



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

# Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Cyllid](#)

[The Finance Committee](#)

05/10/2016

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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynnddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd. Lle y mae cyfranwyr wedi darparu cywiriadau i'w tystiolaeth, nodir y rheini yn y trawsgrifiad.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included. Where contributors have supplied corrections to their evidence, these are noted in the transcript.

**Aelodau'r pwyllgor yn bresennol**  
**Committee members in attendance**

|  |  |
|--|--|
| Mike Hedges<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a>   | Llafur<br>Labour   |
| Steffan Lewis<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a> | Plaid Cymru<br>The Party of Wales  |
| Eluned Morgan<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a> | Llafur<br>Labour   |
| Nick Ramsay<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a>   | Ceidwadwyr Cymreig<br>Welsh Conservatives                                  |
| Mark Reckless<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a> | UKIP Cymru<br>UKIP Wales   |
| David Rees<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a>    | Llafur<br>Labour   |
| Simon Thomas<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a>  | Plaid Cymru (Cadeirydd y Pwyllgor)<br>The Party of Wales (Committee Chair) |

**Eraill yn bresennol**  
**Others in attendance**

|  |  |
|--|--|
| Nick Bennett   | Ombwdsmon Gwasanaethau Cyhoeddus Cymru<br>Public Services Ombudsman for Wales  |
| Claire Clancy  | Prif Weithredwr a Chlerc y Cynulliad<br>Chief Executive and Clerk of the Assembly  |
| Suzy Davies<br><a href="#">Bywgraffiad</a>   <a href="#">Biography</a> | Aelod Cynulliad, Ceidwadwyr Cymreig (Comisiynydd y Cynulliad)<br>Assembly Member, Welsh Conservatives (Assembly Commissioner)    |
| Susan Hudson   | Rheolwr Polisi a Chyfathrebu, Swyddfa Ombwdsmon Gwasanaethau Cyhoeddus Cymru<br>Policy and Communications Manager, Office of the |

Public Services Ombudsman for Wales

David Meaden                      Cyfrifydd Ariannol, Swyddfa Ombwdsmon  
Gwasanaethau Cyhoeddus Cymru  
Financial Accountant, Office of the Public Services  
Ombudsman for Wales

Nia Morgan                        Cyfarwyddwr Cyllid, Cynulliad Cenedlaethol Cymru  
Director of Finance, National Assembly for Wales

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol**  
**National Assembly for Wales officials in attendance**

Bethan Davies                    Clerc  
Clerk

Martin Jennings                Y Gwasanaeth Ymchwil  
The Research Service

Helen Jones                      Y Gwasanaeth Ymchwil  
The Research Service

Georgina Owen                  Dirprwy Glerc  
Deputy Clerk

Joanest Varney-                Uwch-gynghorydd Cyfreithiol  
Jackson                          Senior Legal Adviser

*Dechreuodd y cyfarfod am 09:01.*  
*The meeting began at 09:01.*

**Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau**  
**Introductions, Apologies, Substitutions and Declarations of Interest**

[1] **Simon Thomas:** Bore da. **Simon Thomas:** Good morning.  
Croeso i bawb i gyfarfod y Pwyllgor      Welcome to the meeting of the  
Cyllid. Y bore yma, rydym ni'n edrych      Finance Committee. This morning,  
ar amcangyfrifon yr ombwdsmon      we'll be looking at the estimates of  
gwasanaethau cyhoeddus ac wedyn      the public services ombudsman and  
yr amcangyfrifon ar gyfer Comisiwn y      the estimates for the Assembly  
Cynulliad. Cofiwch fod cyfieithu i gael      Commission. Please remember that

ar sianel 1—a gwneud y sŵn yn uwch ar sianel 0. A gaf i ofyn ichi dawelu unrhyw ddyfeisiadau electronig, megis ffonau neu iPads? Rwy'n gofyn i Aelodau: a oes yna unrhyw fuddiannau i'w datgan? Pawb yn hapus, felly.

interpretation is available on channel 1 and amplification on channel 0. If I could ask you to put any electronic devices on mute, such as mobile phones and iPads. Could I ask Members whether they have any declarations of interest? Everyone content, therefore.

### **Papurau i'w Nodi** **Papers to Note**

[2] **Simon Thomas:** Jest cyn inni droi at y tystion, mae un papur i'w nodi. Mae yna lythyr wedi'i dderbyn gan Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol ataf i, parthed penodi cadeirydd Awdurdod Cyllid Cymru. Rwyf am nodi hynny ac ymateb yn briodol, ond os oes gyda chi, Aelodau, unrhyw sylwadau i'w gwneud ar y llythyr, naill ai yma neu drwy Bethan, y Clerc, bwydwch yn ôl. A yw pawb yn hapus gyda hynny?

**Simon Thomas:** Before we turn to the witnesses, there is one paper to note. A letter has come to hand from the Cabinet Secretary for Finance and Local Government to me, in terms of appointing the chair of the Welsh Revenue Authority. I want to note that and respond appropriately, but if you have any comments to make on that letter, either here or through Bethan, the Clerk, please feed back on that. Is everyone content with that?

09:02

### **Ombwdsmon Gwasanaethau Cyhoeddus Cymru: Amcangyfrif o Incwm a Threuliau ar gyfer 2017–18: Sesiwn Dystiolaeth** **Public Services Ombudsman for Wales: Estimate of Income and Expenses 2017–18: Evidence Session**

[3] **Simon Thomas:** Os felly, a gaf i droi at yr ombwdsmon gwasanaethau cyhoeddus, Nick Bennett, a'i groesawu fe i'r pwyllgor, diolch iddo fe am baratoi'r amcangyfrifon sydd ger ein bron, a gofyn ichi, Mr Bennett, gyflwyno, ar gyfer y Cofnod, y tystion sydd gyda chi'r bore yma?

**Simon Thomas:** We turn, therefore, to the public services ombudsman, Nick Bennett. I welcome him to the committee and I thank him for preparing the estimates that we have before us. Could I ask you, Mr Bennett, to introduce, for the Record, the other witnesses that are with you

this morning?

[4] **Mr Bennett:** Diolch yn fawr iawn. Gyda fi heddiw mae Susan Hudson, pennaeth polisi a chyfathrebu, a Dave Meaden, sy'n gyfrifol am ariannu.

**Mr Bennett:** Thank you very much. I have by my side Susan Hudson, policy and communications manager, and Dave Meaden, who is responsible for accountancy.

[5] **Simon Thomas:** Diolch yn fawr iawn. Os ydych chi'n hapus, fe awn ni'n syth ati i graffu ar yr amcangyfrifon. A gaf i ofyn yn gyntaf? Rwy'n gweld eich bod chi'n dweud bod nifer y cwynion wedi cynyddu'n gyson dros y cyfnod, ond eich bod chi wedi llwyddo i leihau'r costau fesul uned, fel petai—cost delio â chwynion. Beth yw'r prosesau rydych wedi'u defnyddio er mwyn hwyluso'r broses yna? A ydych yn rhagweld y byddwch yn llwyddo hyd yn oed ymhellach yn ystod y flwyddyn i ddod?

**Simon Thomas:** Thank you very much. If you are content, we'll move on now to scrutiny of the estimates. Could I ask you first? I see that you say that the number of complaints has increased consistently over the reporting period, but that you have managed to reduce the per-unit costs, as it were—the cost of dealing with those complaints. What are the processes that you've used in order to facilitate that process? Do you foresee that you will succeed to go even further during the year to come?

[6] **Mr Bennett:** Rwy'n gobeithio y gallwn ni fynd ymhellach. Mae wedi bod yn anodd, ond rwy'n falch iawn o beth mae'r swyddfa wedi'i wneud yn ystod y degawd diwethaf. Yn sicr, os ydych yn edrych ar y graff, rydych yn gallu gweld bod nifer y cwynion yn cynyddu, flwyddyn ar ôl blwyddyn, a'r gost ar gyfer pob uned yn dod i lawr. Rwy'n coelio bod hynny'n adlewyrchu'r buddsoddiad rydym wedi'i wneud pan mae'n dod i dechnoleg, er enghraifft. Hefyd, wrth gwrs, rydym yn trio rhoi mwy o bwyslais ar wella gwasanaethau cyhoeddus yn y dyfodol a sicrhau bod rhai o'r cyrff—mae tua phump neu

**Mr Bennett:** I hope that we can go further. It has been difficult, but I'm very proud of what the office has done during the past decade. Certainly, if you look at the graph, you can see that the number of complaints is increasing, year on year, and the cost per unit is coming down. I do believe that that reflects the investment that we have made when it comes to technology, for example. Also, of course, we are trying to put a greater emphasis on improving public services for the future and ensuring that some of the bodies—there are about five or six that are responsible for about a

chwech sy'n gyfrifol am chwarter o'r cwynion rydym yn eu cael—yn dysgu gwersi a sicrhau bod ganddyn nhw well trefn ar gyfer y ffordd maen nhw'n delio â chwynion yn y dyfodol.

quarter of the complaints that we receive—learn lessons and manage things better in terms of complaints handling in the future.

[7] **Simon Thomas:** Rydych yn sôn am rai o'r cyrff sy'n gyfrifol am nifer—. Mae nifer o'r rheini yn gyrff iechyd, yn ôl beth rwy'n ei ddeall. Beth yw eich dehongliad chi o pam fod hynny'n digwydd a beth yw'r camau y medrwch chi eu cymryd i reoli cost hynny yn y dyfodol?

**Simon Thomas:** You mentioned some of the bodies that are responsible for many—. Some of those are health bodies, as I understand it. What is your interpretation of why that's happening what are the steps that you can take to manage that cost in the future?

[8] **Mr Bennett:** O ddadansoddi ein hadroddiad blynyddol y llynedd, roedd cwynion wedi dod i lawr ym mhob sector cyhoeddus, ar wahân i iechyd. Os ydych yn dadansoddi beth sy'n digwydd y tu fewn i iechyd ei hun, mi roedd y cwynion wedi mynd i lawr mewn nifer o fyrddau iechyd, rwy'n falch i ddweud, ond, yn anffodus, mewn rhai, roedd y nifer wedi mynd i fyny yn sylweddol. Rwy'n gobeithio rŵan y byddwn yn gweld mwy o welliant, am nifer o resymau. Rydym yn trio gwneud mwy o waith pan mae'n dod i'r themâu sy'n codi allan o gwynion iechyd, a dyna pam wnes i ddefnyddio ein grym ni i gyhoeddi adroddiad thematig rai misoedd yn ôl a oedd yn sôn am beth oedd yn digwydd pan mae'n dod i gwynion y tu allan i oriau cyffredin. Felly, gallwn ni wneud mwy o waith fel hynny.

**Mr Bennett:** From analysing last year's annual report, complaints have reduced in every public sector, apart from health. If you look at what is happening within health itself, complaints have reduced in a number of health boards, I'm pleased to say, however, unfortunately, in a few, the number did substantially increase. I now hope that we will see greater improvement for many reasons. We are seeking to do more work when it comes to themes arising from health complaints and that's why I used our power to publish a thematic report a few months ago, talking about what was happening when it came to dealing with complaints about out-of-hours services. So, we can do more work like that.

[9] Hefyd, rwy'n falch iawn—ac maent yn ddyddiau cynnar—o'r

I'm also very pleased—and it is early days—about the work that we have

gwaith rydym ni wedi'i wneud o safbwynt gwella a gweithio efo pump neu chwe chorff ar y ffordd y maen nhw'n delio gyda chwynion. Rwy'n falch i ddweud, er efallai bod y nifer o gwynion wedi dod i fyny, mae'r nifer sy'n cael eu ffeindio'n ddilys wedi dod i lawr. Hefyd, rydym yn gweld datrysiad lleol yn cael ei ddefnyddio a datrysiad cynnar yn cael ei ddefnyddio llawer mwy. Mae'r nifer o ddatrysiadau cynnar wedi cynyddu o 160 i tua 230 yn ystod y flwyddyn ddiwethaf. Dyna'r cynnydd mwyaf rydym wedi'i gael—

undertaken in terms of improvement and working with the five or six bodies that I mentioned and the way that they handle complaints. I'm happy to say that, although the number of complaints may have increased, the numbers that we have found to be valid have reduced. We're also seeing local solutions being found and earlier solutions being used to a greater extent. The number of early resolutions has increased from 160 to about 230 over the past year. That's the greatest increase that we've had—

[10] **Simon Thomas:** Sy'n lleihau costau.

**Simon Thomas:** Which decreases costs.

[11] **Mr Bennett:** Mae'n lleihau ein costau ni, ond wrth gwrs, y pwynt pwysicaf yw ei fod yn sicrhau bod yna well profiad i'r achwynydd, a dyna beth sy'n hollbwysig i ni.

**Mr Bennett:** It decreases our costs, but of course, the most important point is that it ensures that the complainant has a better experience, and that is what's most important to us.

[12] **Simon Thomas:** David Rees ar y pwynt yma.

**Simon Thomas:** David Rees on this point.

[13] **David Rees:** Thank you, Chair. It's pleasing to hear that the number of complaints being dealt with at the local level is increasing. Keith Evans brought in a review of the complaints process in the last couple of years. As a consequence of that, is that how you're seeing the health boards and health bodies making improvements, because they are now dealing with them better, because they are addressing them at an earlier stage and not allowing them to, perhaps, fester?

[14] **Mr Bennett:** To some extent, David, but I think there is a challenge there for the NHS in Wales. If I hark back to the Organisation for Economic Co-operation and Development report, which was published, I think, in March of this year, it reviewed the state of the NHS in all four of the home



nations and there was a very, very clear message there for the Welsh NHS, which I keep repeating, which was something along the lines of: if you're not going to pursue market mechanisms—if there's no choice, then there should be voice. I'm receiving a lot of voices still: over 800 voices—people in Wales who have come to us with health-related complaints. I hope they've reached a plateau, but, as I say, it was health complaints that were responsible for the 4 per cent increase in the overall numbers that we had over the last year. It's great that—certainly with the improvement bodies that we're working with, five of which are health boards—we've seen this reduction in the number of upheld complaints. It's also really good that they're doing more in terms of trying to find an early resolution. Looking at the figures, where perhaps we've gone from 160 early resolutions to 230, that's encouraging, but there's a lot further to go—a lot further to go.

[15] **Simon Thomas:** Maes arall lle mae yna gynnydd wedi bod, o'r adroddiad, yw gyda chod ymddygiad cynghorwyr cymuned. A oes yna reswm penodol am hynny? Pa gamau rydych yn eu cymryd i atal hynny, mewn ffordd, hefyd?

**Simon Thomas:** Another area where there has been an increase in the report is with the code of conduct for community councillors. Is there a specific reason for that? What steps are you taking to prevent that?

[16] **Mr Bennett:** Mae hynny'n anoddach, mewn ffordd. Fel rydych yn ymwybodol, mae yna 735 o gynghorau cymuned yng Nghymru. Mae niferoedd y cwynion o'r sector hwnnw wedi codi o tua 100 i 150. Ar y cynnydd hwnnw o 50, roedd tri chynghor cymunedol yn gyfrifol am y cynnydd hwnnw: Abertyleri, Glynnead a Chaergybi. Rwy'n meddwl bod hynny'n ddiddorol—bod 732 o gynghorau cymunedol yn gyfrifol am 100 o'r cwynion a 50 yn dod o dri arall.

**Mr Bennett:** That is more difficult, in a way. As you're aware, there are 735 community councils in Wales. So, the numbers of complaints we've received in that sector have increased from about 100 to about 150. On that increase of 50, there are three community councils that are responsible for that increase: Abertillery, Glynneath and Holyhead. I think that's interesting—that 732 community councils are responsible for 100 of them and 50 are coming from three councils.

[17] **Simon Thomas:** Fedrwn ni ddim mynd ar ôl hynny yn y pwyllgor hwn, ond efallai bod ambell i gynghor yn anodd i'w rheoli o bryd i'w gilydd.

**Simon Thomas:** We won't pursue that in this committee, but maybe there are some councils that are tough to manage from time to time.

[18] Jest yn edrych ar y cyfanswm, felly, ar hyn o bryd, mae eich amcangyfrifon chi yn gyfrifol am 0.03 y cant o'r bloc Cymreig, ond mae yna ragor o bwerau yn cael eu datganoli i'r Cynulliad ac i'r Llywodraeth. Mae yna ddisgwyl, efallai, i wasanaethau cyhoeddus yng Nghymru ymwneud â mwy o feysydd. Mae yna feysydd megis trethi yn cael eu datganoli. A ydych yn gweld y rheini'n dod â chynnydd yn yr hyn y byddwch chi'n gorfod delio ag ef fel swyddfa? A ydych yn gweld modd rheoli'r costau hynny o edrych ymlaen, o fewn y cyfanswm sydd gennych chi ar hyn o bryd yn y bloc Cymreig?

[19] **Mr Bennett:** Yn anffodus, nid ydym yn derbyn 0.03 y cant—

[20] **Simon Thomas:** Hyd at.

[21] **Mr Bennett:** Ie, hyd at. Deg mlynedd yn ôl, roeddem yn derbyn 0.026 y cant o'r bloc; erbyn hyn, mae wedi dod i lawr i 0.024 y cant. Nid yw hynny'n swnio fel llawer, ond mae'n llawer iawn i ni. Mae pob 0.001 y cant werth rhyw £40,000, sef 1 y cant o'n cyllideb ni. Rydym ni'n hyderus y gallwn ni symud ymlaen, ond y rheswm pam rydym yn gofyn am rywfaint yn fwy o adnoddau eleni yw sicrhau ein bod ni'n gallu symud o 0.024 y cant o'r bloc i 0.025 y cant. Mae'r symudiad yna'n un bwysig i ni oherwydd byddai'n ein galluogi ni i sicrhau ein bod ni'n ffit ar gyfer y dyfodol.

Looking at the total, therefore, at present, your estimates are responsible for 0.03 per cent of the Welsh block, but more powers are being devolved to the Assembly and the Government and there's an expectation perhaps for public services in Wales to deal with more areas, such as taxation, which are being devolved. Do you see those bringing an increase in what you have to deal with as an office? Do you see a way to manage those costs in looking forward within the total that you have within the block grant?

**Mr Bennett:** Unfortunately, we don't receive 0.03 per cent—

**Simon Thomas:** Up to.

**Mr Bennett:** Yes, up to. Ten years ago, we did receive 0.026 per cent of the block; it's now come down to 0.024 per cent. That doesn't sound like a great figure, but it is a lot for us. Every 0.001 per cent is worth about £40,000, so about 1 per cent of our budget. We're confident that we can move ahead, but the reason we're asking for a little more resource this year is so that we can ensure that we can move from 0.024 per cent of the block to 0.025 per cent of the block. That movement is important to us, because it would mean that we could ensure that we're fit for the future.

[22] Mae'n rhaid i ni sicrhau y gallwn ni fod hyd yn oed yn fwy effeithiol. Buaswn yn leicio gweld ein costau ni yn syrthio i lawr eto. Mae hynny'n golygu na allwn gymryd ymlaen mwy o staff, ond rwy'n meddwl ei fod yn bwysig y gallwn amddiffyn y niferoedd sydd gennym rwan a'u bod nhw'n gallu ymdopi â chynnydd arall, oherwydd rydym yn darogan efallai 10 neu 12 y cant yn ystod y flwyddyn nesaf a rhyw 5 neu 6 y cant y flwyddyn ar ôl hynny. Gallwn wneud hynny os ydym yn sicrhau bod ein technoleg gwybodaeth a'n systemau ni y gorau y gallan nhw fod.

[23] **Simon Thomas:** Diolch am hynny. Ar hynny, fe wnaaf droi at Steffan Lewis.

[24] **Steffan Lewis:** Rwy'n 'wonder-an' os gallwch chi ymhelaethu ymhellach ynglŷn â'ch buddsoddiadau chi er mwyn gwella'r broses o ddelio â'r cwynion o ran y cyrff rydych wedi sôn amdanynt sy'n achosi'r rhan fwyaf o gwynion, fel awdurdodau iechyd ac awdurdodau lleol, a gydag enghreifftiau penodol, yn enwedig yr *improvement officer roles*, ac yn y blaen. Sut mae hynny wedi cael effaith ymarferol ar eich gallu chi i ddelio â'r cwynion yn well ac yn gyflymach?

[25] **Mr Bennett:** Diolch. Fel roeddwn yn dweud, pan wnes i gychwyn yn y swydd ddwy flynedd yn

We need to ensure that we can be even more effective. We would like to see our costs reducing further. That means that we might not be able to take on more staff, but I think it's important that we can safeguard the number of staff that we have at present and ensure that they can cope with any future increase, because we do foresee an increase of about 10 to 12 per cent in the next year and then 5 to 6 per cent the year after that. We can do that if we ensure that our information technology and our systems are the best that they can be.

**Simon Thomas:** Thank you very much for that. I turn now to Steffan Lewis.

**Steffan Lewis:** I wonder whether you could expand further on your investments in terms of improving the process of dealing with the complaints about the bodies that you have mentioned which account for the majority of complaints, such as health authorities and local authorities, with specific examples, particularly the improvement officer roles, and so forth. How has that had a practical impact on your ability to deal with those complaints better and earlier?

**Mr Bennett:** Thank you. As I was saying, when I started in this post about two years ago, it was very

ôl, roedd yn ddiddorol iawn edrych ar y niferoedd a gweld bod chwarter o'r nifer yma sy'n cynyddu flwyddyn ar ôl blwyddyn yn tueddu i fod am bump neu chwe chorff cyhoeddus yng Nghymru. Rydym wedi penodi chwe swyddog sy'n gyfrifol am wella'n perthynas ni â'r cyrff yna—nid i'r pwynt lle y buasem yn colli'r gallu i fod yn annibynnol pan fydd yn dod i feirniadu cynwion, ac mae hynny'n bwynt pwysig iawn, ac yn bwysig iawn i'r bobl sy'n dod atom ni hefyd, ond sicrhau bod dealltwriaeth o fewn y cyrff yna o beth rydych yn chwilio amdano os oes corff sydd ddim yn y farchnad, os leiciwch chi, ac felly sydd ddim yn wynebu cystadleuaeth, ond mae'n rhaid iddyn nhw ddangos eu bod nhw'n ymateb i anghenion eu defnyddwyr a dinasyddion Cymru.

[26] Y math o bethau y buaswn i'n chwilio amdanynt yw sicrhau bod y prif weithredwr yn gwybod beth sy'n digwydd efo tueddiadau, pan fydd yn dod i brofiadau pobl sy'n defnyddio'r gwasanaeth, a bod hynny ddim jest yn cael ei 'push-o' allan i ryw gornel bach distaw yn y corff. Hefyd, bod yna her o fewn y system, a bod llywodraethu go iawn yn digwydd, bod rhywun yn gyfrifol ar lefel y bwrdd neu'r cyngor i weld beth sy'n digwydd efo'r tueddiadau yna, lle maen nhw'n codi, sut maen nhw'n cael eu datrys, a sut mae pobl yn trio defnyddio'r negeseuon yna. Roedd David Rees wedi sôn yn gynharach am Keith Evans a'r adolygiad yn y gwasanaeth iechyd, ac rwy'n meddwl

interesting to look at the numbers and to see that a quarter of the increasing number year on year was coming from five or six public bodies in Wales. We have appointed six officers who are responsible for improving the relationship that we have with those bodies—not to the point where we would lose the ability to be independent when it comes to adjudicating complaints, and that's a very important point, and it is important for the people who come to us, too, but to ensure that there is an understanding within those bodies of what you are looking for if there's a body that isn't in the market, if you like, and which doesn't face any competition, but they need to show that they do respond to the needs of their users and Welsh citizens.

The kind of things that I would be looking for would be ensuring that the chief executive knows what's going on with trends, when it comes to the experience of the users of the service, that that isn't just pushed away to some quiet corner in the body. We also want to see challenge within the system, that there is real governance, that there is someone who is responsible at board level or the council level to ensure that they know what is happening with trends, where they arise and how they are dealt with, and how people are trying to use those messages. David Rees was talking earlier about Keith Evans's review in the health service, and I think that Keith Evans called his

bod Keith Evans wedi galw ei adroddiad yn, *'The Gift of a Complaint'*. Wel, rwy'n derbyn nad yw'r mwyafrif o bobl yn teimlo bod rhywun yn cwyno yn anrheg, ond mae'n gallu bod—yr adborth yna. Yn sicr yn y sector preifat, buasai nifer fawr o gyrff yn defnyddio'r adborth yna fel ffordd o ymgynghori am ddim. Hoffwn pe baem yn gallu cael yr un *attitude* yn y sector cyhoeddus, lle mae pobl eisiau defnyddio hynny er mwyn gwella gwasanaethau cyhoeddus. Rwy'n meddwl bod hynny'n bwynt pwysig.

report 'The Gift of a Complaint'. Well, I accept that the majority of people don't feel that a complaint is a gift, but it can be—that feedback. Particularly in the private sector, a great many bodies would use such feedback as a way of consulting for free. I would like us to be able to have the same attitude in the public sector, where people want to use that feedback to improve public services. I think that's an important point.

[27] Mae'n ddyddiau cynnar, ond rwy'n falch bod y chwe chorff wedi derbyn bod yna waith i'w wneud, ac rydym yn gweld gwelliannau. Mae rhai o'r cyrff yna wedi gweld nifer y cwynion yn mynd i lawr. Yn anffodus, gydag un neu ddau, mae'r tueddiad yn dal i mynd i fyny, ond hyd yn oed efo'r rheini, mae'r nifer o gwynion lle rydym yn ffeindio eu bod ar fai wedi dod i lawr, ac maen nhw'n fwy parod i'w datrys yn gynnar, ac mae hynny'n hollbwysig i'r bobl sy'n defnyddio'r gwasanaeth.

It's early days, but I am very happy that the six bodies have accepted that there's work to be done and we're seeing improvements. Some of those bodies have seen the numbers of complaints they receive coming down. Unfortunately, with one or two, the trend is still going upwards, but even with those, the number of complaints where we find that they are to blame are reducing, and they're more prepared to seek early resolution, and that's vital for the people who use those services.

[28] **Steffan Lewis:** Felly, mae rhyw fath o newid diwylliant wedi digwydd achos eu bod nhw'n fwy *pre-emptive* ac yn ceisio datrys ac yn gweld tueddiadau yn glou ac yn rhannu'r wybodaeth yna.

**Steffan Lewis:** So, there has been a cultural shift, therefore, because they're more pre-emptive and they try to resolve problems and see trends at an earlier stage and share that information.

[29] **Mr Bennett:** Rwy'n gobeithio y cawn ni weld hynny. Ers jest dros flwyddyn, rhyw flwyddyn a chwarter,

**Mr Bennett:** I hope that we will see that. We're just talking about a year, or a year and a quarter, that we've

rydym wedi bod yn gwneud hyn, ac nid wyf yn siŵr faint mae'n cymryd i newid diwylliant go iawn, ond rwy'n gobeithio ein bod ni ar y ffordd i weld mwy o hynny'n digwydd gyda'r cyrff hynny.

09:15

[30] **Steffan Lewis:** A oes yna enghraifft o dueddiad y gallwch chi ei roi sydd wedi cael ei weld, bod yna ryw fath o batrwm yn y cwynion lle mae'r system newydd yma yn barod wedi helpu i ddod â nifer y cwynion i lawr, neu wedi lleihau'r potensial ar gyfer cwynion yn y dyfodol yn yr un math o faes?

[31] **Mr Bennett:** Rwy'n meddwl ei fod yn ddiddorol, o'r ddau *data set* rydym wedi eu defnyddio yn gyntaf, y ffaith bod y nifer o ddatrysiadau cynnar wedi cynyddu bron 35 i 40 y cant yn ystod y flwyddyn ddiwethaf—o 160 i dros 227. So, rwy'n croesawu hynny, ac rwy'n meddwl mai hwnnw oedd y *jump* mwyaf yr ydym wedi ei weld ers i ddatrysiad lleol gael ei gyflwyno. Hefyd, y ffaith hyd yn oed mewn cyrff sydd wedi cael problemau proffil uchel yn ystod y flwyddyn ddiwethaf, rwy'n dal yn gweld y nifer o gwynion yn dod i lawr lle maen nhw ar fai. Mae'r *volume* yn cynyddu ond mae'r nifer lle maen nhw ar fai wedi dod i lawr.

[32] **Steffan Lewis:** Ym mha feysydd y byddech chi'n dweud bod yn dal yr her fwyaf, a pham ydych chi'n

been doing this, and I'm not sure how long it will take to change a culture truly, but I hope that we're on the way and that we will see more of that taking place with those bodies.

**Steffan Lewis:** Do you have an example of the trend that has been seen, some kind of pattern of complaints where the new system has already helped to reduce the number of complaints, or reduced the potential for future complaints in the same kind of area?

**Mr Bennett:** I think that it's interesting, from the two data sets that we use first of all, that the number of early resolutions has increased by almost 35 to 40 per cent over the past year—from 160 to over 227. So, I welcome that, and I think that was the biggest leap that we've seen since local resolutions were introduced. Also, there's the fact that even within bodies that have had high-profile problems over the past year, I'm still seeing the number of complaints coming down where they are to blame. So, the volume is increasing, but the number where they are to blame is coming down.

**Steffan Lewis:** In what areas would you say there is still the biggest challenge, and why do you think that

meddwl bod rhai agweddau yn well, a rhai sectorau yn well nag eraill, er fy mod yn derbyn ei bod yn ddyddiau cynnar iawn?

[33] **Mr Bennett:** Mae'n ddyddiau cynnar, ond rwy'n meddwl yn amlwg bod yna broblem yn y gwasanaeth iechyd, oherwydd yn ystod y flwyddyn ddiwethaf mi ddaru ni weld nifer y cwynion ym mhob rhan o'r sector cyhoeddus yn dod i lawr, ar wahân i iechyd. Mae'n rhaid i mi bwysleisio: nid pob bwrdd iechyd. Roedd yna ddau neu dri yn gyfrifol am y ffaith bod y niferoedd wedi mynd i fyny. Yn amlwg, mae yna fwy a mwy o alw am y gwasanaethau yna. Efallai bod pobl yn fwy parod rŵan i gwyno nag yr oedden nhw ddegawd neu 15 mlynedd yn ôl. Yn sicr, mae gennym ni efallai ddegawd i fynd tan yr ydym yn cyrraedd diwylliant yr Unol Daleithiau lle mae pobl yn barod iawn i gwyno; nid ydym yn gweld hynny'n digwydd.

[34] Ond o safbwynt y ffordd rydym ni yn gallu ymdopi efo'r tueddiadau yna, mae 35 y cant o'r cwynion rwy'n eu cael rŵan yn ymwneud ag iechyd. Ddegawd yn ôl, roedd dim ond tua 15 y cant o'r niferoedd. Mae'n fwy cymhleth rŵan. Oherwydd hynny, maen nhw'n gallu sugno mwy a mwy o adnodd. Mae tua 76 y cant o'r ymchwiliadau rydym ni yn eu gwneud yn ymwneud ag iechyd. Felly, mae yna berygl ein bod ni'n troi o fod yn ombwdsmon gwasanaethau cyhoeddus i fod yn

some aspects are better and some sectors are better than others, although I accept that this is very early days?

**Mr Bennett:** It is early days, but I do believe that quite evidently there is a problem in the health service, because during the past year we saw the number of complaints in every part of the public sector coming down, apart from in health. I have to emphasise that this is not the case for all health boards. Two or three were responsible for the fact that the numbers had increased. Obviously, there is a greater demand for health services. Perhaps people are more willing now to complain than they would have been about a decade or 15 years ago. Certainly, we have a decade to go before we reach the US culture where people are very prepared to complain; we haven't yet seen that happening.

But in terms of the way that we can deal with those trends, 35 per cent of the complaints that I receive now are related to health. A decade ago, it was only 15 per cent in terms of the numbers. They're more complex now. Because of that, they can draw greater resource away. About 76 per cent of the investigations that we do are related to health. So, there is a danger or a risk that we are turning from being a public services ombudsman to being a health service ombudsman. I don't want to see that

ombwdsmon gwasanaeth iechyd. Nid wyf eisiau gweld hynny yn digwydd, ac rwyf eisiau gweithio â'r cyrff yna er mwyn sicrhau ein bod ni'n gallu 'cope-io' efo'r tueddiadau, ond hefyd bod cleifion sy'n defnyddio'r systemau yn cael gwell gwasanaeth.

[35] **Simon Thomas:** Mark Reckless.

[36] **Mark Reckless:** Do you think the greater difficulty you've had in bringing down the complaint levels in health, or that they haven't come down—I don't necessarily hold you responsible—do you think that may reflect the greater risk of tort claims in clinical negligence for health, which makes it harder for their complaints system to give satisfaction to the complainant because the health board is scared of legal action if it makes admissions?

[37] **Mr Bennett:** I think that would be perhaps one factor for a more defensive—an understandably defensive—attitude. I don't think it's the only one. I think there are other issues that we were discussing earlier here in terms of the Keith Evans review: a culture, perhaps, that doesn't always treat negative feedback or a complaint as a gift—'The Gift of a Complaint', as the Keith Evans review referred to it. I think there is a culture sometimes in certain hierarchies, including health hierarchies, of perhaps finding it difficult to have that conversation. We have seen some bodies react fantastically and with more modern attitudes. I have one investigator who was absolutely taken aback when a consultant invited in two junior doctors to sit down and witness him take a complaint on, and for them to realise that this type of feedback was really important and would improve their practice. But I'm afraid that, sometimes, those examples are few and far between.

[38] But I'm pleased to say that we have seen this significant increase in the amount of early resolution, and a lot of that has come from health bodies during the past year. And whilst health complaint numbers have continued to rise, particularly in some health boards, overall the number of upheld complaints has come down.

[39] **Mark Reckless:** And outside that, the health area, where you have seen complaint numbers coming down, do you think that reflects just an improvement in how those bodies handle complaints, or do you think there's



been a genuine improvement in the public services that they deliver, such that fewer complaints have to be dealt with?

[40] **Mr Bennett:** We saw a dramatic reduction in the number of housing association complaints between 2014–15 and 2015–16. I think they fell about a third. However, within that, despite relatively high volumes, the number of upheld reports was very small—perhaps two. So I think, certainly, there’s been a culture in some sectors of perhaps more community-facing organisations being able to resolve things quicker. I think that’s welcome.

[41] We saw a reduction in local government complaints. That’s very welcome because local government complaints account for about 40 per cent of our overall volume of complaints. So, again, that’s very welcome, but I don’t think the numbers were sufficient for us to be able to point to some kind of sea change. But I do welcome any reductions in overall numbers, given that we’ve seen this year-on-year increase more or less for the past decade. I hope that the work that we’re doing in terms of improvement and a readiness to work with bodies to spread these messages, some of which are counter to what they’ve been told in terms of negligence claims and other things: to try and resolve things early, to admit when things go wrong, to know when to escalate, to empower the front line, and to make sure that there’s good governance in place. All these factors are perhaps counter-intuitive to the messages from those that are trying to protect themselves from medical negligence, for example.

[42] **Simon Thomas:** Mike Hedges.

[43] **Mike Hedges:** I want to talk about councillor-on-councillor complaints, or complaints about councillors. They tend to spike in election year. We’re moving into an election year, so do you expect there to be a spike this year?

[44] **Mr Bennett:** I think we’ve put in a prediction for all trends for next year, and certainly we would anticipate that there would be an increase in councillor-on-councillor complaints next year. I think, this year, there was a reduction amongst the 22 unitary authorities, but unfortunately that was offset by an increase in community councils, which we now know was largely accounted for by the cluster in three corners of Wales.

[45] **Mike Hedges:** Somebody once described community councils as an argument in public.

[46] **Mr Bennett:** Well, it certainly would appear that way and, as I say, 735 community councils, that's 735 potential arguments in public. We know from the data that a third of those complaints have been generated from only three community councils. I think it's important that we keep it in perspective.

[47] **Simon Thomas:** A gaf i jest ofyn ynglŷn â'r swyddogion gwella yma sydd gyda chi? Achos mae yna chwech ohonyn nhw, rydw i'n meddwl, ac rydw i'n deall eu bod nhw ond mewn swydd tua blwyddyn. A ydyn nhw'n gweithio yn uniongyrchol gydag un corff, neu a ydyn nhw'n gweithio ar draws nifer o gyrff i drio codi—? Nid oeddwn i'n deall ai wedi'u targedu at gyrff problematig yr oedden nhw, neu'n rhywbeth mwy eang.

**Simon Thomas:** May I just ask in relation to these improvement officers that you have? There are six of them, I believe, and I understand that they're in post for about a year. But do they work directly with one body, or do they work across a number of bodies to try to raise things? I didn't quite understand whether they were targeted towards a problematic body, or whether they have a broader remit.

[48] **Mr Bennett:** Mae yna chwech sy'n gweithio efo chwe chorff—pump ohonyn nhw'n fyrddau iechyd ac un cyngor lleol ar hyn o bryd. Efallai y bydd y niferoedd yn cynyddu. Hefyd, mae yna rai yn gweithio ar rai themâu, i fod yn gyfrifol am nifer o gwynion. Felly, mae gennym ni rywun sy'n arwain ar iechyd, rhywun arall sy'n arwain ar gynllunio. Mae cynllunio yn gallu bod yn thema eithaf sylweddol. Mae rhywun arall yn y maes tai. Felly, rydym ni'n trio mynd ar ôl nifer o gyrff, ond hefyd y themâu a'r gwersi yna.

**Mr Bennett:** There are six who work with six bodies—five of them are health boards, and one local council at present. But maybe the numbers will increase. Also, there are some working on certain themes, and being responsible for a number of complaints. So, we have someone leading on health, someone leading on planning—planning can be a significant theme—and someone else in housing. So, we're trying to pursue a number of bodies, but also the themes and those lessons.

[49] **Simon Thomas:** Roeddwn i jest yn meddwl os yw'r swyddogion yma yn gweithio ac yn gwella'r prosesau a'r diwylliant tu fewn i'r cyrff yma,

**Simon Thomas:** I was just wondering, if these officers are working, and improving the processes and cultures within these bodies, how you would

sut y byddech chi'n gweld y gwaith yna yn datblygu wedyn. A yw'n adnodd yr ydych wedi buddsoddi ynddo fe ar gyfer y dyfodol tymor hir, neu ydy e'n rhywbeth yr ydych chi'n buddsoddi ynddo fe ar gyfer rhyw fath o—ddim *quick fix*, ond rhywbeth dros dro er mwyn delio â, a datrys, y problemau sydd ger eich bron ar hyn o bryd?

[50] **Mr Bennett:** Wel, beth yw'r tymor hir? Saith mlynedd yw'r tymor sydd gennyf i, ac mae traean ohono fo wedi mynd. Rwy'n meddwl ei fod o ddim ond yn deg i'r swyddogion yna gael cyfle o o leiaf tair, pedair blynedd i ni wir werthuso beth sy'n mynd ymlaen. Mae'r rhain yn gyrff mawr. Mae gan y mwyafrif ohonyn nhw gyllideb o dros £1 biliwn, ac rydw i'n gyrru'r swyddogion yna, ac rydw i'n glir iawn gyda nhw nad y nhw yw cadeiryddion neu brif weithredwyr y cyrff yna.

[51] Nid yw'n deg i mi ddisgwyl iddyn nhw droi rhywbeth ymhen rhyw flwyddyn neu ddwy flynedd. Ond beth maen nhw yn gyfrifol amdano yw eu mewnbwn eu hunain—y ffordd y maen nhw'n trio gweithio gyda'r cyrff hynny i sicrhau eu bod nhw'n deall diwylliant unigol pob corff. Felly, rwy'n gobeithio y bydd hynny yn cael effaith. Rwyf yn blês efo beth sydd wedi digwydd yn ystod y flwyddyn ddiwethaf yma, ond rwy'n ymwybodol iawn mai dyddiau cynnar yw'r rhain. Mae nifer o bethau eraill yn mynd i effeithio ar y cyrff hynny

see that work developing, then. Is that a resource that you've invested in for the long-term future, or is it something that you're investing in for some kind of—I'm not saying a quick fix, but perhaps a temporary position, to try to solve the problems that are emerging at present?

**Mr Bennett:** Well, what is long term? My term is seven years, but a third of that has gone. But I think it's only fair for those officials to have an opportunity of three or four years for us to evaluate exactly what's going on. They are major bodies. The majority of them have budgets of over £1 billion. I send officials there and I'm very clear with them that they're not the chairs or the chief executives of those bodies.

It's not fair for me to expect them to turn things around in a year or two. But what they are responsible for is their own input—the way in which they try to co-operate with those bodies to understand the individual culture of those bodies. So, I hope that that will have an impact. I am pleased with what has happened over the last year, but I am very aware that these are early days. A number of other things are going to affect those bodies in the years to come. I do hope that that work does carry on and that we'll see more early

yn ystod y blynyddoedd nesaf. Rwy'n resolutions and fewer complaints  
gobeithio y bydd y gwaith hwnnw yn coming where those bodies are  
cario ymlaen ac y gwnawn ni weld involved.  
mwy o ddatrysiad cynnar a,  
gobeithio, llai a llai o gwynion yn dod  
lle y mae'r cyrff yna.

[52] **Simon Thomas:** David Rees.

[53] **David Rees:** Thank you, Chair. Before I go on to my question, what I want to ask is: you've seen an increasing number of complaints, so do you have evidence that those public bodies are actually addressing the issues from which those complaints arose so that they are tackling the problems, especially the ones that you've identified as being valid?

[54] **Mr Bennett:** Yes, in most cases. Certainly, I have seen genuine attempts from some bodies in our jurisdiction to really turn around their cultures. One example would be Abertawe Bro Morgannwg University Local Health Board, where they've gone back to absolute basics in terms of their values, their ethos, the way in which they try to care about the people that they seek to serve. So, I don't, in any way, question those genuine attempts. What we're trying to do, without compromising our own independence, is engage with them to say, 'Look, these are the types of behaviours that we would expect to see in the better functioning public bodies—or indeed private sector bodies that deal well with the public. Are you empowering front-line staff to be able to deal effectively with people who've got a problem? Do those people know how to resolve things informally? Are they also equipped so that they know when to escalate it to somebody more senior when it's a more serious issue? Who's looking at this at a senior corporate level? What are we doing with this data? Is it being used to drive change? Is the chief executive in ownership? And is there somebody at board level challenging them effectively?'. Those are the types of things—the checklist, if you like—that I think is really important, and I'd hope that we see more and more of those behaviours within the public service.

[55] Going back, and I'm sorry if I sound like a broken record on this, but if it's good enough for the Organisation for Economic Co-operation and Development—it was a very, very clear message that the OECD sent for the Welsh NHS in a UK-wide context, that where you don't have choice you've got to pay more attention to voice, and, clearly, community councils will have a role in that in terms of patient advocacy. Of the complaints that we receive,

36 per cent or 37 per cent are health related. We're trying to do more. Again, it's one of the reasons we want to do more in terms of our casework management system. We want to be more intelligent about the way in which we track data, analyse what's going on and can send messages back in terms of issues for the NHS, which is why we took a specific look at the out-of-hours issues that happen within the NHS. I've been pleased with the engagement that we've had with the NHS around that. We hope to see some further action there.

[56] **David Rees:** Thank you for that. Since we're on the increasing health complaints, one of the aspects, obviously, for you to operate is use of professional expertise. I notice in appendix A of your submission that you indicate that the advisory and legal fees for 2015–16 were actually £250,000, the budget for 2016–17 increased to £310,000, but the estimate for 2017–18 is actually down to £294,000. Now, in line with the fact that you are seeing an increase in health complaints—and most of your professional expertise probably is clinical expertise—and in line with the fact that, in your own submission, you indicate that the office of the Parliamentary and Health Service Ombudsman is actually indicating that they will no longer, probably, be able to supply and work with you on that, indicating that an increased cost is likely to happen. This is not currently in the estimated submissions. Is there any specific reason as to why you haven't put that expected increase? The income has seen a decrease, but there is an expected increase.

[57] **Mr Bennett:** Yes, there is. The reason we haven't put the numbers in is that we don't know what the numbers are. However, I can reassure the committee that I expect them to be small and modest. We are currently working through a revised system of clinical advice, not just with the Parliamentary and Health Service Ombudsman but also with our other partner ombudsmen in Northern Ireland, Gibraltar and Scotland as well. Now, there could be considerable costs to all those jurisdictions if we were to see a non-collaborative approach, shall we say, from the PHSO, but I'm pleased to say that we've had assurances that there will be a co-productive approach to us coming up with a new system during the rest of this financial year.

09:30

[58] So, I'm currently confident that whilst we haven't included any revised costs in our estimate, the estimate does include our existing level of costs for clinical advice. Certainly, our aim would be to contain that cost for the forthcoming year. Should that not be possible, then we might have to come

back with a supplementary, but it's certainly my aim for us not to do that. There have been several occasions in the past where we might have had to come back to this committee with a supplementary. We've always managed to avoid doing that, including in recent years with some quite high-profile legal issues and other things. So, I'm really confident, compared to that, that we'll be able to avoid that scenario.

[59] **David Rees:** Okay, thanks.

[60] **Simon Thomas:** Eluned Morgan.

[61] **Eluned Morgan:** Can I just come back to this issue of complaints and the proportion of complaints? Can you remind me again of the percentage of upheld complaints in the health field?

[62] **Mr Bennett:** I can't give you a precise figure, but I'm pleased to say that those numbers have come down, and that's very welcome.

[63] **Eluned Morgan:** Are we talking—. I think it's important to have an idea of how many—. This is a lot of paperwork for a lot of professional people, and when the NHS is under huge pressure, taking some very senior people away from their roles is actually quite a big ask of them, I think. So, getting an understanding of how many of those are upheld I think is quite important, just so that we can get a sense of how much paperwork and how you get that balance right. Obviously, you've got to have a system that is robust, but, at the same time, if the majority are not upheld, then what does that look like? I don't know if the majority are upheld. Could you give us—

[64] **Mr Bennett:** The majority are not upheld, but the numbers are still significant. It's in our annual report, I'm pleased to say. I'm sorry I didn't have the—

[65] **Simon Thomas:** We can put on record that we don't actually scrutinise you on it; we just look at the costs.

[66] **Mr Bennett:** Absolutely. In terms of this past year, we've had five section 16 reports, which were upheld. Now, those are public interest reports. Those are the most serious reports—the ones that we publish and usually receive a considerable amount of publicity. So, that's five this past year compared to, I think, it was seven the year before. So, that's a welcome trend, because those—

[67] **Eluned Morgan:** So, out of how many? Five out of how many?

[68] **Mr Bennett:** That would be out of a total of 662.

[69] **Eluned Morgan:** So, proportionately, you're wrapping a lot of professional people up in a lot of administrative work, taking them away from their day task for things that are not upheld. I just wonder how you get the balance right in terms of that scrutiny.

[70] **Mr Bennett:** Well, I'll answer the question on the number of upheld first. Those are only section 16. So, those are the most serious. It would be things like an avoidable death. So, clearly, the reason why we devote a significant amount of resource to those types of complaints is because it's that serious. Then, in terms of other reports that were upheld, either in whole or in part, it was 102 last year—almost 20 per cent of the overall level of complaints that we receive in health. But I'm pleased to say, Eluned, that that is down slightly on 107 for the previous year. So, we're getting health complaints up 4 per cent, but upheld, on my rough maths, perhaps down 3 per cent or 4 per cent. So, while we see volume of complaints going up but the number of upheld complaints going down marginally, then that's welcome.

[71] Then, I think, in terms of health, we call them 'quick fixes', which doesn't really do them justice. Early resolution of complaints—last year, 113, compared to only 72 the previous year. So, that is really welcome, going back to your point about wrapping people up in bureaucracy. It's holding people to account, Eluned.

[72] **Eluned Morgan:** Sure.

[73] **Mr Bennett:** If people in the health service are not going to resolve complaints quickly, then we will investigate. It does take—I won't say bureaucracy; it takes more time on behalf of my organisation, but there are ways in which that can be avoided. And what I really welcome in that number there is that, whilst it's a relatively modest number out of 662 complaints to see an increase in early resolution from 72 to 113, you know, that's 41 individuals or families who would have faced less stress. It's also less resource within the NHS that would have been spent in either having a dispute with my office, or spending more time on defensiveness rather than resolving the issue, and hopefully spreading the lessons from that concern.

So, overall, a 40 per cent increase in early resolution, a 2 per cent to 3 per cent reduction in the number of upheld complaints, against a 4 per cent increase in the number of health complaints overall—I really welcome that. And, going back to the OECD issue, those are good numbers if we’re seeing more patient voice, but, actually, less bad results for patients.

[74] **Simon Thomas:** Thank you for that. I don’t want to stray too far away from the estimates rather than scrutiny of you. But it is relevant in terms of that, in increasing the number of early resolutions, you’re able to reduce costs and then bring other resource to bear, for example, the advisory officers that you’ve put in place, so there is a link there, clearly.

[75] Steffan Lewis, on this.

[76] **Steffan Lewis:** Jest i droi nôl i arbed a safio arian mewn dulliau eraill, nid dim ond yn ymarferol yn nhermau ymateb yn gynnar i gwynion, a ydych chi wedi amcangyfrif faint o arian rŷch chi wedi ei safio trwy leihau costau swyddfa, costau gweinyddol, costau staffio, a chostau eraill sydd yn ymwneud â’r swyddfa—rent ac yn y blaen?

**Steffan Lewis:** I just want to turn back to savings, and cost savings via other means, not just talking practically in terms of responding quickly to complaints. Have you made an estimate of how much money you’ve saved by decreasing office costs, administrative costs, and also staffing costs, and any other costs that may be related to the office—rent and so forth?

[77] **Mr Bennett:** Ydym, rydym ni yn gallu—. Rwy’n meddwl y gwnaf i droi at Dave Meaden i ateb y cwestiwn yna’n fanwl.

**Mr Bennett:** Yes, we can—. I think I’ll turn to Dave to answer that question in detail.

[78] **Mr Meaden:** I think I can perhaps give a broad answer to start off with, in that the costs, the estimate costs, are at the same level in real terms as 2010. So, if you think that the workload has increased by two and half times, the costs are still, allowing for inflation, the same as six or seven years ago, which is, to me, one of the best demonstrations of efficiency that I can give. In terms of detail, we’ve constantly reorganised staff into different teams to respond to different requirements; we’ve developed web-based systems, where inquiries are completed by the complainant rather than ourselves to save costs. So, we’ve really developed our IT, organised our teams, our staff, and made small savings, but they build up. In terms of paperless, and aiming



towards a paperless office, we've reduced our photocopying paper costs by 8 per cent; we've reduced our postage costs and courier costs by 30 per cent in the last year—really, all by using e-mail or—. We have a sort of smart technology with our photocopiers—you have to use your ID card to get anything off the photocopier, and it will record who has used that and how much was spent. And, whilst it's not a Big Brother approach, it does make you think before you—. So, I think it's across the board, but I just think that a two and a half times increase in workload for the same cost that we had seven years ago is the best demonstration of efficiency.

[79] **Steffan Lewis:** Any specific savings in terms of the office costs—in terms of the rent and accommodation costs and downsizing there, if any of it has occurred?

[80] **Mr Meaden:** In terms of the rent, we've reduced the cost per square foot from £13 to £9. So, although there's not a direct saving there, because we increased the square footage that we had, we still held our office accommodation costs at 2005 levels so, in real terms, there is a considerable saving there.

[81] **Steffan Lewis:** Thank you. Also, in terms of savings from collaboration with other organisations, have you been able to measure the savings there with close collaboration?

[82] **Mr Bennett:** Yes. In general terms, there have been some modest savings there. There have been savings for the future generations commissioner, which we we're very glad to have assisted with, because we do their payroll. We've also undertaken a joint exercise this year with some of the commissioners—I think it was the children's commissioner and the older persons' commissioner and maybe future generations—I'm not sure if they're going to join in with this as well. But in terms of our internal audit costs, there have been savings there as well. And that's not a problem in terms of back-office costs and other issues, but I did seek some assurance from the auditor general, because clearly, within our current Act, there are statutory limitations. We must not collaborate directly with Government—we must be independent of Government—but where certain bodies have a distinct legal personality and we can save money, great.

[83] **Steffan Lewis:** So, what's the nature of the collaboration? You mentioned payroll there with one commission office, what other forms of collaboration have you managed to do?

[84] **Mr Bennett:** Internal audit's been the other significant issue during the past 12 months.

[85] **Mr Meaden:** Yes. We carried out a joint tendering exercise to try and get economies of scale by joining together, and we again held the internal audit cost to the same figures that they would've been five years ago. So, again, we absorbed all the inflationary impact. It's impossible to know exactly what would've happened if we'd all gone out individually. I think that there must be some economy of scale, to hold it at the prices they were five years ago.

[86] **Steffan Lewis:** Is there any scope for further collaboration? Not that I'm advocating Welsh Government creating more commissioners for you to collaborate with.

[87] **Mr Bennett:** I'm certainly very happy to collaborate. We collaborate in other ways as well. I know that, certainly for some of those offices—. They look to Dave, for example, for advice on some issues. I certainly help in a practical sense. If it's just things like advertising for or appointing staff for some of those bodies, then we would help out there.

[88] In terms of front-line services, there should be some level of collaboration there, so I try and share issues. You know, if there were issues there in terms of some of the section 16, public interest, or other trends that were affecting older people, then I'd want to share those, and issues affecting children with the children's commissioner. Welsh language issues: there have been some quite high-profile Welsh language issues that I've dealt with, and some much lower profile Welsh language issues that we've dealt with as well, where we've had recent issues with people not complying with the demands of bilingualism. We've insisted that that does happen, and I have to deal with those complaints, because if they don't have a Welsh language scheme, then there's no locus for the Welsh Language Commissioner. So, we do try and make sure that there's broader collaboration there, not just on back-office functions, and that we're not duplicating or wasting resources.

[89] **Steffan Lewis:** Just a final point: in terms of the collaboration and co-operation with other public bodies, do you benchmark your running costs with other public bodies? Is that something that you share that best practice and information with other—?

[90] **Mr Bennett:** We benchmark in Wales with similar-type organisations, but also with all public service ombudsman schemes across the whole of the United Kingdom. And I'm glad to say that we compare favourably.

[91] **Steffan Lewis:** Do you have any more detail in terms of how favourably?

[92] **Mr Bennett:** Very favourably. We do have some numbers that we could supply, but certainly in terms of issues around running costs, direct costs, salaries and unit costs, then there's a good story to tell.

[93] **Simon Thomas:** A oes modd inni gael nodyn ar hynny?  
**Simon Thomas:** Could we possibly have a note on that, please?

[94] **Mr Bennett:** Iawn.  
**Mr Bennett:** Yes.

[95] **Simon Thomas:** Byddai hynny'n help mawr. Diolch yn fawr.  
**Simon Thomas:** That would be a big help. Thank you. Nick Ramsay.  
Nick Ramsay.

[96] **Nick Ramsay:** Diolch. Good morning. Moving on to page 8 of your submission and the section on pensions and the pensions deficit, the local government pension scheme deficit was £230,000, as of 31 March 2016, and you say you anticipate this will be fully repaid by 2017–18. Can you confirm that that is still the time by which you expect that to be repaid?

[97] **Mr Bennett:** I can confirm, certainly, that that is our expectation and that we've been encouraged by trends over, certainly, the past three or four years. I think Dave will confirm that in terms of what's been going on in terms of reduced—

[98] **Mr Meaden:** In 2010, the deficit stood at £1.6 million. Most public and private sector funded pension schemes of that kind had those liabilities. A payment plan was put in place, which has been discussed at this committee before and agreed with Welsh Government. Each year, we draw down cash, which we pay over to the Cardiff and vale pension fund, which is where the deficit lies. As Nick said, the deficit has reduced considerably in the last three years—it's down to £230,000. The payment in this estimate is the final payment that we plan to make—

[99] **Nick Ramsay:** Do you pay it back in instalments?

09:45

[100] **Mr Meaden:** Each year, we pay a lump sum over to Cardiff council on behalf of the pension scheme. I'm also encouraged by the fact that Cardiff and Vale pension scheme is one of the better-performing local government pension schemes in England and Wales. So, there's a solid base for it. Whilst there's no absolute certainty in this world—share prices were moving yesterday and their scheme is very much invested in equities—we plan for that deficit to not be there in 2017. We would not expect to come to this committee next year asking for another £292,000. We would ask for £292,000 less next year.

[101] **Nick Ramsay:** So, if you come to this committee at that point in 2017–18, you're going to be expecting that you won't by saying, 'Oh, well, we did miss that target, but it was an estimate'.

[102] **Mr Meaden:** We can't guarantee it, but—

[103] **Mr Bennett:** No, we can't guarantee it, but, certainly, recent trends would indicate that we're on target.

[104] **Mr Meaden:** In addition, if I could just say, I do meet with the management of that scheme. There's a full actuarial three-year evaluation taking place in March, which is a very thorough evaluation. I will meet with them to see where we are with this scheme and go through various options. One of those is—because the different bodies that are in that scheme are compartmentalised, it's possible that, because we've such a small value then, we can move into a no-risk pension fund within their fund, if you know what I mean. I think that's something—if we think that's an option, we'd probably put a paper to this committee, saying that that is what we were planning to do, because the no risk would not mean a huge rise in the pension fund value either, but it would seem sensible, if we get out of the deficit, to then be in the most minimal risk position we can be in for the future.

[105] **Nick Ramsay:** So that it doesn't happen again.

[106] **Mr Meaden:** And once there are no members of staff contributing to that pension scheme—and we only have one left—the liability ceases anyway.

[107] **Simon Thomas:** Do you have another question, Nick?

[108] **Nick Ramsay:** Yes, I have another question, but Mike looked very eager to pounce there.

[109] **Simon Thomas:** I'll bring Mike in just after this one.

[110] **Nick Ramsay:** Thanks. In terms of the former ombudsmen, I understand that their pensions are met from within the budget allocation. What's your view on whether the pensions of those former ombudsmen are placing additional cost pressures on the budget?

[111] **Mr Meaden:** There's been a significant change since the last Finance Committee on this in that the last surviving former local government commissioner died in May and also one of the surviving spouses that we were paying a pension to died last year as well. So, our liability for those pensions fell by £140,000 because of the death of those two people. So, we now only have to pay the pension for two surviving spouses, which are half-pay pensions, for the rest of their lives. The latest life-expectancy profiles would indicate that we will have a liability until 2024-25 to pay those pensions, although the amount we're actually paying is £40,000, which is a significant reduction from previous years.

[112] **Nick Ramsay:** This is quite a morbid area of questioning, isn't it? Thank you for your honesty.

[113] **Mr Meaden:** It always depresses me when I work out these figures.

[114] **Nick Ramsay:** It's a difficult area to ask about.

[115] **Mr Meaden:** And we are bound by those life-expectancy tables in calculating.

[116] **Simon Thomas:** This is in calculating your risk, basically.

[117] **Mr Meaden:** Yes.

[118] **Nick Ramsay:** I don't think I want to know about my life expectancy charts.

[119] **Simon Thomas:** We won't go any further down there now. [*Laughter.*]

Mike Hedges.

[120] **Mike Hedges:** I can help you, Nick. Within the pension scheme, you're expected to live until you're 85.

[121] Returning to the pension scheme, you've that an actuarial evaluation will be in March 2017. So, you're hoping that they start the Brexit talks a bit earlier to allow the pound to collapse again, in which case, as you pay out in pounds, any reduction in the pound is good for the pension scheme and also because a lot of people who invest in the markets are from abroad and they can get more for their dollars in Euros. So, the pound doing badly is probably good—it's incredibly good for your pension scheme, and if it continues to collapse, then it's good for the pension scheme but bad for the economy.

[122] Can I move you on to the position regarding the computer system? I probably asked this question last year, because I tend to ask it to everybody. You've committed £191,000 for computer systems and support. Can you explain how this is shared out between computer systems and support? Have you got a sort of computer plan of what you're going to buy over a period of time—your upgrades, at what stage you're going to upgrade, and your write-offs within your accounts, so that we can have some sort of idea of the direction of travel? And are there going to be any spikes, basically, or is this a sort of general flat line?

[123] **Mr Bennett:** It's not a general flat line. Within the estimates this year there is approximately 1 per cent, £50,000, that we are seeking to specifically to have a root-and-branch review of our IT systems. We haven't done this, Mike, for the past 10 years. It's work that we have to do. So, we have a plan to produce a plan, pre procurement, because this is only 1 per cent, but it's 1 per cent that affects 100 per cent of what we do, not just next year, but certainly over the medium to longer term.

[124] We're very clear that we are efficient and that, in real terms, we'll still be facing additional pressure because, certainly this next year, we'll probably see increases again in demand of perhaps 10 or 12 per cent. A lot of that is because of the increases we've seen in terms of health, and it's not just reflective of what's going on in terms of the Welsh block, but you know that proportion of health spend within the Welsh block has gone from 50 per cent to, I think, 66 per cent over recent years. So, we need to be smarter with our IT.

[125] We've made a number of piecemeal reforms, but we've got to make sure that we're fit for the future. We're determined to do that, but we don't want to do it in a piecemeal way. We've got to be strategic, and that's why we're seeking that additional resource this year—so that we procure intelligently, we make sure the system is as effective as it possibly can be in equipping all our valued staff, but also that we don't lose out on any opportunities to either develop further data analysis or data trends that would inform broader public policy issues, and we engage as best we can with the public, because, of course, technology's always one step ahead of us, isn't it, in terms of what people's expectations are and in terms of what they can do using web-based IT devices? So, it's a big area, there's risk associated with it, but that's why we would seek this specific resource, because if we get it right, everything else will be right as well.

[126] **Mike Hedges:** Two quick questions on that: will you be looking for a supplementary budget in order to further pay for any of that ICT change? And will you share with us, either in public or in private, your direction of travel?

[127] **Mr Bennett:** I'm not seeking a supplementary budget. We try to be as precise as we can in terms of what we think the pressures for next year are. I hope that I've been clear in that there is an issue of risk there in terms of clinical advice, but I don't think that's going to necessitate a supplementary budget. I wouldn't be a wise man to say there were no circumstances in which we might wish to seek one. We can never—. You know, it's good to have that flexibility there.

[128] I wish to be as open and frank with the committee as possible, not just when it comes to our budgetary requirement, but in terms of our direction of travel. I prefer to do that in public, but I do it in private as well, Mike. Our mission statement is very clear: we want complaints to be used to improve the experience of citizens in Wales and to improve public services. That's where we're coming from. I hope there's a broader narrative there that justifies not just what we've done in terms of unit costs, but what we're trying to do in terms of turning down the curve in terms of having fewer complaints for the future, why we've done more in terms of thematic reports like the out-of-hours reports, and why we're seeking more powers as well. This is all a package narrative, as far as I'm concerned, which I'm very happy to be held to account for.

[129] **Mike Hedges:** The point I was trying to make was: would you be able

to share with us your direction of travel with ICT, which you may want to do in private because you might still be negotiating with contractors and other people during that time, to actually let us know your direction of travel so we have no surprises in next year's budget?

[130] **Mr Bennett:** Certainly, yes, and I would welcome that opportunity. If there was anything that was commercially sensitive, shall we say, then I would always be grateful to be able to do that in private. But on the broader direction of where we are and why we're doing it, I think it's a matter of public record.

[131] **Simon Thomas:** Thank you—duly noted. Eluned Morgan.

[132] **Eluned Morgan:** Rŷm ni'n gwybod eich bod chi'n awyddus i weld Bil newydd i'r ombwdsmon. Faint o waith ydych chi wedi'i wneud i amcangyfrif costau ac arbedion Bil newydd?

**Eluned Morgan:** We know that you are eager to see a new ombudsman Bill. How much work have you undertaken to estimate the costs and savings of a new Bill?

[133] **Mr Bennett:** Rŷm ni wedi gwneud cryn dipyn o waith, ac rwy'n ddiolchgar iawn—gwnaeth Susan Hudson llawer o'r gwaith yna pan roeddem ni'n trafod Bil drafft gyda'r Cynulliad diwethaf. Susan, a fuasech chi'n licio ychwanegu at hynny?

**Mr Bennett:** We've done a lot of work, and I'm very grateful—Susan Hudson did a lot of that work while we were discussing the draft Bill with the last Assembly. Susan, would you like to add to that?

[134] **Ms Hudson:** O ran edrych ar gostau, rŷm ni wedi medru sefydlu beth sydd ei angen arnom ni fel swyddfa pe baem ni'n cael y pwerau ychwanegol hynny. Beth sy'n aneglur i ni ar hyn o bryd yw beth fyddai'r effaith ar gyrff cyhoeddus sy'n dod o fewn awdurdodaeth yr ombwdsmon. Felly, dyna'r maes lle mae angen inni wneud ychydig mwy o waith arno ar hyn o bryd. Ond o ran beth rŷm ni'n ystyried bydd y costau i ni, mae gyda ni syniad eithaf clir beth fydd

**Ms Hudson:** In terms of looking at costs, we have been able to establish what we would need as an office were we to have the additional powers. What isn't clear to us at present is what the impact would be on the public bodies that come under the ombudsman's jurisdiction. So, that's the area where we do need to do a little more work at present. But in terms of what we consider the costs to us will be, we do have quite a clear idea of what those will be—how many



hynny—nifer y staff y bydd ei angen arnom ni ac ar ba lefelau o fewn y swyddfa hefyd. staff we will need and at which level within the office as well.

[135] **Eluned Morgan:** Beth am yr asesiad—y *regulatory impact assessment*? Ydy hwnnw'n cael ei wneud ar yr un pryd a beth yw effaith hwnnw achos mae cost i hwnnw hefyd? **Eluned Morgan:** What about the regulatory impact assessment? Is that being done at the same time and what's the effect of that because that has a cost as well?

[136] **Ms Hudson:** Oes. Mae yna ddrafft eisoes wedi cael ei lunio ac rŷm ni wedi'i rannu â staff y Cynulliad. Mi fydd angen mwy o waith ar hynny. Yn amlwg, nid ydym ni'n gwybod ar hyn o bryd i le'n union y mae'r Bil drafft yn mynd iddo fe—i ba gyfeiriad ac ati—felly mi fydd angen gwneud tamaid bach yn fwy o waith ar hynny, ond mae rhywbeth eisoes wedi cael ei rannu â staff y Cynulliad ar hynny. **Ms Hudson:** Yes. A draft has already been made, which we've shared with Assembly staff—that will need greater work. Quite obviously, we don't know at present where precisely the draft Bill is going to go—to what direction and so on—so we will need to do a little more work on that, but something has already been shared with Assembly staff on that.

[137] **Eluned Morgan:** A gaf i ofyn i chi nawr am Fil Cymru? A allwch chi ddweud rhywbeth am y pwerau newydd a beth ydych chi'n rhagweld y bydd y newidiadau hynny'n costio? **Eluned Morgan:** Could I take you on to the Wales Bill? Could you say something about the new powers and what you foresee are the changes that that will cause?

[138] **Mr Bennett:** O safbwynt Bil Cymru, yn hytrach na'n Bil newydd ni? **Mr Bennett:** Is that in terms of the Wales Bill, rather than our Bill?

[139] **Eluned Morgan:** Ie, sori. **Eluned Morgan:** Yes, sorry.

[140] **Mr Bennett:** Rwy'n falch dweud y gwnaeth y gwasanaeth sifil gysylltu pan oedd yn gwybod bod awdurdod refeniw newydd yn mynd i gael ei greu. Rydym wedi asesu beth fydd **Mr Bennett:** I'm glad that the civil service did contact us when they knew that a new revenue authority would be created. We have assessed the impact of that, and if, as we move

effaith hynny, ac os byddwn yn symud ymlaen ac yn gweld bod yr awdurdod yna yn cael ei restru fel un o'r cyrff sy'n dod o dan fy awdurdodaeth i, gallwn ni ymdopi â hynny heb unrhyw broblem o gwbl. Felly, rwy'n eithaf hyderus y gallwn ni gadw ein costau o dan 0.03 y cant o'r bloc. Byddai'n rhaid i'r bloc syrthio 20 y cant er mwyn i ni, ar hyn o bryd, ddod i fyny at 0.03 y cant. Rwy'n gobeithio y gallwn ni symud ymlaen. Os ydym ni'n cael 0.025 y cant, rwy'n hyderus y gallwn ni ymdopi, ond mae'n bwysig i ni yn wastad edrych ar beth sy'n codi ar y gorwelion, beth fydd y camau nesaf o safbwynt datganoli a pha effaith y byddai hynny'n gallu ei chael arnom ni. Rwy'n meddwl ei bod yn beth da bod un ombwdsmon ar gyfer y cwynion i gyd sydd wedi cael eu datganoli, ac, yn sicr, mae'n uchelgais gennyf i sicrhau mai ni yw'r *one-stop shop* ar gyfer gwasanaethau sydd wedi cael eu datganoli.

[141] **Simon Thomas:** Diolch yn fawr. Byddwn ni'n dal, fel pwyllgor, yn gohebu â chi parthed y Bil drafft, so mae yna drafodaeth i barhau ar hynny. Byddwn ni hefyd yn rhannu'r trawsgrifiad o'r hyn sydd wedi cael ei drafod, rhag ofn bod angen cywiro unrhyw beth. Diolch i chi yn fawr am y sesiwn dystiolaeth bore yma. Diolch yn fawr iawn.

[142] **Mr Bennett:** Diolch yn fawr iawn i chi.

on, we see that that authority will be listed as one of the authorities under my jurisdiction, we believe that we could deal with that responsibility without any problems. I'm quite confident that we will be able to keep our costs under 0.03 per cent of the block. The block would have to decrease 20 per cent for us, at present, to come up to 0.03 per cent. I do believe that we can move forward. If we have 0.025 per cent, I'm confident that we could still cope. But I think that it's important that we always look at what's arising on the horizon, what the next steps will be in terms of devolution and what impact that could have on us. I think it's a good thing that there is one ombudsman for all of the complaints on issues that have been devolved, and, certainly, it's my ambition to ensure that we are the one-stop shop when it comes to devolved services.

**Simon Thomas:** Thank you very much. As a committee, we will be corresponding with you on the draft Bill, so there is a discussion that'll be ongoing about that. We will be sharing a transcript of what's been discussed this morning, in case you need to correct anything. I thank you very much for your evidence session this morning. Thank you very much.

**Mr Bennett:** Thank you very much.

[143] **Simon Thomas:** Byddwn ni'n symud mewn munud yn syth at y Comisiwn, er mwyn i'r pwyllgor fod yn ymwybodol. **Simon Thomas:** We will be moving on to the Commission in a minute, just for the committee to be aware.

09:59

**Cyllideb Ddrafft Comisiwn y Cynulliad ar gyfer 2017–18: Sesiwn Dystiolaeth**  
**Assembly Commission Draft Budget 2017–18: Evidence Session**

[144] **Simon Thomas:** Croeso, felly, i Suzy Davies, un o Gomisiynwyr y Cynulliad; Claire Clancy, y brif weithredwraig; a Nia Morgan, y cyfarwyddwr cyllid. Croeso mawr i chi i'r cyfarfod hwn o'r Pwyllgor Cyllid, lle, wrth gwrs, rydym yn mynd i graffu ar amcangyfrifon y Comisiwn. Os ydych chi'n hapus, fe wnawn ni ddechrau yn syth gyda chwestiynau. Os caf ofyn yn gyntaf: a fedrwch roi amlinelliad i ni o'r ystyriaethau roedd y Comisiwn yn gorfod eu gwneud er mwyn llunio'r gyllideb, yr amcangyfrif arbennig hwn, ac yn arbennig pa fath o benderfyniadau rydych chi wedi gorfod eu gwneud er mwyn llywio'r cyfeiriad sydd yma? **Simon Thomas:** Welcome, therefore, to Suzy Davies, one of the Assembly's Commissioners; Claire Clancy, the chief executive; and Nia Morgan, the director of finance. A very warm welcome to you to this Finance Committee meeting, where, of course, we're going to be scrutinising the Commission's draft budget. If you're content, we will begin immediately with our questions. If I may ask first of all whether you can give us an outline of the considerations that the Commission had to make in order to draw up this estimate for this draft budget, and particularly what kind of decisions you have had to make in order to drive us to the direction that we see before us?

10:00

[145] **Suzy Davies:** Diolch yn fawr, Gadeirydd. **Suzy Davies:** Thank you very much, Chair.

[146] I suppose the process begins with the Commission's own strategic goals. They're set for the course of the five years of the Assembly rather than just one individual budget year. But, of course, within that five years, there are five separate budget years. So, for the year that's ahead for us, as with all

years, we'll start with what are the costs that are readily identified, which we face every year. And so, things like that would be the fixed costs—what the remuneration board is likely to say; there are non-cash budgets, pensions, depreciations, things like that; known staff costs; known accommodation costs; and any existing contract obligations. So, they're already carved out of any annual budget. After that, it's a question of which strategic priorities do we take forward, and, of course, it looks very, very different, this fifth Assembly. So, the figures that we've presented to you, even though they're pretty straightforward and easy to explain for this year, are, over the next four years, a little more difficult, shall we say. Perhaps we'll talk about that a little bit later on.

[147] But, for example, in this given year, we know we're going to need improved security expenditure, for example. We know that there will be particular costs that form part of the rolling programmes for the estate management and for the information and communications technology projects. And we also know that we're going to need additional staff in order to meet particular strategic aims like improved bilingualism within the culture of the whole of the Assembly, as well as specific support for Members. So, for example, we've got two extra committees in this Assembly, and, inevitably, that's going to need additional support, even if that's through integrated teams, as well as specialist support for those committees. So, those are just examples.

[148] **Simon Thomas:** A throi, felly, at ddau beth sy'n amlwg iawn yn yr amcangyfrifon, mae cynnydd sylweddol o ran costau staffio—bron £1 filiwn yn ychwanegol. Beth sy'n gyfrifol am hynny? Rydych chi newydd sôn am ddau bwyllgor ychwanegol ac efallai diogelwch hefyd. Ai dyna beth sy'n gyfrifol am hynny? Ac ar yr ochr gyfalaf, rydych chi hefyd wedi dyblu yr arian cyfalaf ar gyfer y flwyddyn hon. Oes rheswm penodol ar gyfer hynny? So, mae yna ddau gost—mae cost refeniw sy'n cynyddu ar gyfer staffio a'r gost gyfalaf. Beth sydd wedi gyrru'r Comisiwn i feddwl bod angen

**Simon Thomas:** And turning, therefore, to two things that are very evident in the estimates, there is a significant increase in terms of staffing costs—almost £1 million additional funding. What's responsible for that? You've just talked about two additional committees and perhaps security. Are those the things that are responsible for that? And on the capital side, you have doubled the capital funding for this year. Is there a specific reason for that? So, there are two costs—there are revenue costs that are increasing because of staff and the capital costs. What has

cynnydd yn y ddau faes yna?

driven the Commission to think that an increase is necessary in those two areas?

[149] **Suzy Davies:** I can give you two examples. The capital figure is actually lower than we were looking at originally in the fourth Assembly. But the perfect example, of course, would be new committee rooms. If you've got additional committees, with committees sitting more frequently, then they're going to need space, and their staff are going to need space. So, new committee rooms will need to be planned for. But, more generally, there's accommodation implications for having more staff, with the kind of uncertainties that we're likely to be facing over the next four years. And the legal teams, and perhaps HR teams, are examples of money that's being spent now. I think that's right at the moment, isn't it? But if we're looking, for example, at more legal expertise—I'll just use this as an example—in future, because of what's going to happen with the Wales Bill, what will happen post Brexit, then we're going to need to put them somewhere. So, accommodation costs are likely to be an issue, I would imagine, over the next five years, not just this year.

[150] **Simon Thomas:** It sounds like uncertainties are leading to expectations of more staff. Is that an automatic assumption we should be making?

[151] **Suzy Davies:** Well, I think this Assembly—. The Commission has already earned itself a very good reputation for using its existing staff wisely, and looking at the existing capacities. There are two capacity reviews a year, which means that individuals that we already employ are used to best effect. But you can also spot where the gaps are as well, and that's certainly what—. You know, we need to be ready for this over the next four years because we don't know what the end game is going to look like at the end of this Assembly. Even though we're fairly confident of what we need this year, conversations we're likely to be having with this committee in four years' time could be very different.

[152] **Simon Thomas:** Yn ystod y flwyddyn dan sylw, fe fydd y Comisiwn yn penodi prif weithredwr neu brif weithredwraig newydd. Rydym yn gwybod hynny. Faint o hyblygrwydd, felly, sydd yn y gyllideb yn mynd ymlaen ar gyfer y person

**Simon Thomas:** During the year under consideration, the Commission will appoint a new chief executive. We do know that. How much flexibility, therefore, is there within the budget going forward to enable that person to bring a new vision?

hwnnw i ddod ag efallai golwg Perhaps they will want to restructure  
 newydd ar bethau? Efallai byddan in some way. Are you prepared for  
 nhw am ailstrwythuro mewn rhyw that, and how much flexibility is  
 ffordd. A ydych chi'n barod ar gyfer there in the estimates in relation to  
 hynny, a faint o hyblygrwydd sydd yn that?  
 yr amcangyfrifon ar gyfer hynny?

[153] **Suzy Davies:** You're quite right to draw attention to this. It's probably the last committee that Claire Clancy, our chief executive, is likely to be supporting me giving evidence in. And I'd like to take this opportunity—I'm sure that all of you will agree with me that you have been amazing and we really are going to miss you. But your successor is going to be in the same position that you are in, which is that it's the Commission that sets the strategic goals and the chief executive has to work towards that. So, within the existing budget the incoming chief executive officer is going to know what we need and what's already planned. So, there is some room for a new person coming in, but they're going to have to do it within the existing financial constraints that they come in with.

[154] **Simon Thomas:** Diolch yn fawr. Mike Hedges.

[155] **Mike Hedges:** I accept that, as you said in the Public Accounts Committee, in talking about security there are certain things that you don't want to talk about, and as my security is part of it I'm probably on the same side as you on this. But have you taken into account within the security budget the fact that there are decisions in relation to the remuneration board regarding individual office security? I have far more concerns about people working in offices than I do about loads of us here when we are very well-protected within this building.

[156] **Suzy Davies:** It's a concern we all share on that, Mike, and I hope that you've already had a visit from somebody within the Commission to help you identify the security needs of the offices outside this place. The money for that is earmarked for spending within the current year, but having said that there's a wider security review taking place, and that's already identified the likelihood that we're going to need more staff here as well. The potential cost of that has already been included in the forthcoming year's budget.

[157] **Simon Thomas:** Okay. Nick Ramsay.

[158] **Nick Ramsay:** Thank you, Chair. In terms of the four-year indicative

figures, can you tell us a little bit about uncertainty around funding in the autumn statement—the vote to leave the EU, the Wales Bill et cetera—how these are all factored in to future years' indicative budgets as shown in the budget document?

[159] **Suzy Davies:** Well, that uncertainty is there. We're slightly disadvantaged because we come and give this evidence before the autumn statement, so we're having to take an educated look—

[160] **Nick Ramsay:** So, that makes it very uncertain.

[161] **Suzy Davies:** Well, we can use what we've heard in the past to try and identify what is likely to happen in the future. That's the best way to put it. So, any estimates we make are based on what we could expect based on what we've had before. I think that's probably the best way to put it. And in order to identify the demands of what we need to spend within our likely settlement, obviously we look at what we already know and we look at some implications that are probably easy to identify, so, for example, for Brexit, we are going to need some additional legal capacity, I would imagine, there.

[162] But beyond that, you are right, it is a little bit difficult to imagine where we're going to be in four years' time. But having said that, the level of certainty we have now helps us explain why we need to have, over the course of the five years, perhaps, a budget increase at this stage and less of a—. Well, it's a decrease, I think, towards the end of the five years.

[163] **Nick Ramsay:** This year must be particularly difficult because of the—. I mean, we've had the EU vote and we have the Wales Bill in the pipeline as well, so you're juggling lots of different balls in the air there, aren't you?

[164] **Suzy Davies:** We've already started with the existing budget on the implications for tax variation, for example; there's already support for committees on that, which we didn't have before. But if you take—. I'll just take a random subject area: agriculture. The committee that deals with that is likely to have a lot on its plate over the next four years, not least because—

[165] **Simon Thomas:** Or locally sustainable food, I hope, but there we are.

[166] **Suzy Davies:** Call it what you like. That's fine. But, you know, there are going to be some internal questions there as well as external questions with

the negotiations with the EU. That's an obvious area where more support is likely to be needed, but I'm just picking that out of thin air—it could easily be another.

[167] **Simon Thomas:** I think, just on this, that the Chair of the committee wants to have a brief question.

[168] **Mark Reckless:** Are you offering our committee additional financial support?

[169] **Suzy Davies:** If you make the case, but I dare say it will be needed, so fire away.

[170] **Mark Reckless:** Thank you.

[171] **Simon Thomas:** There we are. That's useful. On to Nick Ramsay.

[172] **Nick Ramsay:** Can you give us any more detail on specific investment requested for the years 2018–19?

[173] **Suzy Davies:** We've got the estate forward management plan and, of course, there's the rolling three-year details of the ICT changes. So, the majority of savings have already been made from that. I think what is clear to say is that every individual Member—and we are such a small institution—is going to need more specific support through the course of the four years. In terms of the specific detail, I think there's some, actually, in the draft budget itself on ICT, for example. So, on page 15, not only can you see the recurring savings that are taking place on the ICT programme, but you can see the kind of costs that we're going to be looking at. I don't know if you've managed to find it yet. I can read you out a long list of particular items if you want.

[174] **Simon Thomas:** Not strictly necessary, I think—*[Laughter.]*

[175] **Suzy Davies:** Would it help if we give you a note on that?

[176] **Simon Thomas:** Yes, that would be helpful, I'm sure.

[177] **Nick Ramsay:** You've mentioned the potential future—or touched on the potential future—change in the size of the Assembly. Have you made any early estimates as to what it's going to cost—the extra staffing, extra ICT, et



cetera, et cetera, security?

[178] **Suzy Davies:** If I remember rightly, a piece of work was done on this last year to try and identify the likely implications of a larger Assembly. I haven't got the details of that to hand, but it was certainly done. I think what would be fair to say is that were this place, when it receives powers under the Wales Bill, to take the opportunity to expand its numbers, with any future budgets, we'd have to reflect that in a separate budget line, pretty much as we did with the election costs—last year I think that was, wasn't it? Because this is so new. This is not part of the normal running of the Assembly. It's not necessarily part of—well, it's not part of what we've already budgeted for, so it would have to appear as a separate line, and I would imagine we would be coming back here with different requirements in two or three years' time—whatever date this happens on. So, that's not included in these figures, just to be clear.

[179] **Nick Ramsay:** Okay, thanks.

[180] **Simon Thomas:** Jest ar y pwynt yna, achos, o bosib, byddai newid pleidleisio i'r Cynulliad yn digwydd cyn bod newid i'r nifer o Aelodau Cynulliad, gan fod yr hawl yna'n dod yn uniongyrchol i'r Cynulliad a gan fod yna newid arfaethedig ar gyfer etholaethau Senedd San Steffan, sydd yn gofyn y cwestiwn o beth ym ni'n mynd i wneud fan hyn. Felly, efallai bod hynny'n fwy tebygol o ddigwydd yn ystod y cyfnod pedair blynedd o ragolwg sydd gyda chi fanna. A fydd hwnnw'n gorfod bod yn eitem ar wahân, rhywbeth sy'n ystyriaeth ychwanegol hefyd pe bai hynny'n digwydd?

**Simon Thomas:** Just on that point, because, possibly, changing voting for the Assembly might happen before a change to the number of Assembly Members, because that right will come directly to the Assembly, and given that there is a proposed change for constituency boundaries in Westminster, that begs the question of what we're going to do here. So, maybe that's more likely to happen during the next four-year period that you have in view. Will that have to be a separate thing that'll have to be considered separately?

[181] **Suzy Davies:** Well, the whole point of having a five-year overview, if you like, is that we do horizon scan on this. But until we get the powers—I know we're all assuming they're going to come, but, until we get them, I don't think it would be wise for the Commission to be making specific commitments as to how much that would cost. That doesn't mean to say that

the preparatory work wouldn't be done.

[182] **Simon Thomas:** Steffan Lewis.

[183] **Steffan Lewis:** Roeddwn i jest **Steffan Lewis:** I just want to go back eisiau neidio nôl at y cwestiwn ar to the question on ICT in the dechnoleg gwybodaeth yn y Assembly. Could you expand further Cynulliad. A ydych chi'n gallu on the more detailed costs? For ymhelaethu ymhellach ynglŷn â example, how much does it cost for chostau mwy manwl? Er enghraifft us to have the computers in the faint mae hi'n costio i ni gael y Chamber? Are there specific costs for cyfrifiaduron yn y Siambr? A oes yna that? gostau penodol ar hynny?

[184] **Suzy Davies:** Gallaf i jest fynd **Suzy Davies:** I can just go quickly yn glou trwy'r rhestr sydd gennyf fi through the list that I have, if you'd os hoffech. like.

[185] **Steffan Lewis:** Ie. **Steffan Lewis:** Yes.

[186] **Suzy Davies:** Ocê. So, yn **Suzy Davies:** It'll be in English: Saesneg,

[187] hardware consumables, £40,000; applications development, £100,000; transition to the cloud, £150,000; desktop hardware replacements, £150,000. Then there's an infrastructure refresh at £20,000, the Citrix NetScalers that we use—I think that's for when we're working remotely, isn't it? I think that's right. That's £80,000—

[188] **Nick Ramsay:** What's a Citrix NetScaler?

[189] **Suzy Davies:** I seem to remember the word Citrix crops up on my computer when I'm using it at home.

[190] **Nick Ramsay:** I wondered what that was.

[191] **Suzy Davies:** Replacement for the casework system, that's £75,000. Replace Medialon—I never really know how to say that. That's on the actual Assembly estate, that's £200,000, you see. The glass projection in the Siambr and the committee galleries, that's £100,000, and there are a couple of other things here. I think it's worth bearing in mind as well that the

introduction, which is on a rolling programme, of the bilingual financial system has also got hardware implications as well. So, in the budget year we're talking about, there are a few different things on this finance system, but, together, they come to about £200,000, you see. So, you can see how this adds up very quickly in a part of the budget where, actually, we don't have a huge amount of money. Because so much of our money is earmarked upfront because of the costs we mentioned earlier, the pot that's left over is actually not as big as everyone might think.

[192] **Mrs Morgan:** Mae'r wybodaeth mae Suzy newydd ei ddweud am beth rydym ni'n bwriadu ei wario yn y flwyddyn 2017–18. A oedd y cwestiwn yn fwy i wneud â faint ydym ni wedi ei wario—

**Mrs Morgan:** That information that Suzy's just supplied is what we intend to spend in 2017–18. Was the question about how much we have spent—

[193] **Suzy Davies:** O, yn barod?

**Suzy Davies:** Oh, already?

[194] **Mrs Morgan:** —yn y Siambr?

**Mrs Morgan:** —in the Chamber?

[195] **Suzy Davies:** O, mae'n ddrwg gennyf fi.

**Suzy Davies:** Oh, I apologise.

[196] **Steffan Lewis:** Ie, eitemau—beth sydd i ddod.

**Steffan Lewis:** Yes, items—what's to come.

[197] **Mrs Morgan:** Os oes angen y wybodaeth yna ar y pwyllgor, gallwn ni ddod â'r wybodaeth yna i chi. Nid yw honno gyda fi ar hyn o bryd, achos mae'r wybodaeth sydd gyda fi am y flwyddyn 2017–18, ond—

**Mrs Morgan:** If you need that information as a committee, we can send that information to you. I don't have it with me at present, because the information I have is for 2017–18—

[198] **Steffan Lewis:** Byddwn i'n ei gwerthfawrogi.

**Steffan Lewis:** I'd appreciate it.

[199] **Mrs Morgan:** A ydy hynny o ddiddordeb i chi?

**Mrs Morgan:** Would that be of interest?

[200] **Suzy Davies:** A yw hynny'n dderbyniol?

**Suzy Davies:** Is that acceptable?

[201] **Steffan Lewis:** Diolch yn fawr. **Steffan Lewis:** Yes, thanks.

10:15

[202] **Simon Thomas:** Mae gan **Simon Thomas:** Steffan Lewis has an  
Steffan Lewis ddiddordeb yn y math interest in this subject.  
yna o beth.

[203] **Nick Ramsay:** I was just thinking—we've just had a refit. I thought you  
were going to tell us our refit was out of date. [*Laughter.*]

[204] **Mrs Morgan:** So, gwybodaeth **Mrs Morgan:** So, information about  
am faint gostiodd y *refit* sydd ei how much the refit cost—that's what  
hangen. you need.

[205] **Simon Thomas:** Ocê. Fe gawn **Simon Thomas:** Yes, we'll have a note  
ni nodyn am hynny. on that.

[206] **Simon Thomas:** Mark Reckless, do you have a question on this?

[207] **Mark Reckless:** Yes. I've been looking at the ICT section of the budget  
and, as a new Member, I'm impressed with the provision and still more  
impressed to see how much we appear to be saving going from the  
outsourced regime we had in 2013–14 to a suggested spending of £1.747  
million on operational costs in 2016–17. I'm a little confused though about  
the operational costs versus capital distinction. It may be that a note may be  
required if you're not able to answer these points immediately. Just looking  
on page 14 of the draft budget, it refers to, overall, the budget for the  
service as being reduced by 12 per cent compared to the peak cost of the  
contracted-out service, which I assume is that 2013–14 figure of £3.618  
million. I'm just a little unsure about how we get to 12 per cent there,  
because, if we're just comparing the operational costs, it comes down from  
£3.618 million to £1.747 million by 2016–17, so that's a cut of 52 per cent.  
Then when I look in the budget overview in annex 1 on page 24 of the  
report, there's an ICT cost reference of £2.614 million for 2016–17. I wonder  
perhaps if that includes the capital spend that isn't included in the  
operational budget. If that's the case, that £2.614 million is still 28 per cent  
below the £3.618 million as opposed to the 12 per cent that's quoted on  
page 14. So, I'm just really seeking a better understanding of how much  
savings we're making when we look at the capital as well as the operational,

and wonder if you can assist, either now or with a note if that's not possible.

[208] **Suzy Davies:** I think I need to give you the expert on this one.

[209] **Mrs Morgan:** The £2.614 million you're referring to is for the current financial year that we're in. The budget that we're looking to have approved is 2017-18, which is the next column across. So, the figure for next year is £2.024 million. That is for the operational costs and doesn't include any staffing, so the staffing would be within the staffing line, so I hope that clarifies that. So, the £2.024 million is—if you go back to the table on page 15, we've got the 2017-18 graph there, the column there. That's the £2.024 million.

[210] **Mark Reckless:** So, that would be a 44 per cent reduction from the £3.618 million. Again, if we can reconcile that with the 12 per cent mentioned—

[211] **Mrs Morgan:** The 12 per cent decrease is when we look at the operational costs plus the staffing costs together, so we're looking at the overall ICT budget. Between the peak that was in 2014-15 and 2017-18, that's the 12 per cent decrease. So, we've got all the figures on that if you want additional information.

[212] **Mark Reckless:** Yes, can I request there the time series so I can get that 12 per cent and look at them all added in to make the core comparison—

[213] **Mrs Morgan:** So, 12 per cent is the total ICT budget, staffing and operational, from 2014-15 to 2017.

[214] **Mark Reckless:** When you say 'operational', does that include capital spend on IT equipment?

[215] **Mrs Morgan:** We've changed our accounting policy around capital items. A few years ago, we were outsourced. When we were outsourced, the replacement of capital items such as laptops and screens and keyboards et cetera was done in bulk. We've brought that service in-house and made considerable savings while doing that. Our replenishment programme now is to do it on an ad hoc basis as and when required. Because of our size, we don't really benefit from any massive economies of scale as you would within a health board, for example, so we do it as and when necessary when items

become old. So, we treat them as revenue items, because we've got a limit now of £5,000 where we capitalise items. So, we treat any laptops or screens, keyboards, et cetera, as revenue items, so they would be included within this operational budget.

[216] **Mark Reckless:** Okay. I look forward just to seeing all those just as one number on a comparable basis; that would be really useful, thank you.

[217] **Simon Thomas:** A gaf i jest ofyn, yn dilyn y cwestiwn yna, wrth ddod â'r gwaith i mewn—achos mae'r rhai a oedd yn y Cynulliad diwethaf yn cofio hynny'n digwydd—a oedd hynny'n golygu bod mwy o staff yn gorfod cael eu cyflogi felly?

**Simon Thomas:** May I just ask, following on from that question, in bringing the work in-house—because those of us who were in the previous Assembly will remember that taking place—did that mean that more staff needed to be employed?

[218] **Mrs Morgan:** Oedd.

**Mrs Morgan:** Yes.

[219] **Simon Thomas:** Felly, mae hynny'n un rheswm pam mae'r staff wedi cynyddu ac efallai bod hynny'n esbonio hefyd y gwahaniaeth rhwng y ffigurau offer a ffigurau staff a pham bod y peth yn edrych yn wahanol ar yr olwg gyntaf, ie? Ie. Océ. Ond bydd nodyn yn esbonio hynny yn—

**Simon Thomas:** So, that may be one reason why the staffing costs have increased and that may also explain the difference between the figure for equipment and the figure for staff and why there's a difference at first sight there. But a note to explain that would be great.

[220] **Mrs Morgan:** Mae tua 40 o staff ychwanegol.

**Ms: Morgan:** Yes, about 40 additional headcount.

[221] **Simon Thomas:** Océ. Diolch am hynny. Mike Hedges.

**Simon Thomas:** Okay. Thanks very much. Mike Hedges.

[222] **Mike Hedges:** I've got three questions on ICT if you don't mind.

[223] **Simon Thomas:** Let's take them now then. That's good, yes.

[224] **Mike Hedges:** The first one is: you talk about buying things ad hoc and not using any of the Welsh purchasing consortiums that exist. Is there any legal reason why you can't use any of the Welsh purchasing consortiums?

[225] **Mrs Morgan:** No, we do use the Welsh purchasing consortia, so we're part of that, but we don't do anything individually where we could have even greater economies of scale, for example. So, we do use the purchasing networks.

[226] **Mike Hedges:** The second question is—it's only a small sum of money but it doesn't make any sense to me. Perhaps you can explain it. Broadcasting in 2016–17 is £490,000, in 2017–18, £505,000, and then in 2020–21 it's back to £490,000 again. It's not a huge sum of money, but it does seem to bounce around a bit. Can you explain why? It's on page 44 of my pack.

[227] **Simon Thomas:** It's the graph on page 50.

[228] **Mike Hedges:** It said 'ICT Costs' on it.

[229] **Suzy Davies:** Yes, I've got it.

[230] **Mike Hedges:** It just bounces around a bit.

[231] **Mrs Morgan:** I'm just checking if the broadcasting contract is out to tender next year, which may be the—that we've built in a bit of contingency in case that contract goes up.

[232] **Mike Hedges:** But you're then planning for it to go back down again.

[233] **Mrs Morgan:** The budget that we're looking at—we're looking at an approval of the 2017–18 budget. So, that's the one that we're approving. The future years are just an estimate—so, the best estimate as we know things at the moment.

[234] **Mike Hedges:** I'm just wondering why you've estimated one to go up and then estimated another to go down. It does seem strange, but I won't pursue that one. The other one I will pursue, though, is 'Revenue and Consumable purchases', which goes from £130,000 to £250,000. It's the same table—table 2.

[235] **Suzy Davies:** Obviously, the latter figures are just indicative figures—

[236] **Mike Hedges:** Yes, but this is 2016–17 and 2017–18, then it's just a straight line. It's just flatlining after that, but you have a big jump.

[237] **Simon Thomas:** It does go up in this budget from £130,000 to £250,000. So, that's really the question, isn't it? Why has it gone up in this budget?

[238] **Suzy Davies:** I think that's the note we're already giving Steffan.

[239] **Mrs Morgan:** Yes. So, we can give an example that, in 2016–17, we did the Siambur refit. So, there would be more expenditure on that, rather than on the consumables and the Commission staffing items. So, we can give you an additional note on that.

[240] **Mike Hedges:** Sorry, if you did it in 2016–17, shouldn't it have been in the 2016–17 budget? Unless you're doing something new in 2017–18, I don't understand why—. But you did say that you would send a note explaining that £120,000. I look forward to seeing it.

[241] **Suzy Davies:** That was part of the list I trundled through a bit earlier as well. These are part of that, aren't they?

[242] **Mrs Clancy:** I think that we can provide the committee with the detail of this.

[243] **Mrs Morgan:** Within 2016–17, if you recall, we did a number—the Siambur refit, for one, which came out of an election costs budget, which meant that there was less IT spend in that consumables line. So, within 2017, then, it's gone up to what it would normally be.

[244] **Simon Thomas:** So, in effect, you're saying that you underestimated in the previous year, and this year's estimate is a more accurate estimate of what you should be spending.

[245] **Mrs Morgan:** The current financial year is £130,000. We would be spending around £250,000, but some of that would be related to new Members.

[246] **Simon Thomas:** Right. Okay.

[247] **Mrs Clancy:** So, it came from a different budget line.

[248] **Mrs Morgan:** Yes, which would be the election costs budget, which is



in the current financial year.

[249] **Simon Thomas:** I see. So, it was allocated from another budget line in the previous year.

[250] **Mrs Morgan:** Yes.

[251] **Mike Hedges:** So, we'll be able to see the reduction in the other budget line. So, when I do all my sums, it'll all add up in the end.

[252] **Mrs Morgan:** In next year's budget there wouldn't be an election costs budget.

[253] **Mike Hedges:** No. But—. Sorry, I hate to push this, and perhaps you'll include it in the note, but will you show within the election costs budget the cost of new Members' ICT, that £120,000, somewhere so that it all nets off in the end?

[254] **Mrs Morgan:** Yes.

[255] **Simon Thomas:** Tra'n bod ni ar y materion cyllido, a gaf i ofyn un cwestiwn, ddim cweit ar yr un lefel? Rydw i'n gweld ein bod ni'n gwario yn eithaf sylweddol ar y gwasanaeth teleffoni. Roedd hwnnw'n fuddsoddiad a oedd wedi cael ei wneud wrth symud y technoleg gwybodaeth i mewn yn ogystal. Ym mha ffordd a ydych chi'n cadw hwnnw dan arolygiaeth gwerth am arian? Mae gennym ni offer eithaf 'hi-tech', os leiciwch chi, ond mae'r rhan fwyaf o bobl yn defnyddio ffonau symudol y dyddiau yma. A ydyw hwn yn werth am arian yn y gwasanaeth yr ydym yn ei brynu i mewn?

**Simon Thomas:** Whilst we're on these financing issues, may I ask one question, but not quite at the same level? I do see that we do spend quite significantly on the telephony service. This was an investment that was made as we moved the ICT in-house in addition. So, how do you keep that under value-for-money oversight? We've got quite high-tech equipment, but most people use mobile phones these days. So, is that good value for money as a service that we're buying in?

[256] **Suzy Davies:** There may be some further detail, but, essentially, any expenditure is treated in the same way by the Commission and the budget process, which is mainly to set it against one of the strategic goals, which is:

are we using our resources wisely? So, that is the starting point for everything. Then below that within individual management teams within the management board, and particularly the investment and resources board, any requests for expenditure are assessed through those processes. I don't know if you want much detail on the process, but nothing is spent unless it passes all those tests in order to prove value for money. That is an ongoing process. The investment and resources board meets once a fortnight, I think, and obviously the Commission itself meets relatively—well, certainly quarterly—and it gets reports on this. We also get reports from the audit and risk committee, which has a long-term view on whether any particular types of expenditure or plans are showing any holes—I think that's probably the best way to put it. I don't know if you want to add to that?

[257] **Mrs Clancy:** Yes, specifically on the new telephone system, we entered into a new contract in 2015 and the previous contract was an annual cost of £220,000 and the new contract cost £37,500—so, a very substantial drop. There was an upfront cost that we had to make to make that transition to the new service. But by now—autumn this year—we've recovered those upfront costs and, from now on, there'll be a £180,000 per year recurrent saving because of the new negotiations on that telephony contract.

[258] It does give me an opportunity to point to this, which we sent to the committee a few days ago.

[259] **Simon Thomas:** That's the KPIs, yes?

[260] **Mrs Clancy:** It's a review of the efficiency and effectiveness within the organisation. It's something I asked for, as accounting officer, and our audit committee asked for to bring together all of the strands of our approach to efficiency and also to give illustrations of where specific efficiencies have been achieved. As far as I know, this is a unique document in the way that it brings all of that together. It's certainly viewed by the Assembly Commission Audit and Risk Assurance Committee as a model of good practice. There are some more illustrations of where there've been specific savings in this document.

[261] **Simon Thomas:** Okay. Diolch yn fawr. David Rees.

[262] **David Rees:** Diolch, Gadeirydd. If I move on to the remuneration board's determination, Suzy, earlier on, you indicated that it's one of the fixed costs you know. Well, it's a possible maximum cost. As a consequence

of that, you've always had an underspend. In the last Assembly's final Finance Committee review of your budget, you indicated that a bit of clarity was needed as to where the underspend was reassigned. I suppose what we're trying to find out is: can we have some of that clarity as to what happens to that underspend? Clearly, from the Public Accounts Committee, you don't send it back to the Wales block grant allocation, so what happens to it?

[263] **Suzy Davies:** You're quite right. One of the sensible things we need to do, as a Commission, is make sure that any budget we ask for—. Because obviously the budget is for the Commission as a whole, not just for the remuneration board's part in this. In order to be sensible, we have to ask for, as you say, the maximum amount to make sure that other Commission activities aren't compromised by having to find money at the last minute from other sources.

[264] You asked about clarity. We have two options here: either we can set out a separate budget line and say, 'This is what we want to spend our investment on', and ask you for a bigger budget every year, and at the end of that year return part of that budget because we may not have spent it because there's a remuneration board underspend—. So, the way that our budget process works is that there's a foreseeable underspend—even though we're not entirely sure how much underspend there will be from the remuneration board—and then that is spent in accordance with the priorities of the Commission—its strategic goals that I mentioned earlier. The individual types of spend are then not only run through the individual management teams, but through the investment and resources board that I mentioned earlier. So, with any underspend or identifiable underspend, we will go to the investment and resources board and say, 'Look, this is what we need in order to meet our strategic goals. We're pretty sure we've got this money. These are our priorities for spending it. Will you sign that off?' That's way oversimplifying it, I do understand that. Do you want to say a bit more?

[265] **Mrs Clancy:** I have only one additional point, and that's that the transparency comes then through the publication of where the spend actually takes place in the annual report and accounts. So, you can then track through as to what was spent in practice on the remuneration board's determination and where the other spend occurred. So, there is complete transparency on what's happening to the money and anybody who wants to can assess it against whether it was used to meet the Commission's strategic goals. The whole approach that Suzy has described is, in my view—having

been an accounting officer for 15 years plus—a mature and sophisticated approach to budget planning and management, and a transparent and efficient one compared to the alternative, which would be attempting to be more precise and ending up—you’ll always end up with a less good use of the public funds that have to be put into the budget.

10:30

[266] **David Rees:** Based on the previous trends, which have always shown an underspend, do you have plans to, perhaps, utilise any future underspend and recommendations you would make to that board to use it? Because that’s a possible maximum—we know it’s a possible maximum—but it’s not hit, and I can tell you now it won’t be hit next year, either. I don’t use all of my expenses.

[267] **Mrs Clancy:** The funds belong to the Commission, not to the remuneration board. So, the requirement is that the Commission has to make available the funds necessary to fund the remuneration board’s determination. It doesn’t make the money the remuneration board’s; the money belongs to the Commission. So, it’s for the Commission to make decisions.

[268] **David Rees:** And the remuneration board doesn’t give any direction as to—

[269] **Mrs Clancy:** It can give direction. So, it, for example, has indicated that it does want us to meet the costs of the security review that’s taken place in constituency offices. And so we would then make sure within the investment and resourcing board that priority was given to meeting those security costs, which will be between £250,000 and £300,000. So, it would have first call on that money. It’s the only example I can think of where that has happened.

[270] **David Rees:** Okay.

[271] **Suzy Davies:** Just to reassure you, I think the Commission would have come to that conclusion itself, as well—

[272] **Mrs Clancy:** Yes, absolutely.

[273] **Suzy Davies:**—that security spending needed to be a priority.

[274] **David Rees:** Can I ask one final point on the figures? There's a steady increase, as we know, because the remuneration board has set its figures out with average earnings and an allocation to it, but for Members' salaries, for 2016–17, it's actually higher than 2017–18. Can I assume, or am I right in assuming, that that figure is because of the remuneration of those Members who didn't return to the fifth Assembly? Or why is there a drop when we know there will be a steady increase, and every other year has a steady increase?

[275] **Suzy Davies:** Is part of that not due to the fact that there are a lot of new Members whose staff will be coming in on the bottom—

[276] **David Rees:** Well, if you're talking about a possible maximum, there shouldn't be—as such it would be irrelevant at this stage.

[277] **Mrs Clancy:** I'll answer half the question, but I can't answer the other half. It is not the resettlement costs for Members who left, because that was in the election costs budget. Nia, are you able to say more?

[278] **Mrs Morgan:** We can give you a bit more detail, but I'd imagine it's not to do with Members' salaries but to do with the on-costs.

[279] **David Rees:** It's the on-costs.

[280] **Mrs Morgan:** Yes.

[281] **David Rees:** Because I see that for the following years it's a steady increase, as I would have expected.

[282] **Mrs Clancy:** I think we'll have to give you a note on that, Chair.

[283] **Simon Thomas:** Okay. Just to return to the underspend in the remuneration board, from what you've explained, if I understand things correctly, in broad terms you're using it almost as an annual reserve. You can't be absolutely certain that there'll be this underspend, but you're fairly certain, going on previous years, that there'll be an underspend of around—well, it's been around £800,000 and up to £1 million is forecast. So, within your strategic planning, although you can't allocate that money because you're not absolutely certain it's coming, you are starting to prioritise—you mentioned security as one of those—where that money may go. Is that a fair assessment of what you said?

[284] **Mrs Clancy:** Yes, it is. And then, if a higher proportion of the remuneration board determination was spent, we would then have to pare back, rein back on what we were able to spend on new investments. So, as we discussed at PAC, we have this 10-year facilities plan; we know that work needs to be done over that period, and that's one example of where we have choices as to in which financial year we carry out the work. So, that's what the investment board are doing: looking across the years, across the budgets, and prioritising so that we spend as and when the money's available.

[285] **Suzy Davies:** It does allow for when a particular piece of planning suddenly becomes a priority—well, not suddenly, but certainly security, I think it's fair to say, has come up the charts recently.

[286] **Mrs Clancy:** I think that's true. If you think about a year ago, we were sitting here in front of a different Finance Committee giving evidence on the budget for this financial year and, at the time, we'd have had no idea, for example, that there'd be two extra committees, the outcome of the EU referendum, the murder of Jo Cox and the security implications that have come through—and all of those things have had cost implications and for all of them we now have to find ways of absorbing that within the Commission's budget, and we will do so successfully this year. It's going to be very tight this year, but we will do it.

[287] **Simon Thomas:** Okay. Just on that point, then—Eluned.

[288] **Eluned Morgan:** Just on the security point, and there's going to be this review, how much benchmarking will be done against other similar institutions? It strikes me, from being in a couple of other institutions, that the security here is as good as anywhere else, but I question whether we need the intensity that perhaps other institutions have. How do you make that assessment? Who makes that assessment? How's that benchmarking done?

[289] **Mrs Clancy:** The security review that's just been done has detailed data in it from Northern Ireland, Scotland and Westminster, as well as looking at other Parliaments. The data suggest that they are significantly better resourced than we are. So, impressions might be different, but the data say that's not the case. They have larger numbers and larger budgets on security.

[290] We take advice from the police and WECTU, the specialist security arms of the police—I don't know what to call them; that doesn't sound right—in responding to the current risks, as assessed by those experts, and of course the current review that we've been doing to try and make sure that we're making sure that Members are safe in every aspect of their job, whether in their constituencies or here. But we're always very careful to make sure that we look at ways of doing things, and it's not always about additional resource.

[291] I think Suzy's right that it is likely, because of the demands and the risks that, sadly, we face in today's world, we are going to have to increase the security team. We'll also look at ways of doing the work so that we're making best use of those resources. But, sorry—going back to the question—yes, we benchmark. We have detailed information on that benchmarking and it suggests we're behind the curve on this.

[292] **Suzy Davies:** It might be worth mentioning at this point that, actually, we benchmark against other Parliaments across areas of expenditure; it's not just security.

[293] **Simon Thomas:** Iawn. Steffan **Simon Thomas:** Okay. Steffan Lewis. Lewis.

[294] **Steffan Lewis:** Rwyf eisiau troi **Steffan Lewis:** I'd like to turn to how at sut mae gwasanaethau dwyieithog bilingual services are provided, yn cael eu darparu, os gwelwch yn please. First of all, have you included, dda. Yn gyntaf, a ydych chi wedi in the official languages scheme, cynnwys, yn y cynllun ieithoedd broader provision of bilingual swyddogol, darpariaeth ehangach o services? wasanaethau dwyieithog?

[295] **Suzy Davies:** Basically, 'yes' is the answer to that. The languages scheme—. Well, we have the languages scheme. I can't say too much at the moment because, of course, Adam Price is looking at the detail of this and whether there's likely to be any further expenditure or savings on that. I think that would be fair to say, would it? But I can tell you what's already been achieved and where we're planning to go, generally, if that's any help, or do you want to say something specific?

[296] **Mrs Clancy:** Under our own Assembly legislation, we're required to

report on an annual basis on the compliance against the official languages scheme. So, that is due to happen. But also, as soon as practicable at the beginning of an Assembly we need to introduce a new official languages scheme, which will be approved by the Assembly—debated and approved—and that's what Adam will be working with the teams on.

[297] In addition, on Monday next week, actually, we have our major annual capacity planning exercise where we have service plans from every part of the organisation; I've brought them with me as an exhibit sort of thing. So, I have detailed plans from every part of the organisation that we're scrutinising to look at the capacity for next year and beyond.

[298] For the Translation and Reporting Service, they're acutely aware that they need to keep an eye on the level of resources necessary as we try to take our next step—change in delivering bilingual services. We're very proud of what we achieved in the last Assembly, but we think we at least need to go that far if not further to get to being a truly bilingual institution.

[299] So, they've identified already that we are going to need at least two more interpreters, for example, and they've made a case for that, which we'll be looking at on Monday. I suspect we'll approve that. And also to consolidate the work that was done at the end of the last Assembly to build the learning capability that we've got. So, the new tutors and the team to help with learning, both by Members and their staff and by our Commission staff. So, I think it's likely that we'll consolidate that and those will be the first planks of our working towards the new language scheme. Then, we'll need to see how those requirements build.

[300] **Steffan Lewis:** Has there been any need for an assessment based on the fact that there's a large number of new Members? I don't know what the linguistic make-up is, but has that impacted on the financial planning—the linguistic make-up of the new intake?

[301] **Mrs Clancy:** Yes, it's reported within the case that's been put on capacity planning. Of course, our Llywydd works bilingually. We have more internal meetings conducted bilingually. Our management board, for example, is always bilingual. During the summer, I held 25 staff meetings to talk to staff about the Commission's new strategy and this budget, and we did those bilingually. So, there are implications. We're thrilled that it's making such progress in this direction and that more Members want to work bilingually, but there are consequences and the budget reflects that.



[302] **Suzy Davies:** I can tell you that I had a meeting with the head of internal audit through the medium of Welsh the other day, which was a challenge for both him and me, but we did it and it really just reflects how different the culture is, just over the last five years, I would say, among the Commission staff themselves. There's a real appetite for this. Obviously, there's going to be new software and things to do with the Record of Proceedings. I don't know if you want to know any more about that, but the money is being wisely spent on this because the difference is palpable, I think.

[303] **Steffan Lewis:** With the procurement of the new translation contract, is that going to be a saving?

[304] **Suzy Davies:** Potentially, yes. Obviously, we have to have the best quality here as well because we don't want to just be paying lip service to this. But it is a potential area for saving, isn't it? I think that's coming up soon.

[305] **Mrs Clancy:** It is, yes. It's a bit early to say, but, yes, we would definitely be looking for savings.

[306] **Suzy Davies:** Even with the existing contracts, for some of the translation costs there have been savings within that, which go alongside spending more, but it's a more efficient system now.

[307] **Mrs Clancy:** We used to pay £127 per 1,000 words and now we pay £50 per 1,000 words because of the machine translation. Again, it's something we're particularly proud of because that wouldn't exist if we hadn't done the development work with Microsoft. So, that's another one of our key examples of efficiency.

[308] **Suzy Davies:** It's a key example of spending early in a five-year budget cycle as well. By spending it earlier on, it's made those savings at the tail end.

[309] **Mrs Morgan:** Rydym hefyd yn **Mrs Morgan:** We're also working on a gweithio ar system gyllid new finance system, which is cyfrifiadurol—*finance system* newydd bilingual. That's being implemented dwyieithog. Mae'r *implementation* ar now and it'll become live in April, if hyn o bryd a daw e'n fyw nawr ym everything goes well. It's one of the

mis Ebrill, os yw popeth yn mynd yn first bilingual finance systems  
iawn. Dyma un o'r systemau cyllid available, so we hope that that will go  
dwyieithog cyntaf, so rydym ni'n well.  
hyderus iawn y bydd hwnnw'n mynd  
yn dda iawn.

[310] **Simon Thomas:** Diolch yn fawr. **Simon Thomas:** Thank you very  
Mae hwnnw'n galonogol. Rwy'n credu much. That's encouraging. I think  
taw Mike Hedges sydd nawr. that Mike Hedges is coming now.

[311] **Mike Hedges:** On savings, can I congratulate you on the savings made  
by bringing the ICT system in-house? Are there other services that could be  
brought in-house and produce savings as well or have you looked at whether  
that would be possible?

[312] **Suzy Davies:** It is looked at as part of the general value-for-money  
approach that's taken by the Commission. The opportunities are becoming  
more and more limited. I think that's probably the best way to put that, isn't  
it?

[313] **Mrs Clancy:** Yes; exactly right.

[314] **Suzy Davies:** There are things, but—.

[315] **Mrs Clancy:** For every contract that we have, well in advance of the  
contract renewal date, we look at the options open to us. Nia has, in front of  
her, the list of contracts. On the major ones, we would always think about  
the different options. So, one, for example, would be breaking the contract  
up so that it could be delivered by smaller employers.

[316] **Mrs Morgan:** Welsh tuition has been brought in-house.

[317] **Mrs Clancy:** Indeed, yes. So, we look at the options for bringing in-  
house. As Nia says, we did that most recently—it probably is the most recent  
one—with the Welsh tuition team. There are others where we're not likely to  
want to go down that road: catering, for example. I can't see any of us  
wanting to roll up our sleeves and make pastry. So, we need to concentrate  
on our core business and, where we get best value for money, do it through  
contracts.

[318] **Mike Hedges:** We'll probably have an ideological disagreement on that,

so I won't take that any further. [*Laughter.*] The other thing of course is procurement. We put pressure on every other organisation funded by the Welsh Government/Assembly to start making savings on procurement. What savings are you making on procurement?

10:45

[319] **Suzy Davies:** Well, the obvious one that you know about is ICT, isn't it? But, looking forward, as I mentioned earlier, the opportunities for that are getting fewer because it depends on what contracts we're already tied into. If you're tied into a contract, you can't save there.

[320] **Mike Hedges:** I meant on—

[321] **Mrs Clancy:** In this document that you've had, when you get a chance, if you have a look at page 18, it gives a list of all the contracts and all the procurement savings between 2012 and 2014, and gives an indication of the high-value contracts we have coming up where we expect to make savings. Catering was actually one where we were able to do that most recently. So, you've got chapter and verse in here.

[322] **Suzy Davies:** And, obviously, we've just talked about the translation service. That's a—

[323] **Mike Hedges:** Are you sure I've had that document?

[324] **Suzy Davies:** I'll admit it's very new.

[325] **Mrs Clancy:** It was—. We sent it to the Chair—

[326] **Simon Thomas:** We'll make sure that all Members do have it who haven't seen it yet. I think it was received by the committee last week.

[327] **Mrs Clancy:** 29 September. But there you are, Mike.

[328] **Mike Hedges:** I do pick up my mail and I do tend to at least flick through it, and I don't recognise this at all.

[329] **Simon Thomas:** I might be slightly privileged, as Chair, to have seen that. So, if it hasn't been circulated, we will make sure that it is.

[330] **Mike Hedges:** That's me done.

[331] **Simon Thomas:** And, certainly, by the time we get to look at any draft report.

[332] **Suzy Davies:** But if I can say, Mike, briefly—I know that David wants to come in here—that is about organisational efficiency, because the areas that we as a Commission have made savings in in the past are now reducing as opportunities.

[333] **Simon Thomas:** It was published on the website as well, wasn't it, I think?

[334] **Mrs Clancy:** Yes.

[335] **Simon Thomas:** David Rees.

[336] **David Rees:** Just a quick one. On those contracts that are coming up, do you ensure that you try and include procurement rules that look at benefiting the Welsh sectors and Welsh industry as much as possible?

[337] **Suzy Davies:** Yes. And sustainability as well.

[338] **David Rees:** I have a question on sustainability as well.

[339] **Mrs Clancy:** Yes, we do. And other requirements like the living wage, and the way that contractors treat their employees. So, we have very high standards in terms of what our expectations are of our contractors. But we also have a published policy on our website for working with small and medium-sized enterprises and Welsh companies, within the law, of course.

[340] **Simon Thomas:** Eluned Morgan.

[341] **Eluned Morgan:** A gaf ofyn i **Eluned Morgan:** May I ask you about chi am y flaenoriaeth yma ynglŷn â this priority in relation to increasing chynyddu *youth engagement*? Rwy'n youth engagement? I see that it's gweld bod e wedi mynd lawr eleni—3 gone down by 3 per cent this year. y cant. A ydych chi'n gallu dweud So, can you tell me why that's pam mae hynny wedi digwydd? happened?

[342] **Suzy Davies:** The current strategic goal for the Commission is actually

engagement across all ages, and I think the record of the Assembly on youth engagement, to date, is quite phenomenal. We've had more visitors coming to—I think I've got this the right way around—to the estate, but of different ages.

[343] **Mrs Clancy:** Yes.

[344] **Suzy Davies:** I can't quite remember the detail on this. But, I think, partly, this is to do with the fact that the existing record on engagement is already so good. On the contact with schools, you've got, I don't know, 230-odd secondary schools, 1,500 primary schools in Wales, and the fact that we've reached just about all of those in the last period is something we should be proud of. However, there are still gaps, and I know that the Assembly is interested in what's going to happen now that Funky Dragon has gone, and whether there'll be a new youth parliament, for example, and those discussions themselves give rise to new ideas about how we can improve youth engagement, because there's no complacency here. The fact that a lot of young people already know about us, and schools, for example, have toolkits to help their students, doesn't mean that's the end of the story. So, that's definitely a direction we're looking at. I think how we're going to be looking at the Funky Dragon gap is a big opportunity for us here.

[345] **Eluned Morgan:** A gaf ofyn i **Eluned Morgan:** Can I ask you—  
chi—

[346] **Suzy Davies:** Sorry, I've just realised one thing as well. One of the committees I'm on, the culture committee, that's got a new way of trying to engage interest from the public at large, and, of course, using social media is likely to engage more young people than older people. So, I think that's worth the whole Assembly looking at, actually, that particular committee.

[347] **Eluned Morgan:** In the past, you've said that you're interested in exploring the possibilities of doing more with Erasmus+. Have you just put that into the freezer now, or have you put any action into progressing that?

[348] **Suzy Davies:** Well, with Erasmus, there was an application put in for using Erasmus+, which didn't cross the line for a number of reasons. But that doesn't mean that what it was trying to achieve doesn't still exist as a challenge for us. So, just because that particular application failed doesn't mean that—. The overall plan is to try and achieve that in other ways. But that's quite new information, so we're not very far down that line yet.

[349] **Mrs Clancy:** It was August; the bid was turned down in August, unfortunately, so we'll be looking at other ways to achieve the goals we were trying to achieve through that project.

[350] **Eluned Morgan:** So, will you continue trying with Erasmus+, or are you just saying, 'That's not going anywhere anymore'?

[351] **Mrs Clancy:** No.

[352] **Eluned Morgan:** Okay, and can I ask you: you suggest in your budget that promoting awareness and understanding are important, but yet the budget in future years is projected to go down. So, this year it's £324,000 and in future years it's £314,000. Why would you suggest that it would go down in future years?

[353] **Suzy Davies:** Efficiency is our watchword, isn't it? There are new ways of doing all sorts of—. When you're trying to engage more widely with people that you haven't reached before, you've got to look at what we have recently spent on as well, and I think that a new communications manager came into place fairly recently.

[354] **Mrs Clancy:** The staffing element of the communications work will go up, is going up, has gone up and will go up, and potentially quite significantly to accommodate the Commission and the Llywydd's new priorities on digital services and digital channels, as well as the youth engagement and the other aspects of outreach where we're really raising our game.

[355] **Suzy Davies:** Some of that isn't necessarily in and of itself expensive. I think it's fair to concentrate on the fact that the number of staff will be going up, because personal contact is pretty important in how we deal digitally with people as well; you can't just say, 'We're going to do everything digitally'. We still need people in this, if that makes sense.

[356] **Mrs Clancy:** The main part would be staffing. The main part of the cost would be staffing, and in the capacity plans that we have for Monday there's a fairly sizable increase of about half a dozen posts being bid for in the coming year, which reflects the additional work that we are planning to do on engagement.

[357] **Eluned Morgan:** Can I ask you just one other little question, and that's on the shop? Are we just going to accept that the shop is constantly going to lose money? Is that an area that we could franchise out?

[358] **Suzy Davies:** I don't know what Mike will think of that, mind.

[359] **Eluned Morgan:** No, I know, he's just told me—we've got to keep the shop. But I think it's important—. You know, do we just accept—? Maybe if you explored other options in relation to the shop.

[360] **Suzy Davies:** Well, as I said earlier, everything is always on a rolling programme of review anyway, so—

[361] **Mrs Clancy:** The last Commission did a big piece of work looking at the shop and trying to make it more cost-effective. So, it is more cost-effective than it was by quite a long way. I don't know if you have the figures, Nia, but it's—

[362] **Mrs Morgan:** I've got the income here—it has increased between 2014–15 and 2015–16, by a slight amount.

[363] **Mrs Clancy:** And then I suppose it's a strategic choice: do you want to have that sort of facility to help to pull in people? The last Commission decided to combine the cafe and the shop into one. That, I think, was a very good tactical decision and has reduced the cost because we have our contractors now running both operations at the same time. So, we've probably made it as efficient as we can. We look at the stock and consider whether we're getting the right products in there. But again, we're not John Lewis; we're not retailers—.

[364] **Suzy Davies:** It's not just left. As Claire was saying, you consider what's going into the shop. Not you personally, but—.

[365] **Mrs Clancy:** Not me personally.

[366] **Suzy Davies:** So, it isn't just saying, 'We've left it there now, we can ignore it for the next five years.' That's not the situation at all.

[367] **Simon Thomas:** A gaf i jest **Simon Thomas:** May I just ask ofyn yn dilyn hynny: a ydych chi'n following on from that: do you deall pam nad yw rhai ysgolion wedi understand why some schools

manteisio ar y cyfle i ymgysylltu â'r haven't taken advantage of the Cynulliad, achos rydych chi yn opportunity to engage with the gwneud y gwaith allgyrraedd, fel Assembly, because you are doing this petai, ond mae'n amlwg bod yna outreach work, but it's obvious that ambell i ysgol jest heb fanteisio ar y some schools just haven't taken that cyfle? A ydych chi'n deall pam ac a opportunity up? Do you understand oes yna gamau y medrwn ni eu why and are there any actions we can cymryd? take?

[368] **Suzy Davies:** It's only a tiny handful, isn't it—14 out of all those I mentioned earlier. 'No' is the answer to that one, but 14 out of—how many was it—1,700 schools.

[369] **Mrs Clancy:** If Members who have those schools in their constituencies could help in any way, we would be absolutely delighted to be able to work with those schools.

[370] **An Assembly Member:** [*Inaudible.*]

[371] **Mrs Clancy:** Yes. We'll provide them to the—

[372] **Simon Thomas:** I'm sure Members would be interested to examine why those schools haven't taken advantage, as it's an easy win for the schools and for their curriculum as well.

[373] **Mrs Clancy:** Yes. Good point.

[374] **Simon Thomas:** Jest i droi at **Simon Thomas:** Just to turn to a gwpwl o bethau i gloi, os y caf. Un o'r couple of things to close, if I may. pethau amlwg rydych chi wedi bod yn One of the obvious things that you eu trafod yn ystod y bore yma yw'r have been discussing during this angen am staff newydd i baratoi at morning's session is the need for rai pethau sy'n ansicr, fel y canlyniad new staff to prepare for some i adael yr Undeb Ewropeaidd, ond uncertainties, such as the result of mae yna bethau gweddol sicr hefyd the referendum to leave the EU, but yr ydym ni wedi'u gwybod ers there are a couple of things that we blwyddyn, fel yr angen i ni ymateb i have been quite certain about and bwerau cyllidol newydd yn dod i'r have known for a few years—the Cynulliad, ac wrth gwrs mae'r need to respond to new financial pwyllgor yma yn edrych ar y Ddeddf powers has been an issue, and this neu Fil cyntaf yn y maes yna. Roedd y committee is one of the first to look



pwyllgor diwethaf wedi edrych ar sut y gall fod mwy o gapasiti i ddelio â hwn. A fedrwch chi ddweud pa gamau yr ydych chi'n eu cymryd, neu wedi eu cymryd, i sicrhau bod yna ddigon o gefnogaeth o ran y pwerau newydd, ac i gefnogi Aelodau a phwyllgorau i graffu a darparu ar gyfer y pwerau hynny?

at the new taxation powers and the Bill in relation to that. We did look at how to increase capacity to deal with that. So, can you tell us what steps you are taking, or have taken, to ensure that there is sufficient support in terms of the new powers, and to support Members and committees to scrutinise the provision of those new powers?

[375] **Suzy Davies:** Would it help if you spoke a little bit about how the capacity planning meetings take place for these? Because you're quite right—this is an important area.

[376] **Mrs Clancy:** On the specific—we have already increased the clerking resource within the teams, and also, within the Research Service, expertise on financial services, although Martin's brilliant of course.

[377] **Simon Thomas:** But there's only one of him.

[378] **Mrs Clancy:** There's only one of him. And the legal expertise. So, that's already in train, and then those additional responsibilities of the Assembly are reflected in the capacity planning work that we're looking at next week, and so further increases—we're expecting to agree to the committee teams and also to the Research Service in particular. So, the main blocks of what we're going to be contemplating are to do with support to the committee services, particularly for new responsibilities and the two additional committees, and the outcome of the EU referendum—and the security service and communications. They're the three areas where we would expect to see, in our terms, fairly significant growth in the next couple of years.

[379] **Simon Thomas:** Océ. Diolch am hynny. Os caf i droi yn olaf at y broses yr ydym ni newydd fod yn ei gwneud. Fel yr ydych chi'n gwybod, yn ôl y Rheolau Sefydlog presennol, mae'r broses yma wedi ei gosod yn weddol o gadarn. Mae yn golygu bod yna ddim llawer o amser i graffu. Mae

**Simon Thomas:** Okay. Thanks for that. If I may turn finally to the process that we've just been undertaking. As you know, according to the current Standing Orders, this process has been set out quite robustly. It does mean that there isn't much time for scrutiny. A number of

nifer o Aelodau wedi codi cwestiynau, ac rydych chi yn garedig wedi ymateb drwy ddweud y byddech chi'n rhoi mwy o wybodaeth i ni. Ond, fel rydych chi'n gwybod, mae'r pwyllgor yma yn edrych ar yr adroddiad drafft wythnos nesaf, ac mae'n cael ei osod o fewn pythefnos, rydw i'n meddwl. Nid oes yna ddim lot o amser i ganiatáu hynny. A ydy'r Comisiwn yn edrych ar sut y gellir gwella'r Rheolau Sefydlog i roi mwy o amser ar gyfer y craffu yma—i edrych ar y dogfennau yr ydych chi wedi'u rhannu gyda ni heddiw, er enghraifft—fel bod yna bictiwr mwy cyflawn o'r gwaith?

Members have raised questions and you've kindly answered questions and said that you will give us further information. But, as you know, this committee is looking at the draft report next week and it's being laid within a fortnight, I believe. So, we haven't got much time to enable that to take place. Is the Commission looking at how it's possible to improve the Standing Orders in order to give greater time for scrutiny—to look at the documents that you have shared with us today, for example—so that we have a more complete picture of the work?

[380] **Suzy Davies:** I think I can speak on behalf of the whole Commission on this one. We would welcome any opportunity that makes it easier for you as an Assembly to scrutinise what we're doing.

[381] **Simon Thomas:** Mike, also, on this.

[382] **Mike Hedges:** It's on the item I raised earlier. There's been a bit of confusion about the question I asked. I'd like to re-ask it.

[383] **Simon Thomas:** Okay. Just a second, we'll just finish—

[384] **Suzy Davies:** On this particular issue, whatever you think will make it easier for you to scrutiny us, I think we would welcome that.

[385] **Simon Thomas:** We'll push forward on that one, then.

[386] **Suzy Davies:** Please do.

[387] **Simon Thomas:** Nick first, because I think you want to come back on something else. Is that okay?

[388] **Nick Ramsay:** I had a separate point, actually, so if Mike wants to continue.

[389] **Mike Hedges:** I had seen this, but without the front cover. The question I was asking, and I'll perhaps rephrase it, is: there are a lot of things that the Commission will buy—paper, printer cartridges, general office equipment and also newspapers and magazines, et cetera. Now, I know a number of public libraries have gone and signed up to online versions of those in order to save a substantial cost. Has the Commission looked at savings right the way across those type of things? It's not an exclusive list. It's just some examples.

[390] **Mrs Clancy:** Yes, all of those we would—and more.

[391] **Mike Hedges:** Have you made any savings on any of them?

[392] **Mrs Clancy:** Do you have any figures, Nia?

[393] **Mrs Morgan:** Not on here. If there are any savings, they would be in the efficiency and effectiveness list on the table in that document. Those are the savings to date. The list I've got here is the contracts coming up for renewal.

[394] **Mrs Clancy:** But I think the point is not so much about—. It's built into what we do, so with everything that we would purchase, from paper to major items, we would be looking at the best value for money. We don't want to pay more than we have to for everything. So, we've got a highly capable expert procurement team and they work with teams across the organisation to make sure that they are getting best value for money on every purchase, even the smaller ones, and certainly on things like paper. It sounds innocuous, but of course, across the organisation and across Members, we use an awful lot. So, those consumables do cost a lot of money and we do look for the most efficient options.

11:00

[395] **Mike Hedges:** Do we benchmark against things like health boards, local authorities and other public bodies like ourselves?

[396] **Mrs Clancy:** We of course work with the National Procurement Service, so through that, we're able to—. Where that's able to offer us the best deals, then we would work through the National Procurement Service, which does all that benchmarking work as part of it. Where they can't offer us the best deals, then we do our own thing. So, yes, we do.

[397] **Simon Thomas:** Nick Ramsay—final point.

[398] **Nick Ramsay:** Two very quick questions. On the issue of paper, first of all, many, many years ago when the Assembly was established, it was the ambition that we would one day be a paperless institution. Are we any nearer that, or is that a goal that's been given up by the Commission? And secondly, kind of related, there's a rolling-out programme, now, or the initial phases, of moving to portals in terms of tabling questions and things like that. Have you factored in savings that can be made if there is a move to the portal system away from the rather clunky system that we've been using up until now?

[399] **Suzy Davies:** If I can just at least start off the answer to that question, one of the things the Commission does is work towards offering the very best service it can to individual Members, and every individual Member has got a slightly different need. Certainly, in terms of paper, I think the ambition for a completely paperless Assembly, with me sitting in it, would've been a fairly futile one, because I prefer pieces of paper. But generally, things like the portal, the idea behind the—. I think most Members will have had a visit from the Table Office now about potentially introducing this. The main focus of that is: does it provide a better service to Assembly Members? That, in itself, if you say, 'yes', makes it more efficient, and that is part of value for money.

[400] **Mrs Clancy:** We are expecting that Table Office project to release staff savings. Again, it's described in a little bit of detail on page 19 of this wonderful document.

[401] **Nick Ramsay:** I'll borrow Mike's. [*Laughter.*]

[402] **Simon Thomas:** Iawn, rydw i'n meddwl mai dyna ddiwedd y craffu ar y tystion. Jest i ddiolch, felly, i Suzy Davies, Nia Morgan a Claire Clancy, ac i ddweud bydd yna drawsgrifiad yn cael ei gyflwyno ar gyfer unrhyw gywiriadau. Fel rydych chi'n gwybod, rydych chi wedi addo sawl eitem o wybodaeth; rŷm ni'n ddiolchgar am hynny, ond rŷm ni hefyd yn atgoffa

**Simon Thomas:** Okay, I think that's the end of the scrutiny with the witnesses. Could I just thank Suzy Davies, Nia Morgan and Claire Clancy? There will be a transcript that will be sent for any corrections. As you know, you've promised several items of information and we're very grateful for those, but we also remind everyone that we don't have

pawb bod cyn lleied o amser gennym i droi pethau rownd. Rydym yn gobeithio, wrth gwrs, gyflwyno adroddiad, yn ôl y Rheolau Sefydlog, yn fuan iawn i'r Cynulliad.

so much time to turn things around. We hope to lay a report, in accordance with the Standing Orders, to the Assembly very soon.

[403] Os caf hefyd manteisio ar y cyfle, ar ran y pwyllgor a phwyllgorau blaenorol, i ddiolch i Claire Clancy am ei gwasanaeth i'r Cynulliad fel y brif weithredwraig dros y blynyddoedd diwethaf, gan mai hwn yw'r cyfle olaf, efallai, i wneud hynny'n ffurfiol. Rŷm ni'n ddiolchgar iawn ac yn dymuno'r gorau ar gyfer y dyfodol, yn ogystal. Felly, gyda hynny, diolch yn fawr iawn i chi.

Could I just take advantage of the opportunity on behalf of the committee and previous committees to thank Claire Clancy for her service to the Assembly as the chief executive over the last few years? This might be the last opportunity to do that formally and we wish her very well for the future, as well. So, with that, thank you very much.

11:03

### **Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o Weddill y Cyfarfod**

#### **Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Remainder of the Meeting**

*Cynnig:*

*Motion:*

*bod y pwyllgor yn penderfynu gwahardd y cyhoedd o weddill y cyfarfod, ac o eitem 1 y cyfarfod ar 13 Hydref, yn unol â Rheol Sefydlog 17.42(vi).*

*that the committee resolves to exclude the public from the remainder of the meeting, and item 1 of the meeting on 13 October, in accordance with Standing Order 17.42(vi).*

*Cynigiwyd y cynnig.*

*Motion moved.*

[404] **Simon Thomas:** Os caf i ofyn i'r pwyllgor: a fydddech chi'n hapus i gytuno, o dan Reol Sefydlog 17.42, i

**Simon Thomas:** Could I just now ask the committee whether they'd be happy to agree, under Standing

wahardd y cyhoedd o weddill y cyfarfod, a hefyd ar gyfer eitem gyntaf y cyfarfod wythnos nesaf? Rwy'n gweld bod pawb yn gytûn, felly mae'r cyfarfod yn breifat. Diolch yn fawr.

Order 17.42, to resolve to exclude the public from the remainder of the meeting and also for item 1 of next week's meeting? I see that everyone is content, so the meeting will go to private session. Thank you.

*Derbyniwyd y cynnig.*

*Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 11:03.*

*The public part of the meeting ended at 11:03.*