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Counsel General and Minister for the Constitution



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS
Chair
Finance Committee

26 January 2024

Dear Peredur,

Senedd Cymru (Members and Elections) Bill

Thank you for the Finance Committee's report in relation to the Senedd Cymru (Members and Elections) Bill published on 19 January 2024. Please see my responses to the set of recommendations within the report in Annex 1.

As the Bill will be considered by a Committee of the Whole Senedd at Stage 2, I anticipate that a significant number of Members will have an interest in it. With this in mind, I am providing a written response to Committee reports in advance of the general principles debate.

I would like to express my thanks to the Committee for scrutinising the Bill and its supporting documentation. I look forward to continuing to work with Members as the Bill progresses through the Senedd process.

I am copying this letter to the Chair of the Reform Bill Committee, the Chair of the Legislation, Justice and Constitution Committee and all Members of the Senedd for information.

Yours sincerely,

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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.

Annex 1

| Recommendation | Response |
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| <p>Recommendation 1. The Committee recommends that, if significant changes are made to the Bill during its passage through the Senedd, the Minister undertakes the necessary modelling of potential costs and that these should be updated in a revised Regulatory Impact Assessment.Page 14</p> | <p>Accept</p> |
| <p>Recommendation 2. The Committee recommends that the Minister models the anticipated savings as a result of this Bill, to quantify the impact of scrutiny benefits, with specific reference to the improved scrutiny of legislation and budgets in the Senedd, and for this information to be included in a revised Regulatory Impact Assessment.Page 14</p> | <p>Noted</p> <p>I welcome the opportunity to undertake further modelling on the anticipated savings as a result of this Bill, to quantify the impact of scrutiny benefits, with specific reference to the improved scrutiny of legislation and budgets in the Senedd. However, undertaking such an exercise to a robust standard will not be compatible with the timescales associated with the passage of the Bill through the Senedd, which are themselves necessary for the reforms to be delivered in time for the 2026 election.</p> <p>I am also mindful that a number of academic studies have previously examined the challenge of assessing parliamentary impact.</p> <p>Outside the context of this Bill, understanding the impact of scrutiny is more properly a matter for the Senedd, and Senedd committees when it comes to the effectiveness of committee scrutiny.</p> <p>For example, in May 2021 Professor Diana Stirbu commented that: "One of the biggest hurdles in developing a coherent framework for evaluation of committees' work is that not everything can be easily quantifiable and measurable. For instance, the 'deterrent' effect of committees' work has been mentioned by many in our interviews, but this is generally difficult to measure. One can evidence through a qualitative study of</p> |

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| | <p>narratives and perceptions of Government ministers and the bureaucracy supporting them in relation to the indirect effect of committees' work. White emphasises the importance of using both qualitative and quantitative sources to evidence effectiveness of committees."¹ However, in the same report Professor Stirbu identified a number of measures by which the effectiveness of Committees could be determined over the long term.</p> <p>The Welsh Government is willing to engage with any work that Senedd committees, and/or the Chairs' Forum, might wish to undertake to better understand committee impact in future.</p> |
| <p>Recommendation 3. The Committee recommends that the Senedd Commission continues to present costs relating to Senedd reform as ring-fenced within its annual budget documentation to ensure clarity and transparency.Page 15</p> | <p>Noted</p> <p>This recommendation is for the Senedd Commission. As such, no specific response is provided here.</p> |
| <p>Recommendation 4. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes further modelling of Commission staff costs to include the minimum and maximum pay scales to provide a range of costs, and for this information to be included in a revised Regulatory Impact Assessment..... Page 28</p> | <p>Accept in principle</p> <p>I believe the approach taken in the Regulatory Impact Assessment provides a more accurate representation of likely costs.</p> <p>The Regulatory Impact Assessment provides costs at a point in time and in a consistent way across organisations. Figures providing a range of staff costs could potentially be provided as a standalone annex and discussions are in hand with the Senedd Commission.</p> |
| <p>Recommendation 5. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes modelling work to understand the impact of an increase in committees, beyond the three additional committees estimated in the Regulatory Impact Assessment, on the scrutiny benefits arising from the Bill and that this information should be included in a revised Regulatory Impact Assessment..... Page 28</p> | <p>Noted</p> <p>Ultimately these are operational decisions for a future Senedd/Business Committee to determine the number, role etc of committees. Assumptions were made in order to provide an indication in the Regulatory Impact Assessment of possible costs, but not with the intention to bind a future Senedd.</p> <p>I am content to discuss this matter further with the Senedd Commission.</p> |

¹ Professor Diana Stirbu, Power, Influence and Impact of Senedd Committees: Developing a framework for measuring committees' effectiveness, May 2021, <https://senedd.wales/media/xtqk0ojr/gen-ld14672-e.pdf>; page 70.

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| <p>Recommendation 6. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes a cost-benefit analysis on the number of additional committees that may be required and that this information should be included in a revised Regulatory Impact Assessment. Page 28</p> | <p>Reject</p> <p>Ultimately these are operational decisions for a future Senedd/Business Committee to determine the number, role etc of committees. Assumptions were made in order to provide an indication in the Regulatory Impact Assessment of possible costs, but not with the intention to bind a future Senedd.</p> |
| <p>Recommendation 7. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes a review of the current configuration of Members’ offices in Tŷ Hywel, to include:</p> <ul style="list-style-type: none"> • an assessment and cost-benefit analysis on the use of open-plan working; • and an assessment of the energy use. Page 29 | <p>Noted. This is a matter for the Senedd Commission. As such, no specific response is provided here.</p> |
| <p>Recommendation 8. In light of the new electoral system which may result in uplifts to Members’ travel, residential accommodation and staff costs, the Committee recommends that the Minister, in consultation with the Senedd Commission, reassesses these costs and provides a range rather than using the average costs of current Members, and for this information to be included in a revised Regulatory Impact Assessment. Page 29</p> | <p>Accept in principle</p> <p>The Welsh Government will discuss the matter further with the Senedd Commission, particularly in terms of any impact on the Regulatory Impact Assessment.</p> |
| <p>Recommendation 9. The Committee recommends that the Minister, in consultation with the Senedd Commission, updates the cost estimates relating to Members in the Regulatory Impact Assessment:</p> <ul style="list-style-type: none"> • using the financial information from the latest available Determination on Members’ Pay and Allowances; and • includes the additional salary to leaders of a political group (not in the government) for each Member in their group (up to the maximum allowed for in the Determination). Page 29 | <p>Accept in principle</p> <p>Regulatory Impact Assessment provides costs at a point in time and in a consistent way across organisations. If new determination figures to be calculated, we would propose including as standalone annex.</p> <p>The Welsh Government accepts the recommendation to include additional salary for leaders of political group but this should use the 2022-23 Determination for consistency with other figures in the Regulatory Impact Assessment.</p> |
| <p>Recommendation 10. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes further work to</p> | <p>Noted. This is a matter for the Senedd Commission. As such, no specific response is provided here.</p> |

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| <p>assess the impact that different demographics of newly elected Members will have on the Members' Pension Scheme. Page 29</p> | |
| <p>Recommendation 11. The Committee recommends that the Minister, in consultation with the Senedd Commission, provides further clarity on the schedule of work that will be undertaken on the Senedd and Tŷ Hywel estates, should the Bill not be agreed. Page 29</p> | <p>Noted. This is a matter for the Senedd Commission. As such, no specific response is provided here.</p> |
| <p>Recommendation 12. The Committee recommends that the Minister provides evidence to confirm the assertion that no additional Welsh Government staff will be required, as a result of an increase in the Senedd's membership.Page 32</p> | <p>Accept</p> <p>The Regulatory Impact Assessment attempts to provide the best estimate of likely costs as a result of the Senedd Cymru (Members and Elections) Bill. However there are some unknown factors which, when subsequent decisions have been taken, could impact on the estimates (either in terms of costs or savings).</p> <p>It is normal practice for the Government to re-prioritise resources to address new priorities and respond to challenges without the need to expand the size of the civil service (for example the Covid-19 pandemic). Current resources provide for the existing responsibilities of the Welsh Government and it is anticipated additional resources would only be needed, for example, if there were to be a change in devolved responsibilities.</p> |
| <p>Recommendation 13. The Committee recommends that the Minister undertakes further work to assess the impact that a maximum increase in the number of Welsh Ministers will have on the number of Members available to undertake a scrutiny role and the effect this will have on the potential savings referred to by the Minister through improved scrutiny.....Page 32</p> | <p>Accept</p> <p>For all the scenarios set out in the Bill EM/RIA relating to an increase in the number of Welsh Ministers, the proportion of executive to the Senedd reduces.</p> <p>In proportionate terms, the Welsh Government (12 Ministers plus the First Minister and Counsel General) currently constitutes 23.3% of the Senedd's 60 Members. In an enlarged Senedd, a Welsh Government of 17 Ministers, along with the First Minister and Counsel General, would constitute 19.8% of the Senedd's 96 Members.</p> <p>A Welsh Government of 19 Ministers, along with the First Minister and Counsel General, would constitute 21.9% of the Senedd's 96 Members. Therefore the maximum limit on the number of Welsh Ministers provided for in</p> |

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| | <p>section 5 ensures that the increase in the number of Members of the Senedd is greater than that of the executive in any event.</p> |
| <p>Recommendation 14. The Committee recommends that the Minister undertakes further work to understand the level of volatility in membership from one Senedd to the next and associated cost implications, including the impact on the Members' Pension Scheme, in light of the move to a four-year election cycle.</p> | <p>Accept in principle</p> <p>I am content to give further consideration to this recommendation with a view to providing further analysis. Given the scope of the recommendation, any such work will need to be undertaken in consultation with the Senedd Commission.</p> |
| <p>Recommendation 15. The Committee recommends that the Minister provides clarity on the potential costs identified to the Welsh Government, Auditor General for Wales and the Future Generations Commission resulting from a four-year election cycle..... Page 38</p> | <p>Accept</p> |
| <p>Recommendation 16. The Committee recommends that the Minister provides an update on costs once all the relevant boundary changes have been completed, to enable the Committee or a future finance committee to understand the full financial impact of the Bill. Page 38</p> | <p>Accept</p> |