



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

8 February 2012

Dear Jocelyn

Supplementary Budget 2011-12

I am writing to advise the Committee that the Commission is submitting a supplementary budget as part of the Welsh Government's submission in February 2012.

The change we are seeking is the return of the unused election budget. The 2011-12 Budget provided for separate funds to accommodate the one-off nature of election costs. The funds agreed were £3.460m for Assembly Members and £0.655m for Assembly Services. This budget was estimated on the basis of 30 Members not returning to the Assembly whereas the actual figure was 23 Members resulting in a lower call on resettlement grants, winding up allowances, redundancy payments as well as new Member start-up costs.

The Budget outlined that the Commission would seek to return any excess to the Welsh block through the supplementary budget route. Following Commissioners' agreement, we are proposing to return £1.8m of the

Bae Caerdydd
Caerdydd
CF99 1NA
Cardiff Bay
Cardiff
CF99 1NA

Ffôn/Tel: 029 2089 8233
E-bost/Email: Claire.Clancy@wales.gov.uk

Assembly Members' £3.460m election budget. The total cost claimed by Assembly Members has been in the order of £1.6m. In addition to there being fewer new Members than estimated, those Members who stood down or were not re-elected did not claim as many costs as budgeted.

This budget change effects Tables 1 and 4 as well as Appendix 1 and Annex C in the 2011-12 budget. I attach restated tables for your convenience. I confirm that no other changes are being made to the Commission's budget.

If you would like to meet to discuss any aspect of this budget change, please let me know.

Yours sincerely

A handwritten signature in black ink that reads "Claire". The signature is written in a cursive style with a large initial 'C'.

Claire Clancy

**Prif Weithredwr a Chlerc/Chief Executive and Clerk
Cynulliad Cenedlaethol Cymru/National Assembly for Wales**

cc Angela Burns AM, Assembly Commissioner

Table 1: The Assembly Commission 2011-12 Budget**£000**

Resources other than accruing resources for use by the National Assembly for Wales Commission on revenue and capital costs associated with the administration and operation of Assembly services to support the National Assembly for Wales (“the Assembly”); promotion of the Assembly including payments to the Electoral Commission and others; payments in respect of the Commissioner for Standards and Remuneration Board; any other payments relating to functions of the Assembly or functions of the National Assembly for Wales Commission.	32,328
Resources other than accruing resources for use by the National Assembly for Wales Commission in respect of decisions of the Remuneration Board.	16,494 14,694
Annually Managed Expenditure for use by the National Assembly for Wales Commission in respect of Assembly Members’ Pension provision.	500
Accruing resources for retention pursuant to section 120(2) of the Government of Wales Act 2006 and use by the National Assembly for Wales Commission: <ul style="list-style-type: none"> • from the disposal of fixed assets and other capital income for use on the purchase or acquisition of fixed assets; or • rental income; gifts; grant support; recharges and income from commercial sales and other services provided to the public or others for use on administrative costs of the Assembly. 	260
Amount to be issued from the Welsh Consolidated Fund to meet the anticipated amounts falling due for payment in the year in respect of the above services and purposes less expected retainable receipts and recoverable VAT.	46,718 44,918

Table 4 – Indicative Budget**£000**

	2010-11	2011-12	2012-13	2013-14	2014-15
Assembly Members	13,380	13,034*	13,041	13,126	13,130
% cut to real term budget		4.4%	2.2%	1.9%	2.5%
Equates to reduction		600	293	254	337
One-off Election Costs		3,460	-	-	-
		1,660			
Total DEL Budget	13,380	16,494	13,041	13,126	13,130
		14,694			
AME Budget	500	500	500	500	500

* In comparison, the 2010-11 budget estimated £13.923m for 2011-12.

Appendix 1 – Assembly Members’ 2011–12 Budget

Budget analysed by type of expense and income

	£000	£000
	2011–12 Budget	2010–11 Budget
<i>Revenue expenditure</i>		
AM Salary Related Costs		5,406
AMSS Salary Related Costs		6,222
AM Car Hire		50
AM Own Car Mileage		160
AM UK T&S		81
AM Overseas T&S		61
AM Family Travel		9
AMSS T&S		24
AM Office Costs Allowance		850
AM Additional Costs Allowance		484
PO & DPO T&S		6
Assembly Commissioners' expenses		1
Commissioner for Standards (2010–11	–	26
NET REVENUE EXPENDITURE	13,034¹	13,380
Capital Expenditure	–	–
NET CAPITAL EXPENDITURE	–	–
Election costs	3,460 1,660	–
Total Resource requirement	16,494 14,694	13,380
Annually Managed Expenditure (AME)		
Assembly Members’ Pension provision	500	500

For Remuneration Board to confirm

¹ Reflecting the 4.4 per cent real term cut

Annex C – Reconciles the net resource requirement to the cash drawing requirement from the Welsh Consolidated Fund

	£000		
	2011-12	2012-13	2013-14
Members Net Revenue Requirement	16,494 14,694	13,041	13,126
Commission Net Revenue Requirement ¹	31,212	30,938	31,145
Net Capital Requirement	1,116	750	750
Assembly Members' Pension provision	500	500	500
<i>Adjustments:</i>			
Depreciation	(3,254)	(3,300)	(3,300)
Impairments	-	-	-
Movements in provisions	(500)	(500)	(500)
Profit/loss on sale of assets	-	-	-
Movements in stocks	-	-	-
Movement in debtors and creditors	1,150	-	-
Use of provisions	-	-	-
Other	-	-	-
Net cash requirement for issue from the Welsh Consolidated Fund	46,718 44,918	41,429	41,721

¹ Assumes Accruing Income of £0.260 million year on year