 1 – Written evidence in relation to electing a more diverse Senedd

3 Draft report

(13.50–15.50)

(Pages 6 – 216)

Attached documents:

CSER(5)–11–20 Paper 2 – Draft report

4 Papers to note

(15.50–15.55)

4.1 Letter from the Auditor General for Wales in relation to the capacity of the Senedd – 15 May 2020

(Pages 217 – 220)



Attached documents:

CSER(5)-11-20 Paper to note 1

4.2 Letter from the Llywydd in relation to cost estimates of increasing the size of the Senedd – 23 July 2020

(Pages 221 – 232)

Attached documents:

CSER(5)-11-20 Paper to note 2

Document is Restricted

Agenda Item 3

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

Document is Restricted

Dawn Bowden MS
 Chair of Committee on Assembly Electoral Reform
 Welsh Parliament
 Cardiff Bay
 Cardiff
 CF99 1SN

Reference: AC/193/caf
Date issued: 15 May 2020

Dear Dawn

Capacity of the Senedd

I am grateful for the helpful deadline extension to provide views on the capacity of the Senedd. I am not sure that I am in a position to answer your third question, but I think it is appropriate as Auditor General, with my functions of examining and reporting on the use of public money, to give views on your first two questions.

Question 1: Does the Assembly have the capacity it needs to carry out its representative, scrutiny and legislative functions now and in the future?

No, I do not think the Senedd has the capacity it needs to carry out all its representative, scrutiny and legislative functions now and in the future. In particular, like the previous Auditor General (Huw Vaughan Thomas—please see his response to *Creating a Parliament for Wales* of 5 April 2018), I think the Senedd has insufficient capacity for scrutiny. Such scrutiny is essential for holding the Government to account for its spending, as well as examining proposed legislation and its potential effects.

The currency of parliamentary scrutiny is time. Insufficient Senedd capacity reduces the time available for scrutiny in several ways – less time for individual Members to prepare because of competing demands, less time for committees to meet, less time within committee agendas, and so on – and that inevitably weakens its effectiveness.

When legislating, less effective scrutiny leads to resources being unnecessarily consumed by defects in legislation. An example of this, with which I am very familiar, is the work caused by the Public Audit (Wales) Act 2013. This is a relatively narrow piece of legislation with a very specific focus. It is significant for the operation of my own organisation, however, and that has allowed me to observe the impact of

weaknesses in its drafting that could have been addressed at Bill stage had Senedd capacity – and hence time and depth of scrutiny – been greater.

Since its passing, Audit Wales and the Senedd Commission have had to spend resources on dealing with the Act's defects, such as its excessively complex and onerous fee provisions, which cause somewhere in the region of £35,000 a year in additional fee administration (about 10% of the total cost of such administration). Both Audit Wales and the Senedd Commission have also spent time and money (including on legal advice) in order to deal with the Act's rather disjointed appointment and remuneration provisions. Further work has included developing proposals for remedial amendments where the Finance Committee has had to devote a considerable amount of its scarce time to the development of draft legislative proposals to address accepted weaknesses in the Act. More effective scrutiny at the pre-legislative and legislative stages, allowing more weight to be given to the views of those responsible for implementing the legislation, could have avoided the need for such additional work.

Issues of insufficient scrutiny are not confined to the Public Audit (Wales) Act 2013. A common theme that arises in the course of audit work is that not enough consideration is given to the practicalities of implementing policy. In 2019-20, I published four reports on how local authorities are responding to the challenge of implementing new legislation: *Local planning authority services*, *The new 'Front Door' to adult social care*, *Review of Public Service Boards (PSBs)* and *Progress in implementing the Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV)*. Each of these reports identified difficulties faced by local authorities and their public sector partners in implementing their new responsibilities. And in our forthcoming briefing, *Better law making: the implementation challenge* (to be published shortly), we draw common themes from these reports to highlight the importance of the Welsh Government and the Senedd considering the ability of bodies to implement legislation in practice.

Key aspects of scrutiny of proposals for new legislation are its likely cost and impact. The main vehicle for this is the Regulatory Impact Assessment (RIA) included in a Bill's Explanatory Memorandum. While the quality of the RIA for a Government Bill is first and foremost a matter for Welsh Ministers, Senedd scrutiny is essential for ensuring that it is realistic and that the legislation is affordable and effective.

My predecessor noted shortcomings in RIAs, particularly unrealistic cost estimates, and reported on them in the case of the Well-being of Future Generations (Wales) Bill. Since then, further examples of lack of realism in RIAs have become apparent. For example, in relation to the Gender-based Violence, Domestic Abuse and Sexual Violence (Wales) Act, it is apparent that the RIA did not sufficiently recognise the circumstances public bodies face in terms of increasingly constrained budgets and reducing capacity. While the RIA estimated the costs for local authorities and health boards to carry out mapping and production of local strategies at £220,000, it was not clear as to how that work would actually be resourced. More effective scrutiny of

these important issues at Bill stage could have avoided some of the subsequent difficulties seen in implementation.

Greater capacity for scrutiny is also needed to increase the alignment and integration of different pieces of legislation. We have found that often—for example in my report *The Effectiveness of Local Planning Authorities in Wales*—because the requirements of different pieces of legislation are not aligned, there is limited integration and collaboration of services, which leads to fragmented and inefficient service delivery. Greater scrutiny capacity in the Senedd would enable more rigorous and consistent consideration of the connections and relationships between different pieces of legislation and testing of the degree to which they have been aligned and integrated in Government proposals.

Question 2: Would things be different if the Assembly had more Members? If so, how?

With the current 60 Members, non-ministerial Members need to undertake multiple roles, including multiple committee memberships. This reduces the time individual Members can devote to any given portfolio and the degree to which they develop specialist policy knowledge.

Having more Members should enable non-ministerial Members to have fewer committee memberships, so providing more opportunity to reflect fully on research and evidence ahead of meetings and develop deeper subject expertise. The questioning of the Government's plans and activities should as a result be better informed, and consequently the Government would need to respond with more carefully designed policies, legislation, implementation and delivery.

Additional capacity would also allow the Senedd to undertake aspects of best practice parliamentary scrutiny that are difficult to accommodate at present. In my recent report on the extent to which public bodies have followed the sustainable development principle of the Well-being of Future Generations Act 2015¹, for example, I recommended that the Senedd undertake some post-legislative examination of the Act. Post-legislative scrutiny is widely recognised as a desirable and important part of the work of an effective legislature, but it undeniably requires considerable dedication of Member time and capacity if it is to be achieved.

Quantifying the benefit of improved scrutiny is clearly very difficult to do. As noted above, we estimate that the cost of sub-optimal scrutiny of the Public Audit (Wales) Act 2013 led to about £35,000 of additional annual unnecessary fee administration expenditure (some 10% of the total of such expenditure). This cannot be extrapolated to all Welsh Government expenditure because most such expenditure does not relate directly to Welsh legislation. Nonetheless, it is illustrative of the maxim that 'good

¹ So, what's different? Findings from the Auditor General's Sustainable Development Principle Examinations May 2020

*scrutiny means good legislation, and good legislation pays for itself.*² The costs and implications of policy and spending decisions taken by the Welsh Government and Senedd are significant. With that in mind, it is important to recognise that a 0.17% annual saving, or improvement in value, in Welsh Government spending (£17.5bn), would pay for 30 extra members (at £10 million a year in total, including support costs³).

I hope that these views are helpful. In view of potential interest to their respective committees, I am copying this letter to the Chairs of PAC and the Finance Committee.

Yours sincerely



ADRIAN CROMPTON
Auditor General for Wales

² Commission on Devolution in Wales, Empowerment and Responsibility: Financial Powers to Strengthen Wales 2014

³ A Parliament that works for Wales, November 2017, estimates total recurring cost of 30 additional members at £9.64 million, including member and support staff salaries, accommodation, training, broadcasting, IT and IT support.

Dawn Bowden MS
Chair of the Committee on Senedd Electoral Reform
Welsh Parliament
Cardiff Bay
CF99 1SN

Our ref: LS246/EJ/DC

23 July 2020

Dear Dawn,

Following my appearance before the Committee on 2 December 2019, I wrote to you on 27 January 2020 with further information on examples of devolved legislatures that have collaborative working arrangements with elected members of other bodies; the length of plenary sitting times and the number of sitting weeks; and costs associated with an increase to the size of the Senedd.

Following further assessment of the figures provided to your Committee, I am writing to provide an updated set of costs associated with an increase to the size of the Senedd, which are lower than those previously presented. The range for the ongoing annual costs of 80 Members is £244,000–£426,000 lower than stated in the correspondence, and the equivalent range for 90 Members is £366,000–£632,000 lower.

An explanation for the revisions and an updated set of tables is presented in the annex to this correspondence.

Yours sincerely,



Elin Jones MS
Llywydd



Croesewir gohebiaeth yn Gymraeg neu Saesneg / We welcome correspondence in Welsh or English



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Annex A

SMSS vacancy provisions

The 'Members' salaries and related costs' and the 'Member support staff salaries' budget lines, in each table in my 27 January 2020 letter, showed the total cost of employing 60 MSs and their full provision of staff.

In preparing a budget for future years, an estimate is made for vacancies likely to occur in the forthcoming period – this is called the vacancy provision. This is also shown as a separate line in each table in the 27 January 2020 letter.

However, instead of subtracting the provision (which would reduce the overall salary costs, which reflects what happens in the event of a vacancy) the costs were added. This had the effect of increasing the overall costs presented in the tables. This has been revised in the tables below.

Other costs associated with the Remuneration Board's Determination

The 27 January 2020 correspondence stated that increases in non-cash expenditure that amounted to approximately £0.5m per year were not included in the 'Other costs associated with the Remuneration Board's Determination' budget line in each of the tables.

However, the tables in the 27 January correspondence did include non-cash expenditure in the budget line in the form of Members' pension costs. In effect, this gave rise to a double-counting of costs, with Members' pension costs being counted both towards the £0.5 million of non-cash costs and also appearing in the tables of cash-costs.

To rectify this issue, the tables below have been amended to remove all non-cash costs linked to the Members' Pension Scheme.

Other updates

Minor updates have also been made in relation to:

- the representation of 'Other Senedd Commission Costs';
- the additional ongoing costs to the Senedd Member salaries budget-lines;
- the ongoing non-election year figure for the Support Staff vacancy provision line;
- Support Staff salary costs for the increase in business scenario for 80 additional Members in the financial year 2026-27



Table 1a - Estimates of additional transitional and ongoing costs of a Senedd of 80 Members, with no increase to Senedd business-related activities, with ongoing costs for typical years from 2031-32 onwards

| | Transitional (£000) ¹ | Ongoing – typical non-election year (from 2027-28) (£000) | Ongoing – typical election year (from 2031-32) (£000) |
|---|---------------------------------------|---|---|
| Senedd Commission staff costs | 708 | 1,607 | 1,672 |
| Other Senedd Commission costs (including refurbishment of additional accommodation, rent of additional accommodation, and other related costs) | 1647 1,670 ² | 889 | 942 934 |
| Senedd Member salaries (including office holder salaries- e.g. Committee Chair's allowance) | - | 1,770 | 1,623 1,770 |
| Member support staff salaries | - | 2,393 | 2,393 |
| Member allowances and office costs ³ | - | 885 | 922 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | -138 -139 | -138 -139 |
| Other costs associated with the Remuneration Board's Determination | - | -420 0 | 1183 798 |
| Total | 2355 2,378 | 7,826 7,405 | 8,596 8,350 |

¹ Figures are rounded to the nearest £1000. The totals presented in these tables are based on the rounded figures, not the underlying unrounded data.

² Of which £50k is capital expenditure

³ Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties

Table 1b - Estimates of additional ongoing costs of an Senedd of 80 Members, with no increase to Senedd business-related activities, in years leading up to 2031-32

| | Ongoing – 2024-25 (£000) | Ongoing – 2025-26 (£000) | Ongoing – 2026-27 (election year) (£000) | Ongoing – 2027-28, 2028-29, 2029-30, 2030-31 (£000) | Ongoing – 2031-32 (election year) (£000) |
|--|-----------------------------|-----------------------------|--|--|--|
| Senedd Commission staff costs | 122 | 518 | 1,672 | 1,607 | 1,672 |
| Other Senedd Commission costs | 10 | 543 | 942 934 | 889 | 942 934 |
| Senedd Member salaries (Including office holder salaries) | - | - | 1,623 | 1,770 | 1,623 1,770 |
| Member support staff salaries | | | 2,194 | 2,393 | 2,393 |
| Member allowances and office costs ⁴ | | | 980 | 885 | 922 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | - | -127 | -138 -139 | -138 -139 |
| Other costs associated with the Remuneration Board's Determination | - | - | 516 135 | 420- 0 | 1,183 798 |
| Total | 132 | 1,061 | 7,781 7,411 | 7,826 7,405 | 8,596 8,350 |

The ongoing costs identified in 2026-27 (an election year) are incorporated into the figures for 2031-32. Similarly, the ongoing costs for non-election years are incorporated into the ongoing costs identified for subsequent non-election years.

⁴ Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties

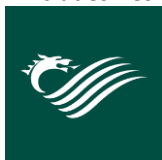


Table 2a - Estimates of additional transitional and ongoing costs of an Senedd of 80 Members, with an increase to Senedd business-related activities (i.e. an additional plenary sitting each week, an additional policy and legislation committee; and a proportional increase in the number of ballots for Member Bills), with ongoing costs for typical years from 2031-32 onwards

| | Transitional (£000) | Ongoing – typical non-election year (from 2027-28) (£000) | Ongoing – typical election year (from 2031-32) (£000) |
|---|-----------------------------|---|---|
| Senedd Commission staff costs | 708 | 2,576 2,577 | 2,576 2,577 |
| Other Senedd Commission costs (including refurbishment of additional accommodation, rent of additional accommodation, and other related costs) | 1,669 1,670 ⁵ | 1,100 | 1,150 |
| Senedd Member salaries (including office holder salaries) | - | 1,788 | 1,640 1,788 |
| Member support staff salaries | - | 2,393 | 2,393 |
| Member allowances and office costs ⁶ | - | 885 | 922 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | -138 -139 | -138 -139 |
| Other costs associated with the Remuneration Board's Determination | - | 424 0 | 1,186 798 |
| Total | 2,377 2,378 | 9,028 8,604 | 9,731 9,489 |

⁵ Of which £50k is capital expenditure

⁶ Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties



Table 2b - Estimates of additional ongoing costs of an Senedd of 80 Members, with an increase to Senedd business-related activities (i.e. an additional plenary sitting each week, an additional policy and legislation committee; and a proportional increase in the number of ballots for Member Bills), in years leading up to 2031-32

| | Ongoing – 2024-25 (£000) | Ongoing – 2025-26 (£000) | Ongoing – 2026-27 (election year) (£000) | Ongoing – 2027-28, 2028-29, 2029-30, 2030-31 (£000) | Ongoing – 2031-32 (election year) (£000) |
|--|-----------------------------|-----------------------------|--|--|--|
| Senedd Commission staff costs | 122 | 721 | 2,577 | 2,577 | 2,577 |
| Other Senedd Commission costs | 10 | 571 | 1,150 | 1,100 | 1,150 |
| Senedd Member salaries (including office holder salaries) | - | - | 1,567 1,639 | 1,788 | 1,640 1,788 |
| Member support staff salaries | | | 2,094 2,194 | 2,393 | 2,393 |
| Member allowances and office costs ⁷ | | | 980 | 885 | 922 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | - | -121 | -139 | -139 |
| Other costs associated with the Remuneration Board's Determination | - | - | 520 135 | 424 0 | 1,188 798 |
| Total | 132 | 1,292 | 8,915 8,554 | 9,166 8,604 | 9,731 9,489 |

The ongoing costs identified in 2026-27 (an election year) are incorporated into the figures for 2031-32. Similarly, the ongoing costs for non-election years are incorporated into the ongoing costs identified for subsequent non-election years.

⁷ Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties



Table 3a - Estimates of additional transitional and ongoing costs of an Senedd of 90 Members, with no increase to Senedd business-related activities, with ongoing costs for typical years from 2031-32 onwards

| | Transitional (£000) | Ongoing – typical non-election year (from 2027-28) (£000) | Ongoing – typical election year (from 2031-32) (£000) |
|---|--|---|---|
| Senedd Commission staff costs | 708 | 1,752 | 1,818 |
| Other Senedd Commission costs (including refurbishment of additional accommodation, rent of additional accommodation, and other related costs) | 2,503 2,522 ⁸ | 1,295 | 1,369 1,357 |
| Senedd Member salaries (including office holder salary) | - | 2,638 | 2,418 2,638 |
| Member support staff salaries | - | 3,590 | 3,590 |
| Member allowances and office costs ⁹ | - | 1,320 | 1,326 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | 138 -208 | 138 -208 |
| Other costs associated with the Remuneration Board's Determination | - | 626 0 | 1,725 1,151 |
| Total | 3,211 3,230 | 11,019 10,387 | 12,038 11,672 |

⁸ Of which £50k is capital expenditure

⁹ Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties



Table 3b - Estimates of additional ongoing costs of an Senedd of 90 Members, with no increase to Senedd business-related activities, in years leading up to 2031-32

| | Ongoing – 2024-25 | Ongoing – 2025-26 | Ongoing – 2026-27 (election year) | Ongoing – 2027-28, 2028-29, 2029-30, 2030-31 | Ongoing – 2031-32 (election year) |
|---|-------------------|-------------------|--------------------------------------|--|--------------------------------------|
| | (£000) | (£000) | (£000) | (£000) | (£000) |
| Senedd Commission staff costs | 122 | 518 | 1,818 | 1,752 | 1,818 |
| Other Senedd Commission costs | 10 | 848 | 1,369 1,357 | 1,295 | 1,369 1,357 |
| Senedd Member salaries (including office holder salaries) | - | - | 2,418 | 2,638 | 2,418 2,638 |
| Member support staff salaries | | | 3,291 | 3,590 | 3,590 |
| Member allowances and office costs ¹⁰ | | | 1,320 | 1,326 | 1,326 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | - | 127 -191 | 138 -208 | 138 -208 |
| Other costs associated with the Remuneration Board's Determination | - | - | 777 203 | 626 0 | 1,725 1,151 |
| Total | 132 | 1,366 | 10,802 10,216 | 11,019 10,393 | 12,038 11,672 |

The ongoing costs identified in 2026-27 (an election year) are incorporated into the figures for 2031-32. Similarly, the ongoing costs for non-election years are incorporated into the ongoing costs identified for subsequent non-election years.

¹⁰ Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties

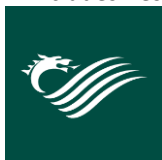


Table 4a - Estimates of additional transitional and ongoing costs of an Senedd of 90 Members, with an increase to Senedd business-related activities (i.e. an additional plenary sitting each week, an additional policy and legislation committee; and a proportional increase in the number of ballots for Member Bills), with ongoing costs for typical years from 2031-32 onwards

| | Transitional (£000) | Ongoing – typical non-election year (from 2027-28) (£000) | Ongoing – typical election year (from 2031-32) (£000) |
|--|------------------------|---|---|
| Senedd Commission staff costs | 708 | 2,810 | 2,810 |
| Other Senedd Commission costs | 2,522 ¹¹ | 1,508 | 1,580 |
| Senedd Member salaries (including office holder salaries) | - | 2,656 | 2,436 2,656 |
| Member support staff salaries | - | 3,590 | 3,590 |
| Member allowances and office costs ¹² | - | 1,326 | 1,326 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | 138 -208 | 138 -208 |
| Other costs associated with the Remuneration Board's Determination | - | 630 0 | 1,730 1,151 |
| Total | 3,230 | 12,312 11,682 | 13,264 12,905 |

¹¹ Of which £50k is capital expenditure

¹² Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties

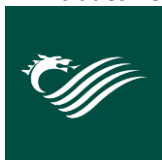
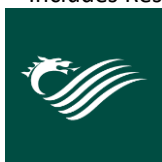


Table 4b - Estimates of additional ongoing costs of an Senedd of 90 Members, with an increase to Senedd business-related activities (i.e. an additional plenary sitting each week, an additional policy and legislation committee; and a proportional increase in the number of ballots for Member Bills), in years leading up to 2031-32

| | Ongoing – 2024-25 (£000) | Ongoing – 2025-26 (£000) | Ongoing – 2026-27 (election year) (£000) | Ongoing – 2027-28, 2028-29, 2029-30, 2030-31 (£000) | Ongoing – 2031-32 (election year) (£000) |
|--|-----------------------------|-----------------------------|--|--|--|
| Senedd Commission staff costs | 122 | 721 | 2,810 | 2,810 | 2,810 |
| Other Senedd Commission costs (including refurbishment of additional accommodation, rent of additional accommodation, and other related costs) | 10 | 876 | 1,580 | 1,508 | 1,580 |
| Senedd Member salaries (including office holder salaries) | - | - | 2,418 2,435 | 2,638 2,656 | 2,436 2,656 |
| Member support staff salaries | | | 3,291 | 3,590 | 3,590 |
| Member allowances and office costs ¹³ | | | 1,326 | 1,326 | 1,326 |
| SMSS vacancy provisions (to be subtracted from Members' salaries and related costs) | - | - | 121 -191 | 138 -208 | 138 -208 |

¹³ Includes Residential Accommodation Expenditure; Members Travel; Office costs; and support for political parties



| | | | | | |
|--|------------|--------------|--------------------------------|--------------------------------|--------------------------------|
| Other costs associated with the Remuneration Board's Determination | - | - | 781 203 | 630 0 | 1,730 1,151 |
| Total | 132 | 1,597 | 12,029 11,454 | 12,312 11,682 | 13,264 12,905 |

The ongoing costs identified in 2026-27 (an election year) are incorporated into the figures for 2031-32. Similarly, the ongoing costs for non-election years are incorporated into the ongoing costs identified for subsequent non-election years.



Table 5: Summary of tables 1A, 2A, 3A and 4A

| | Transitional (£000) | Ongoing typical non-election year (from 2027- 28) (£000) | Ongoing – typical election year (from 2031-32) (£000) |
|---|-------------------------------|---|---|
| 80 Members, with no increase to Senedd business-related activities | 2,355 2,378 | 7,826 7,405 | 8,596 8,350 |
| 80 Members, with an increase to Senedd business-related activities (i.e. an additional plenary sitting each week, an additional policy and legislation committee; and a proportional increase in the number of ballots for Member Bills) | 2,377 2,378 | 9,028 8,604 | 9,731 9,489 |
| 90 Members, with no increase to Senedd business-related activities | 3,211 3,230 | 11,019 10,387 | 12,038 11,672 |
| 90 Members, with an increase to Senedd business-related activities | 3,230 | 12,312 11,682 | 13,264 12,905 |

