

# National Assembly for Wales **Draft Budget 2017-18**

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September 2016





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**The Official Opening of the Fifth Assembly - 7 June 2016**

Invited guests gathered in the Neuadd as Her Majesty The Queen leaves the Senedd.

# 01.Introduction

The Assembly Commission budget is used to meet the running costs of the National Assembly for Wales and the cost of the Assembly Members salaries and allowances. This budget is the first to reflect our strategy and priorities as the new Commissioners of the Fifth Assembly. Clearly, the Commission's strategy and budget are closely related. We need to ensure that there is sufficient funding to deliver the ambitions of the new Commission, whilst being mindful of the wider economic context and ensuring that we are providing value for money in the delivery of our services.

The Commission's strategy during the Fourth Assembly was to make the most of the small size of the institution, better understand the needs of Members and provide more tailored support services. The Assembly received full law-making powers and Members' workloads increased in volume and complexity, putting additional pressure on Members' time and capacity. As we look forward to the issues which will face the Fifth Assembly, two of the primary influences will be the new tax raising powers and extended legislative competence devolved by the Wales Bill currently before Parliament. The capacity pressures of a 60 Member Assembly have been well rehearsed and we are very aware of the consequential need for the Commission to provide efficient and effective support to Members in carrying out their roles.

The Remuneration Board and the Commission both have a role in deciding the services and financial support available to Members to undertake their roles effectively. Members' needs are central to both and the Commission will be working closely with the Remuneration Board to ensure that appropriate resources of all sorts are available to Members.

Commission staff comprise the biggest element of support provided to Assembly Members. Such resources include committee clerking teams, researchers, staff supporting the legislative processes, parliamentary translation and reporting staff, legal advisers, visitor services and outreach staff and those in operational support services such as security, accommodation, HR, finance and ICT, plus the cost of all goods, services and facilities used in the day to day operation of the Assembly.

Complementing this support, the Remuneration Board provides resources for Members' pay and remuneration, for Members and political parties to employ their own personal staff, to run constituency and regional offices and to undertake some research and engagement activities. The travel and accommodation costs that Members incur in order to fulfil their elected roles are also reimbursed by the Board.

Looking forward, the Commission believes a step change is needed in how we produce, manage and use Assembly business information in order for the Assembly to be regarded as a world class digital parliament that is open, inclusive and easy to engage with, leading to better laws and scrutiny. The Commission will be working to improve the way people engage with the Assembly and how services are delivered to Members. Many of these changes will mean we do things differently, rather than in a more costly way, but the process of transforming the basis on which we deliver so many of our services will involve some financial investment.

In summary, the budget strategy for the next five years needs to be sufficient to enable the Commission to deliver its new strategic goals. At the same time, it must meet the challenge of increased responsibilities within the capacity constraints that are a feature of being the UK's smallest legislature. A budget strategy that modestly increases the Commission's overall resourcing levels will be needed if the Commission is to maintain the delivery of excellent services to Assembly Members. In turn, that will enable Members to fulfil their responsibilities to undertake effective scrutiny of the Welsh Government, to make good laws for Wales and to represent the people of Wales.

## 02. Budget approach 2017-21

At the beginning of the Fourth Assembly, the previous Commission set a multi-year budget to ensure that the aspirations of Wales for its Assembly were met. This was combined with strong governance arrangements, so as to match the delivery of its five year aims with available funding and maintain a strong focus on securing value for public money. This multi-year strategy was supported by the Finance Committee from the outset and was adhered to by the Commission each year. In order to provide the same levels of transparency and effective planning, we are adopting the same approach for the Fifth Assembly.

This document sets out the intended expenditure plans for 2017-18 as well as our indicative plans and financial requirements through to the end of the Fifth Assembly. These could be subject to change as we respond to the challenges that emerge over the next four years but, based on our current assessments, we consider them to be set at levels that are fair and prudent.

The budget in total, provides for the:

- expenditure under the Commission’s direct control;
- budget for costs associated with the Remuneration Board’s Determination for Members’ Pay and Allowances;
- accounting provision for the Members’ Pension Scheme under the HM Treasury’s Annually Managed Expenditure (AME) heading.

The budget has been prepared on a basis of an inflationary increase plus a further 1% for 2017-18 and 2018-19, then 0.8% below inflation in 2019-20 and 2020-21 (i.e. in line with projected changes in the Welsh Block). The budget has been prepared on the assumption that the Assembly will continue with 60 Members. If, during the course of the Assembly, it becomes clear that the Commission needs to plan for an increase in the size of the Assembly, then new budget provisions would need to be made.

A high level summary for the next four years is shown in Table 1 below, together with the 2016-17 budget for comparison:

<b>Table 1</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<i>Operating Budget</i>					
<b>Staff Resource</b>	£20,391	£21,349	£22,467	£22,795	£23,071
<b>Non-staff costs</b>	£13,079	£13,064	£13,020	£13,077	£13,226
<b>Subtotal</b>	<b>£33,470</b>	<b>£34,413</b>	<b>£35,487</b>	<b>£35,872</b>	<b>£36,297</b>
<b>Remuneration Board's Determination</b>					
	<b>£15,468</b>	<b>£15,532</b>	<b>£15,816</b>	<b>£16,102</b>	<b>£16,394</b>
<b>Ring-fenced and non-cash budgets</b>					
Depreciation	£3,000	£2,600	£2,400	£2,200	£2,200
Annually Managed Expenditure	£1,500	£1,200	£1,200	£1,200	£1,200
Election Related Expenditure	£2,500	£0	£0	£0	£500
<b>Subtotal</b>	<b>£7,000</b>	<b>£3,800</b>	<b>£3,600</b>	<b>£3,400</b>	<b>£3,900</b>
<b>Total Budget</b>					
	<b>£55,938</b>	<b>£53,745</b>	<b>£54,903</b>	<b>£55,374</b>	<b>£56,591</b>

A large part of the Commission's operational budget covers staffing costs. Over the Fourth Assembly, our staffing developed in order to provide outstanding parliamentary support to Members. Capacity was increased in order to meet the demands on the business and we have brought in additional skills where required to meet emerging needs.

A lot of work has already been done to map out the likely staffing needs for the Fifth Assembly and now that the new Committee structure is in place, the staff structures and capacity are being reviewed.

The budget for 2017-18 provides for 446 posts. Staffing levels are reviewed through an annual capacity planning exercise which links to service plans, identifying staffing needs and ensuring there is sufficient time to bring in required skills. The assumption in our budget planning is that modest growth in staffing numbers will continue during the Fifth Assembly as an increasing workload for Members will require additional skills and expertise.

The key areas in which we expect to see the increases to capacity are:

- Assembly Business Directorate e.g. Committee, Communications, digital media and Legislative support;
- Translation and Reporting as we further support more bilingual working.
- Security – in response to a heightened international threat.

## Looking after our money

In order to manage the resources at our disposal, the Commission needs timely, accurate and relevant financial information that is prepared with the Commission's statutory obligations and commitment to openness and transparency in mind.

Our financial management and performance reflects the Commission's continuous improvement ethos. We have made further improvements in financial reporting and forecasting to provide the flexibility to make best use of our available budget.

We have further strengthened financial management, reporting and control, increasing the Finance Team's capacity, skills and resilience, reducing the time taken to provide management information, and improving reconciliation processes.

The Commission has a highly effective programme of internal audit that is applied across the organisation and supplements the statutory audit requirements. The work undertaken between the Finance Team and the Wales Audit Office during 2015-16 to address areas of potential weakness led to a very successful audit of the year end accounts. This relationship will continue to be valuable in order to highlight any areas for improvement in the accounts process and continue to demonstrate value for money.

In addition there is an independent Audit and Risk Assurance Committee made up of highly experienced individuals with both public and private sector experience. The committee takes an active interest in the management of the Commission and is enthusiastic about its work on effectiveness and efficiency. Engagement with them provides continual challenge and assurance around our improvement work.

The internal audit process will continue during the Fifth Assembly and give the opportunity to review our current service provision and provide recommendations for improvement where necessary.

The Commission reports against Key Performance Indicators each term. During the Fourth Assembly these indicators helped to focus attention and drive service improvements. The Key Performance Indicators are being updated for the Fifth Assembly to reflect the priorities of the new Commission.





**The Official Opening of the Fifth Assembly - 7 June 2016**  
Members of the Armed Forces line the street outside the Senedd.

# Setting direction

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One of our first tasks as a new Commission was to agree our new strategy. Our overarching purpose and strategic goals are set out below.

## **Our purpose**

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 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.

## **Our strategic goals**

- To provide outstanding parliamentary support.
  - To engage with all the people of Wales and champion the Assembly.
  - To use resources wisely.
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## 03. Commission strategic priorities

The strategic goals set the framework for an ambitious set of priorities, building on the investment and momentum that has been achieved in the Fourth Assembly, particularly in the light of the changing constitutional situation and the continued need for stronger engagement. For each strategic goal, the Commission's aim is to set and maintain high standards as a Welsh public service leader, during a time of closer public scrutiny, and enhance our international reputation as an effective, open, world class parliamentary institution.

A key theme running throughout these priorities is a focus on building capability to ensure the longer term success of the organisation. This applies to:

- the Assembly and Commission: through having the right constitutional and procedural framework in place;
- Members: through shaping our services and professional development offer to their needs;
- staff: ensuring that our people are well equipped, drawn from the widest pool of talent, are aligned with our business priorities, and that we have the flexibility to respond to changing needs;
- an agile culture: continuously seeking opportunities for all to create value by working differently, making best use of advancing technological capabilities, and embracing change; and
- enhancing the engagement value offered by the Assembly estate, in particular the Senedd.

The start of the Fifth Assembly has seen a change to Committee structures, the way their Chairs are elected and a lengthening of the formal Assembly business week to provide more time for committee and plenary scrutiny work. We need to flex our staffing support to meet this changed demand and to address the emerging needs of the institution.

Investing additional resources in supporting change and building our capability will pay dividends in the longer term. Particular areas where we see a need for future investment include:

- making a step change in the digital provision of Commission services to Members and the public, including improving services such as Senedd TV;
- strengthening the youth engagement strategy to invest in the future of Welsh democracy;
- creating a coherent, publicly accessible archive for the long-term preservation of the Assembly's records;
- the 10 year Estates investment programme and Energy Reduction Route Map;
- the possible purchase of Ty Hywel should the opportunity arise, if it were demonstrated that this would save us a significant amount of money in the longer term.

## 04. Budget pressures

The challenges of the Fifth Assembly are likely to become even more complex and require the Commission to be at its very best in supporting Members to carry out their work. Looking to the future, the Commission's budget strategy takes account of the changing constitutional context, including the outcome of the EU referendum. There will be other drivers and external influences which will shape the Commission's services. The key ones anticipated are summarised here.

### **Constitutional change**

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The Assembly will be under the spotlight as new tax raising powers are used (including, potentially income tax powers). Other new powers will be devolved via the Wales Bill. Ensuring that Members and Commission support services are ready to exercise these new powers is an area where further small-scale investment may be required, for example, to deal with any additional work or bring in specialist expertise.

The decision on whether and how to increase the size of the Assembly in 2021 will be a matter for the Assembly to consider if the Wales Bill is agreed. This would have a significant impact on the Commission's investment priorities and would require considerable forward planning and re-thinking of Commission services to deliver support to a larger Assembly.

### **Implications of the outcome of the EU Referendum to Wales and the work of the Assembly.**

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The Assembly has a role in promoting Welsh interests amongst the EU institutions. It also has a role in indirectly influencing the position of the UK Government and in scrutinising the Welsh Government's strategic priorities in relation to the EU.

There is likely to be an impact, following the referendum outcome, in terms of workload for Members and Committees in the short and longer term. Some areas of work may reduce, or take on a lower level of priority, such as work to support Assembly activity in relation to the Committee of Regions and CALRE (Conference of European Regional Legislative Assemblies). However, alongside this it is likely that there will be much greater emphasis on inter-parliamentary work within the UK and key areas of policy where EU laws are applied within devolved areas, and therefore likely to fall to the Assembly, rather than Westminster.

There will also be a need to engage more on constitutional issues with both the UK Government and Welsh Government directly to ensure that the Assembly's interests are represented. Given the importance of the devolved parliaments being involved and having oversight of inter-governmental relations on this issue, it is likely that whatever processes/structures are put in place for inter-governmental negotiations, similar arrangements will be required for legislatures.

The core strengths of the committee system include cross-party working, policy expertise and engagement with the electorate. All of these issues have been raised in the political debates and media coverage following the referendum. The potential for committees to combine the three, in innovative ways as well as building on the best practice from the Fourth Assembly and to respond to the challenges arising from the vote is significant.

## **Capacity – supporting Members to respond to business demands**

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Pressures on Members and Commission services are likely to increase during the Fifth Assembly. The Welsh Government's legislative programme and the new powers as devolved in the Wales Act 2014 and anticipated in the Wales Bill are likely to increase Members' workload. The public policy challenges facing Wales will also require ever closer scrutiny, exacerbated by the current economic climate.

Faced with the continuing pressures of a 60-Member Assembly, the Commission will consider how best to focus its support to Members.

## **Changing digital world, public engagement and demands for greater transparency**

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How people engage with the political environment is changing, including demands for greater transparency and accessibility of information about Members and their work. This creates a driver for improvements to services such as senedd.tv and to create a coherent archive of the Assembly's records, so that we safeguard and control those records for the public good.

There is an opportunity to build on the excellent outreach and youth engagement foundations of the Fourth Assembly. The Commission will consider the arguments for a formal Youth Assembly to complement its increased youth engagement work.

Media coverage in Wales of Assembly business is likely to continue to be weak. Continuing to support the media to facilitate coverage of the work of the Assembly in the Welsh national and local media will be crucial. There may also be an opportunity to improve the Assembly's relationship with the UK media to increase their understanding and appetite for Assembly news and help them make connections between UK wide issues and the Welsh perspective.

A step change is required in how we produce, manage and use Assembly business information if the Commission wishes the Assembly to be regarded as a world class digital parliament that is open, inclusive and easy to engage with, leading to better laws and scrutiny outcomes.

## **Name change of the Assembly**

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The Wales Bill which is currently progressing through UK Parliament, will give the Assembly the power to change its own name, once it receives Royal Assent. The Assembly has made clear its view that its name should be changed to better reflect its responsibilities and role today in the constitution of Wales. The Commission will be considering the implications of such a change and how best to give it effect.

# ASSEMBLY BUSINESS 2015 – 2016

During 2015–16, Assembly Members represented their constituents and scrutinised government policy, legislation and expenditure in weekly Plenary and committee meetings.



**66**

PLENARY  
MEETINGS

**20**

URGENT  
QUESTIONS



**8**

INDIVIDUAL  
MEMBER  
DEBATES



**10**

BILLS RECEIVED  
ROYAL ASSENT



**286**

COMMITTEE  
MEETINGS



**82**

COMMITTEE  
REPORTS

## 05.Supporting Assembly Business

The Assembly has established a system of committees with two more policy and legislation committees than existed in the Fourth Assembly. It has also agreed a timetable of formal business that will allow more committee activity to take place.

The Commission will need to invest to ensure that every committee:

- has access to the policy expertise it requires, both internal and external;
- can pursue innovative and inclusive ways of engaging with the people of Wales;
- raises the profile of their work;
- has its administrative needs, including translation, interpretation and reporting fully met.

The Commission intends to continue to pursue the flexible approach to resourcing legislative scrutiny established during the Fourth Assembly. This will involve regularly assessing resource needs and responding when appropriate to peaks in the Assembly’s legislative workloads. We will provide a full suite of support for the development of any Member, committee or Commission Bills. We will also provide support to scrutinise any such Bills, as well as scrutinising legislation introduced by the Welsh Government.

The Commission will carefully examine, in collaboration with the Welsh Government, the potential for any resource need arising from the report of the Law Commission on the form and accessibility of the law applicable in Wales. The Commission is also working with the Welsh Government to make preparations for the end of the current contract period for the legislation software used by both organisations to draft and process amendments to Bills.

The staffing structure supporting committees is being reviewed in light of the new programme for Committee business but will need to be monitored as the Fifth Assembly progresses to respond to the workloads of the individual committees. To further support their work, Members and their staff make excellent use of the Research Service to answer their confidential requests for information in support of Assembly Business and constituency work. We have recognised the growing demand from Members for information to be presented in more visual, accessible formats using mapping software and infographics.

The constitutional challenges presented by the Wales Bill and the decision that the UK should leave the European Union will present particular demands for legal and procedural advice and support to the Llywydd, Commission, committees and Members. We anticipate a need for targeted and specific investment in these areas of expertise, though the full extent of the work involved is yet to become clear.

### **Professional Development for Members**

The start of the Fifth Assembly was the first time that we have been able to provide a comprehensive induction programme for new Members which gave them an introduction to the Assembly and the necessary tools to get started in their roles immediately. Members are now being individually supported by providing training specifically related to the roles that they will be undertaking. We will continue to develop and deliver innovative, needs-based support. Delivery of the Continuous Professional Development (CPD) programme for Assembly Members and their support staff will build on the experience gained in the last Assembly as well as incorporating new opportunities based on

feedback from current Members. It will focus on providing timely advice and tailored support that meets the priorities of the institution and the needs of individuals

The CPD programme will include a mixture of learning opportunities including training sessions, online and written materials, briefing and coaching reflecting the range of Member and AMSS responsibilities. Individual Members will be supported in their responsibilities in running offices and managing staff alongside the more formal business of the Assembly. New areas of activity will include increasing knowledge and understanding of the implications of the decision to leave the EU and preparing for constitutional changes that will come into force in this Assembly.

Committees and their Chairs will continue to have access to a comprehensive programme of support that can be tailored to suit their needs and fit in with their priorities. This flexible programme of support will include coaching for Chairs, evidence gathering and questioning skills, and the scrutiny of legislation.

One of the areas where we anticipate the greatest increase in demand is language support. We offer various ways of delivering Welsh language lessons and have already arranged for Members to access learning specific to their needs.

CPD packages will be available for individual AMSS, to suit their different roles and the way Members choose to structure their offices. The existing CPD offer for AMSS will be maintained, with an additional focus on supporting caseworkers and staff in constituency offices that deal directly with the public. The types of training offered to Support Staff will include: media training, language learning, casework, dealing with constituents, speech writing and the legislative process and amending legislation.

## **Bilingual Working**

Work on an Official Languages Scheme for the Fifth Assembly is underway. As part of the process, the Assembly Commission is required to consult on a draft of the Scheme and to lay the final Scheme before the Assembly for approval. The amended scheme will focus on further improvement of bilingual service provision and the ability to provide a bespoke and responsive service.

An increase in the number of Welsh speaking Assembly Members and in the number of Assembly Members learning Welsh, including the election of Welsh speaking office holders is likely to further increase the use of Welsh at both formal and informal working levels.

A Language Skills Team has been established to provide flexible and bespoke teaching and support for learners and Welsh speakers. The team will work on a bilingualism toolkit which will assist Commission staff to use the skills they have to work at a level that is appropriate for them. This will include the use of technology such as machine translation and online resources which will in the long run raise the confidence levels of Assembly Members, their support staff, and Commission staff to work in the language of their choice, and reduce dependence on translation to facilitate bilingual working.

A new translation call-off contract will be put in place by the beginning of 2017; the contract will enable facilitate a flexible response to any requirements for both text translation and interpretation, incorporating the use of technology to provide value for money.



## The Record of Proceedings

From the start of the Fifth Assembly, the Draft Record appears online an hour after the start of Plenary. This is a new service, building upon the previous one, which was solely an internal publication. Its publication is announced on Twitter.

As part of our new provision for Members for the Fifth Assembly, transcripts of committee meetings are being e-mailed directly to committee members as soon as they are complete, to facilitate scrutiny at the earliest possible opportunity.

We are seeking a new transcription and publication solution that is integrated with other Assembly Business processes to make the production process more efficient, to enable more resources to be focused on publishing more quickly. The aim is to publish all transcripts in a format that will be easily searchable by Member, location, issue, etc., to support our parliamentary democracy and vision for the Record which is that:

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“Our bilingual Parliamentary official report is fit for communication in an evolving digital work, is reusable, available earlier and accessible. Reporting on proceedings is an integral part of our communications strategy to make Assembly proceedings more transparent so that the people of Wales understand what is being debated and decided by the Assembly.”

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## Engaging with the people of Wales

There are many ways in which the Commission engages with the people of Wales. The Senedd and Pierhead are significant attractions in their own right and we hold numerous events on the estate which provide opportunities for families to learn more about the Assembly. Increasingly, the Senedd is used as a venue for major events of national significance and we exploit the opportunities such as the 10 year anniversary of the opening of the building to showcase the institution. The Assembly is represented at all of the major national shows and through our “Senedd@” programme, we take the work of the Assembly directly to parts of Wales other than Cardiff.

The emphasis we place on engagement and outreach as an integral part of committee work is path-breaking in the parliamentary world. We are striving continually to find new and better ways of engaging the public directly in the work of committees, shaping their programme of work, the generation of the evidence they receive and the communication of their work and conclusions. Continuing these developments will be critical not only to the effectiveness of the committee system but also to enhancing levels of political engagement in Wales.

Visitor numbers are increasing each year as are the number of events being held on the Estate. In order to ensure that events are delivered in the best possible way, a review of how events are delivered was commissioned and commenced in March 2016. The aim of the review is to ensure efficient and consistent customer services across all events and to avoid duplication of work when organising such events. This will ensure value for money and achieve greater levels of engagement from the events that are held across the estate. The findings of the review will be delivered in early 2017.

## 06.Assembly Resources

### ICT Services

Over the Fourth Assembly, a great deal of resource was targeted at bringing the Commission ICT Service in-house. The success of this change has been reflected in Members' survey results and the ICT service now provides best value for the Commission's budget.

A great deal of work was been done during the Fourth Assembly to upgrade and update ICT infrastructure and support so that there is now a flexible foundation to build on which enables us to take advantage of opportunities in technology for the benefit of Members.

The equipment in the Siambur was upgraded in time for the Fifth Assembly. The improved configuration provides more desk space to Members, more flexibility in the use of mobile ICT, better information display and the flexibility to allow further incremental improvements in future.

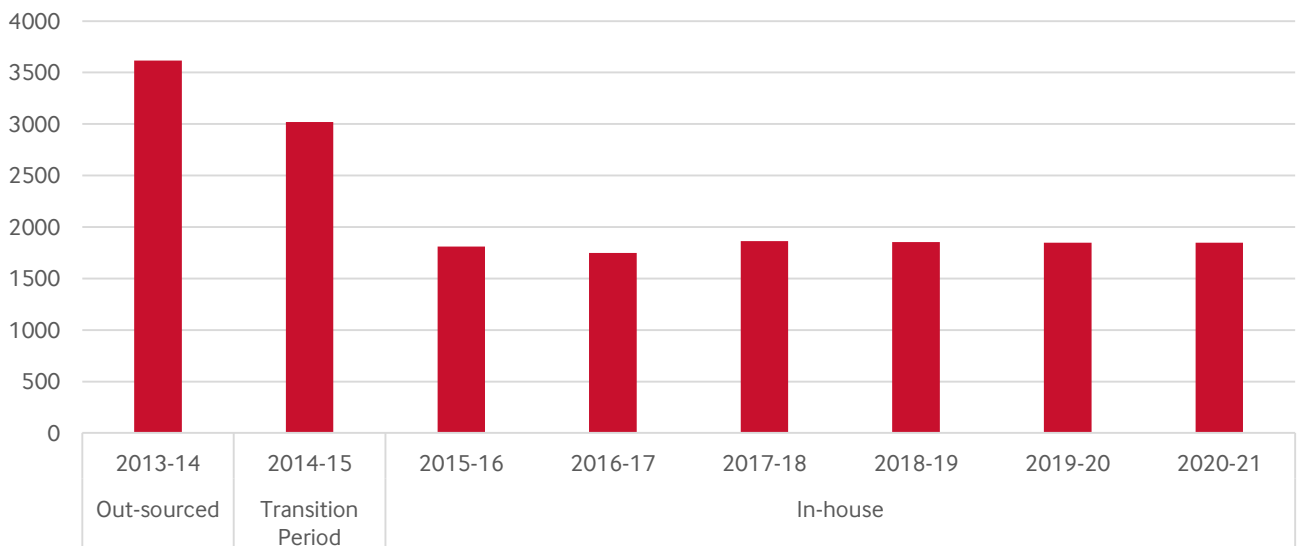
The priorities for the Fifth Assembly are to ensure that the ICT infrastructure becomes even more resistant to failure and offers greater flexibility through the use of "Cloud" services. This will help Members to access the resources they need regardless of location or choice of device. We will continue to take advantage of new technology where this can be shown to provide increased efficiency and make the organisation more effective. For example, we intend to upgrade signage and broadcast systems across the estate in order to exploit the benefits of modern broadcast technologies.

The budget for ICT makes provision for 42 staff to support Broadcasting, the ICT Infrastructure and Operations, Applications Management, Service Delivery and ICT Projects. Steps have been taken to ensure we have the right skills for the Fifth Assembly; for example, an Apple Engineer has recently been recruited to enhance the support provided to Members who choose to utilise Apple products.

Overall, the budget for the service has been reduced by 12% compared to the peak cost of the contracted out service freeing up resource to invest in the development of this and other services.

Graph 1 shows the reduction in the operational budget since we brought the service in-house from a peak cost of £3.618million in 2013-14 to £1.747million in 2016-17.

## Graph 1: ICT Operational Budget



**Table 2: ICT Costs**

	2016-17 Budget £000	2017-18 Budget £000	2018-19 Budget £000	2019-20 Budget £000	2020-21 Budget £000
Contracted out services (including Telephony)	£528	£588	£563	£563	£563
Broadcasting	£490	£505	£496	£490	£490
License and Maintenance	£774	£681	£681	£681	£681
Revenue and Consumable purchases	£130	£250	£250	£250	£250

## Managing and Protecting the Estate

The Assembly estate provides a valuable asset to support the Commission's goals to effectively engage and champion the work of the Assembly.

Following the investments and enhancements to the estate during the Fourth Assembly, we will continue to use our rolling, prioritised work programme to implement lifecycle replacements and refurbishments. This will ensure the estate operates effectively to support Assembly business and reflects the status and professionalism of the Assembly to all those who work in and visit our buildings. We will also seek opportunities to ensure lifecycle replacements deliver added value and savings, for example through more efficient and sustainable replacements and innovations. We will work collaboratively with other services to identify areas where we can achieve joint outcomes, through reviewing systems and identifying solutions that provide added benefits, for example more sustainable lighting replacements that can also support our engagement goals through increased functionality.

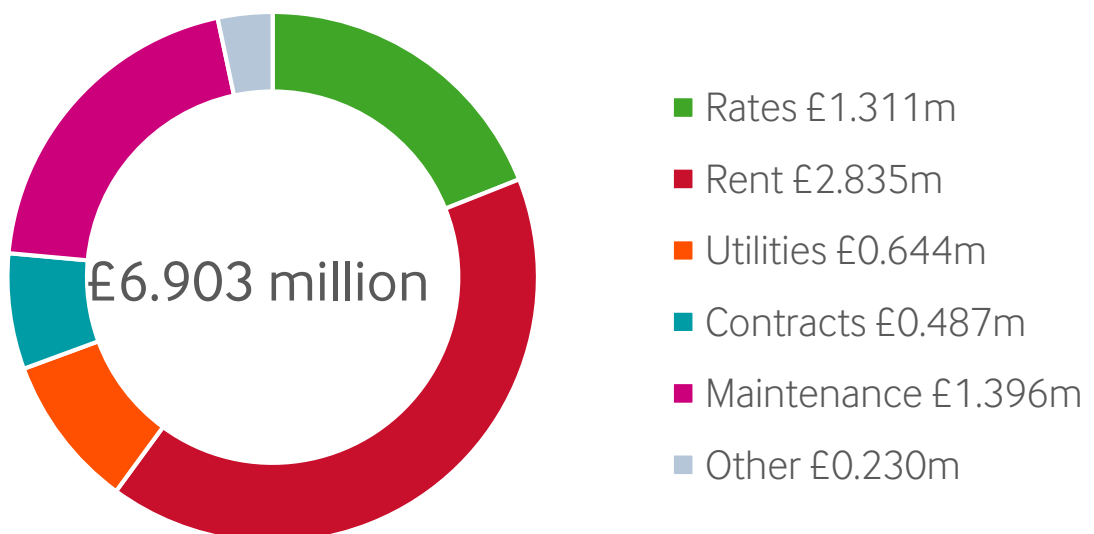
Effective sustainability initiatives and projects to support our Carbon Reduction Route Map to 2021 will also be reviewed and prioritised to support our continued drive to minimise our utilisation of energy, waste and water and ensure we remain an exemplar within the public sector.

Through planned contract retender opportunities, we will seek to review specifications and services to identify efficiencies and savings, whilst ensuring we continue to achieve excellent performance standards and delivery of services from our contracted partners. Working within procurement regulations, we will encourage opportunities within and as part of our contracts to support our commitments to working with Welsh and SME suppliers.

In support of the emerging requirements of the Fifth Assembly, we will review our available facilities both in terms of business needs for Committee meetings and options for more flexible use of office and meeting spaces.

We will explore options to achieve savings through securing our long term ownership goals for Ty Hywel.

**Graph 2: Estates and Facilities Management; Operational Budget 2017-18**



The Fifth Assembly will continue to face a number of security challenges. It is therefore important to ensure that security remains flexible and focussed to ensure a prompt and appropriate response to emerging risks triggered by global events. While international terrorism remains a threat to our safety, we cannot ignore the risks that exist from others who may wish to undermine democracy, or engage in other forms of criminal activity.

The Security team works closely with the Police and other agencies reviewing intelligence and putting in control measures to mitigate emerging risks. In response to the threats of international terrorism, the Commission agreed to the deployment of armed officers, which will eventually lead to an increase in police numbers. In light of this a comprehensive review of the Service Level Agreement with the Police is being undertaken to ensure that the Commission is getting best value for money.

The Commission has invested heavily in protective security measures and new equipment has been introduced, or is being planned, that will greatly enhance the security of the Assembly. These measures are underpinned by more professional and well trained security officers who provide a greater reassurance in the business environment. Steps are being taken to further develop our security services to further enhance the safety of Members, staff and visitors on our estate. The security team is also working with Members to review security arrangements at constituency offices.

A full review of the security staffing structure is being undertaken in response to a longer business week, the requirement to host more Committees and an increasing number of events. This review is also seeking to guarantee training and development opportunities away from front line duties. This review is expected to report with recommendations in autumn 2016.

## Investing in our people

We have a continuing commitment to build organisational capability, against a backdrop of changing demands, to ensure the Assembly has skilled, motivated people in the right posts, ready to deliver outstanding parliamentary services.

Our most recent staff survey, benchmarked against civil service comparators, continues to demonstrate an extremely positive picture, with continued high levels of employee engagement, a true commitment to delivering high quality services, and clear indicators that it is a great place to work. This is also illustrated through a large number of external awards and accolades, including a new IIP Gold award, being placed third in the UK in Stonewall's Workplace Equality Index and also recognised as the top Welsh Public Sector Employer for LGBT staff for the third year running. In partnership with our Trade Union colleagues, we will work to ensure continued high levels of staff engagement and commitment.

Our capacity planning during the latter part of the Fourth Assembly identified areas for investment, particularly the expanding programme of legislation, and readiness for the impact of the Wales Bill. We will continue to develop this work with a particular focus on efficiency and effectiveness.

There are three main directorates within the Commission:

- The Assembly Business directorate with 134 posts covering Committee, Research, Communications and Strategic Transformation, providing specialist parliamentary support to Members to ensure the efficient and effective conduct of business.
- Commission Services with 77 posts providing secretariat services and support to the Llywydd, the Chief Executive, Directors, Assembly Commission and Remuneration Committee. Members Business Support (MBS) and the Translation and Reporting Service are also within this directorate.
- The Resources Directorate provides the corporate support to the business environment, including Security, Estates and Facilities Management, ICT, Human Resources, Governance and Audit and Front of House. This directorate has provision for 205 posts within the budget.
- The Legal Service team has 15 posts and the Finance team has 15 posts.

# WORKING FOR THE ASSEMBLY

## WORKPLACE EQUALITY NETWORKS

Rhwydwaith Anabledd Cynulliad Cenedlaethol Cymru

# EMBRACE

Disability Network of the National Assembly for Wales

Rhwydwaith LGBT Cynulliad Cenedlaethol Cymru

# OUT-NAW

LGBT Network of the National Assembly for Wales

Rhwydwaith Hil, Ethnigrwydd a Threftadaeth  
Ddiwylliannol Cynulliad Cenedlaethol Cymru

# REACH

Race, Ethnicity And Cultural Heritage Network  
of the National Assembly for Wales

Rhwydwaith Menywod Cynulliad Cenedlaethol Cymru

# INSPIRE

Women's Network of the National Assembly for Wales

Rhwydwaith Gofalwyr a Rhieni sy'n  
Gweithio Cynulliad Cenedlaethol Cymru

# TEULU

Working Parent and Carer Network of the  
National Assembly for Wales

## AWARDS



**INVESTORS  
IN PEOPLE** | Gold



  
**Top Employers  
for Working Families**

**LOUDER  
THAN  
WORDS**



we're supporting

**AGE POSITIVE**



The National  
Autistic Society  
Cymru



Cymdeithas  
Genedlaethol  
Awtistiaeth  
Cymru



## 07. Efficiency and Effectiveness

As a publicly funded organisation, the Commission must consistently demonstrate that it uses its resources efficiently and effectively and that it operates effective governance and assurance processes. At the same time, it is critical that we maintain the delivery of excellent services to Assembly Members so that they are able to undertake their elected role to provide effective scrutiny of the Welsh Government, to make good laws for Wales and to represent the people of Wales.

In order to provide assurance that we treat the efficient and effective use of resources as a priority in both our daily operations and also when we introduce changes to the organisation. We:

- challenge ourselves and our suppliers continuously to increase efficiency and effectiveness and to measure and report on improvement;
- provide clear evidence that we do operate efficiently and effectively and that we are right to use our allocated budget in the way we do;
- ensure that everything we do aligns to the Commission’s Strategy, goals and priorities, is fit for purpose and is the result of an assessment of costs versus benefits;
- subject ourselves to both internal and external scrutiny and to be clear and open about our plans and achievements; and
- capture examples of good practice, distil the essence of what makes it so and ensure that this good practice is adopted. Similarly, where things do not go well, we show what we have learnt and done, to prevent a reoccurrence.



# USING RESOURCES WISELY 2015 – 2016



# 72%

STAFF ENGAGEMENT LEVEL MEASURED  
IN ANNUAL STAFF SURVEY  
(AGAINST CIVIL SERVICE MEDIAN OF 59%)

# 7.6%

REDUCTION IN EMISSIONS  
(6% ANNUAL TARGET)



# 0.13%

BUDGET UNDERSPEND  
(TARGET OF <1%)

# 450

PERMANENT, POLITICALLY  
IMPARTIAL STAFF WORK FOR  
THE ASSEMBLY COMMISSION



# 163,158

VISITORS TO THE  
SENEDD AND  
PIERHEAD



# 12%

REDUCTION IN COST OF ICT SERVICES

## 08. The Remuneration Board's Determination

The Remuneration Board is the independent body which determines the pay and remuneration for Assembly Members and their staff and the system of financial support needed for Members to fulfil their responsibilities as elected representatives.

The system provides funds to cover the expenses associated with being a Member and / or an Office Holder, for example:

- running an office and engaging with constituents;
- salaries and travel expenses of their support staff;
- residential accommodation in Cardiff for Members whose home is a significant distance away (eligibility criteria apply);
- support for the Party Groups and policy research.

At the start of this Assembly, the basic salary for Assembly Members was set at £64,000. In future years it will be uprated in line with average earnings in Wales as measures in the Annual Survey of Hours and Earnings (ASHE).

Additional salaries are paid to Members holding offices carrying significant extra responsibilities, such as Minister, the Llywydd and committee chairs.

Also, from the start of this Assembly, the Board made significant changes to the Members' pension scheme, increasing the level of contribution made by the Members themselves and reducing the benefits paid to pension recipients, thus reducing the overall cost to the taxpayer.

The Remuneration Board has put in place funding (up to £95,000 per Member per annum) for Members to employ up to three full-time equivalent staff to support them in all aspects of their role. In addition, Members can draw on an allowance of up to £17,184 in order to cover the costs of running an office in their constituency or region.

Members' salaries and the mechanism for any uplift is now set for the remainder of this five year Assembly. The Board will review the other elements of its Determination on an annual or periodic basis to ensure that they remain appropriate. The Office Costs budget is reviewed annually and adjusted as necessary. For the purpose of providing indicative figures, we have applied an inflationary uplift only.

The budget to fund the Remuneration Board's Determination for the Fifth Assembly is shown in Table 3

<b>Table 3</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Assembly Members' Salary and on-costs</b>	£5,840	£5,725	£5,811	£5,899	£5,986
<b>Assembly Members' Support Staff Salary and on-costs</b>	£7,956	£8,110	£8,273	£8,438	£8,607
<b>Allowances and Office Costs</b>	£1,672	£1,697	£1,732	£1,765	£1,801
<b>Total</b>	<b>£15,468</b>	<b>£15,532</b>	<b>£15,816</b>	<b>£16,102</b>	<b>£16,394</b>

## 09. Budget Ambit

This budget submission is laid in compliance with the National Assembly Standing Order 20.13 to assist in the compilation of the Annual Budget Motion required by Section 125 of the Government of Wales Act 2006. The submission covers the resource and cash requirements of the Assembly Commission for the year ending 31 March 2018.

The Budget Motion will authorise the net resources to be used for the services and purposes of Members and Assembly Services. The motion includes the maximum income (or accruing resources) that may be retained for use on those services and purposes instead of being paid into the Welsh Consolidated Fund and the cash amount that will need to be issued from the Welsh Consolidated Fund to meet the anticipated net amounts falling due for payment by the Commission.

The 2017-18 Budget for the Assembly Commission addressing these requirements is set out in Table 4;

<b>Table 4</b>	<b>2017-18</b> <b>£000</b>
<b>Resources other than accruing resources for use by the National Assembly for Wales Commission on resource and capital costs associated with the administration and operation of Assembly Services to support the National Assembly for Wales (‘the Assembly’); promotion of the Assembly including payments to the Electoral Commission and others; payments in respect of the Commissioner for Standards and Remuneration Board; any other payments relating to functions of the Assembly or functions of the National Assembly for Wales Commission.</b>	<b>£53,745</b>
<b>Resources other than accruing resources for use by the National Assembly for Wales Commission in respect of decisions of the Remuneration Board and expenditure in respect of Assembly Members’ Pension provision.</b>	
<b>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;</b>	
- <b>from the disposal of fixed assets and other capital income for use on the purchase or acquisition of fixed assets</b>	<b>£300</b>
<b>rental income, gifts, grants, cheques, recharges and income from commercial sales and other services provided to the public or others for use on administrative costs of the Assembly</b>	
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	<b>£50,245</b>

## Annex 1: Budget Overview

<b>Table 5</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>Budget Heading</b>	<b>Budget £000</b>	<b>Budget £000</b>	<b>Budget £000</b>	<b>Budget £000</b>	<b>Budget £000</b>
Staff salaries and related costs	£20,392	£21,458	£22,571	£22,894	£23,170
Accommodation and facilities	£7,514	£7,586	£7,612	£7,639	£7,666
ICT costs	£2,614	£2,024	£1,990	£1,984	£1,984
Other costs (see Table 6)	£2,132	£2,150	£2,119	£2,160	£2,282
Training and development	£385	£400	£400	£400	£400
Promoting awareness and understanding	£324	£314	£314	£314	£314
Staff travel and subsistence	£156	£158	£158	£158	£158
Other HR costs	£103	£123	£123	£123	£123
<b>Total Revenue Expenditure</b>	<b>£33,620</b>	<b>£34,213</b>	<b>£35,287</b>	<b>£35,672</b>	<b>£36,097</b>
<b>Revenue Income</b>					
Sales – the Assembly Shop	(£15)	(£15)	(£15)	(£15)	(£15)
Accommodation – rental income	(£50)	(£50)	(£50)	(£50)	(£50)
Miscellaneous income	(£335)	(£235)	(£235)	(£235)	(£235)
<b>Total Income</b>	<b>(£400)</b>	<b>(£300)</b>	<b>(£300)</b>	<b>(£300)</b>	<b>(£300)</b>
Capital Expenditure – creation of fixed assets	£250	£500	£500	£500	£500
<b>Total Resource</b>	<b>£33,470</b>	<b>£34,413</b>	<b>£35,487</b>	<b>£35,872</b>	<b>£36,297</b>
Members’ salaries and related costs	£15,468	£15,532	£15,816	£16,102	£16,394
<b>Net Resource</b>	<b>£48,938</b>	<b>£49,945</b>	<b>£51,303</b>	<b>£51,974</b>	<b>£52,691</b>
<b>Non-cash and ring-fenced budgets</b>					
Election related expenditure	£2,500	£0	£0	£0	£500
Depreciation and amortisation charges	£3,000	£2,600	£2,400	£2,200	£2,200
Members’ Pension finance costs	£1,500	£1,200	£1,200	£1,200	£1,200
<b>Total non-cash and ring-fenced budgets</b>	<b>£7,000</b>	<b>£3,800</b>	<b>£3,600</b>	<b>£3,400</b>	<b>£3,900</b>
<b>Total Commission Budget</b>	<b>£55,938</b>	<b>£53,745</b>	<b>£54,903</b>	<b>£55,374</b>	<b>£56,591</b>

## Analysis of 'Other Costs'

<b>Table 6</b>	<b>2016-17 Budget</b>	<b>2017-18 Budget</b>	<b>2018-19 Budget</b>	<b>2019-20 Budget</b>	<b>2020-21 Budget</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Other administrative expenses	£1,218	£1,155	£1,124	£1,165	£1,287
Language contracted-out services	£263	£263	£263	£263	£263
Printing, stationery and postage	£227	£270	£270	£270	£270
Insurance and specialist advice	£110	£115	£115	£115	£115
Publications	£110	£120	£120	£120	£120
Accounting and financial services	£23	£44	£44	£44	£44
Audit	£90	£90	£90	£90	£90
Committee advisors	£54	£54	£54	£54	£54
Hospitality	£37	£39	£39	£39	£39

**Table 7 reconciles the net resource requirement to the cash drawing requirement from the Welsh Consolidated Fund;**

<b>Table 7</b>	<b>2017-18 £000</b>
Members net revenue requirement	£15,532
Commission net revenue requirement	£36,513
Net capital requirement	£500
Annually Managed Expenditure	£1,200
<b>Subtotal</b>	<b>£53,745</b>
<b>Adjustments;</b>	
Depreciation	(£2,600)
Movements in provisions	(£1,200)
Movements in debtors and creditors	£300
<b>Subtotal</b>	
Net cash requirement from the Welsh Consolidated Fund	<b>£50,245</b>

## Annex 2: Glossary

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### Annually Managed Expenditure (AME)

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

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### Budget

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

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### Capital

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

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### Depreciation

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

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### Fixed Assets

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

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### Government of Wales Act 2006

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

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### Provisions

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

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### Real terms

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

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### Revenue/ Running Costs

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

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### Value for Money

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

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**Welsh block**

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

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**Welsh Consolidated Fund**

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