

Annual Report and Accounts 2017-18

July 2018



The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales, agrees Welsh taxes and holds the Welsh Government to account.

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July 2018



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OUR PERFORMANCE: OVERVIEW



Foreword



Elin Jones AM

Llywydd, National Assembly for Wales

I am pleased to present this annual report covering my second year as Llywydd of the National Assembly for Wales.

This last year has brought with it a number of challenges for the Assembly. Politically, the changing constitutional landscape, as a result of the UK's decision to leave the European Union, has required our Parliament to respond in an effective and agile manner in the interest of Welsh citizens. There have also been a number of personal challenges for Members, not least with the death of our colleague, Carl Sargeant.

Throughout it all, the National Assembly has shown great resilience and courage and has remained steadfast in its determination, not only to meet its priorities but also to continue to improve the way we work.

During the year, we have made real progress, for example, in the way we encourage young people to engage with the democratic process. This autumn we will see elections take place to the first Welsh Youth Parliament.

Over the course of the year, the Expert Panel on Assembly Electoral Reform, chaired by Professor Laura McAllister, has carried out a significant piece of work and published recommendations

that would, if adopted, ensure we have a Parliament that is fit for the future

Since last autumn, we have also taken a forensic look at how we tackle inappropriate behaviour in the workplace. In addition to improving accessibility to our complaint processes and delivering a number of improvements, we have taken a cross-party approach and are committed to providing an inclusive culture that is free from harassment. Assembly Commissioners and Party Leaders have stated clearly that there is no place for inappropriate behaviour of any kind at the National Assembly for Wales and it will not be tolerated. I will continue to push for a change in the culture of the Assembly to ensure that it is a safe

place for all those who work hard to represent the people of Wales.

All of this is in addition to the significant work that has taken place within the course of scheduled Assembly business, and I would like to take this opportunity to thank the staff of the Assembly Commission and Members' Support Staff for going the extra mile in their support for Members during the extraordinary, and sometimes difficult, past twelve months.

Introduction



Manon Antoniazzi

Chief Executive and Clerk, National Assembly for Wales

In last year's annual report, I said how glad I was to have been appointed to lead an excellent staff team committed to delivering an ambitious programme of work.

It has now been over 12 months since I was appointed Chief Executive and Clerk of the Assembly and I am proud of the progress we have made in delivering those ambitions. The report sets out the strides we have made in a number of areas at a time when we've faced increasing pressures and a growing workload.

In environmental terms, we have made a number of improvements on the estate, generating a significant reduction in our carbon footprint. Our energy use has decreased, as has our use of water, gas and electricity. We've introduced a range of measures to improve the efficiency of our existing

technology and none of our waste is sent to landfill. We will be continuing to encourage low carbon travel to and from the estate, and minimising the use of single-use plastics.

We remain committed to working bilingually and enabling people to use either of our official languages with ease and efficiency. We have seen tangible changes, including in the way we recruit and support our staff to acquire courtesy level Welsh. I look forward to seeing further progress over the next year, so that we continue to be an exemplar across Wales and beyond in the way we design and deliver bilingual services.

Our internal governance structures have been reviewed to improve decision-making arrangements and allow for greater transparency in the way we budget, whilst maintaining tight financial control. We have engaged positively with both the Assembly's Finance Committee and the Public Accounts Committee. As a

result of their detailed scrutiny of the Commission's budget and processes for approving major projects, we now include greater detail on proposed areas of investment. Alongside this, we have undertaken a capacity review and engaged every member of staff in fresh thinking about how we prioritise and allocate resources flexibly.

Despite our successes, as the Llywydd states in her foreword, we have also had difficult times this year as an institution. We have been challenged to look again at our policies and procedures relating to dignity and respect at work and have addressed those issues as a high priority. We have introduced a number of improvements to help people come forward to discuss any concerns, confident that they will be heard and supported. However, there is more to be done and a programme of work is underway. As Chief Executive and Clerk, it is incumbent on me to make sure that those who work at the Assembly or visit our estate consider it a safe space

and this will remain a priority. I am reassured that we will be building on a strong foundation as an organisation that has consistently set out to establish an inclusive and diverse working culture.

Considerable challenges face us. As Commission staff, we are supporting our national parliament at a time when significant decisions are being made about future constitutional arrangements. Imaginative and effective engagement with the people of Wales is vital. A programme of reform, alongside the consequences of the decision to leave the European Union means that we have an increasing workload at a time when, in common with many other organisations, we must restrain budgets and get the most from each penny entrusted to us. At such a time, is it good to know that all our staff surveys point to a workforce that is engaged, committed and values-driven. I look forward to working with the team through another busy year.



Statement of Purpose

The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales, agrees Welsh taxes and holds the Welsh Government to account.

The Assembly Commission serves the National Assembly to help facilitate its long-term success as a strong, accessible, inclusive and forward looking democratic institution and legislature that delivers effectively for the people of Wales.

The Assembly Commission

The *Government of Wales Act 2006* prescribes that the Assembly Commission consists of the Presiding Officer and four other Assembly Members. The Assembly's Standing Orders set out how the Members are appointed. Each of the four largest political parties represented in the Assembly nominated a Commissioner, whose appointment was approved by the Assembly.

The Commission's duty under the Act is to provide the National Assembly with the staff, property and the services required to fulfil its role.

Commissioners

The Assembly Commission serves the National Assembly for Wales to help make it a strong, accessible and forward-looking democratic institution and legislature that delivers effectively for the people of Wales. Its role is to provide the National Assembly with the staff, property and the services required to fulfil this role.



Elin Jones AM
(Plaid Cymru)

The Llywydd is Chair of the Assembly Commission and also has responsibility as a Commissioner for communications and engagement.



Suzy Davies AM
(Welsh Conservatives)

Commissioner with responsibility for budget and governance, including Audit and Risk Assurance Committee membership.



Joyce Watson AM
(Welsh Labour)

Commissioner with responsibility for equalities, and the Commission as the employer of Assembly staff.



Caroline Jones AM
(UKIP)

Commissioner with responsibility for security and Assembly resources.



Adam Price AM
(Plaid Cymru)

Commissioner with responsibility for official languages, and delivery and transformation of services to Members.

OUR STRATEGIC GOALS

.....

**TO PROVIDE
OUTSTANDING
PARLIAMENTARY
SUPPORT**

.....

**TO ENGAGE WITH ALL
THE PEOPLE OF WALES
AND CHAMPION THE
ASSEMBLY**

.....

**TO USE RESOURCES
WISELY**

Our priorities to achieve the Commission's strategy

Our strategy for the Fifth Assembly, published in July 2016, defined a number of priorities for each of our strategic goals.

This report sets out the Assembly Commission's achievements against our strategic goals and progress against our priorities between April 2017 and March 2018.

Context

Wales receives around £16 billion per year to provide essential public services, such as schools and hospitals, for the people of Wales. This is known as the 'Welsh Block'.

The Commission is allocated a small proportion of the Welsh Block (approximately 0.3 per cent) to cover the costs of the National Assembly for Wales. This money enables the 60 Assembly Members to represent the people of Wales, make laws and scrutinise the policies and spending decisions of the Welsh Government.

Our budget

During 2017-18, the Commission had responsibility for a budget of £53.7 million, which comprised:

- £16.7 million for the remuneration of our 60 Assembly Members, that of their support staff, pension finance costs and the costs of running their constituency and regional offices all over Wales;
- £37.0 million for the Commission to provide the property, staff and services for the Assembly to function.

The budget for the second year of the Fifth Assembly was set to provide stability and develop our services based on the priority work identified by the Commissioners, including our arrangements to ensure our readiness for the impact of our departure from the European Union, constitutional change and tax raising powers. The Commission's Key Performance report demonstrating corporate performance across all areas of activity is published as part of this annual report. We obtain external assurance on our expenditure from the Auditor General for Wales as well as scrutiny by the Assembly's Public Accounts and Finance Committees.

How the Assembly Commission staffing resource is organised

The Commission employs around 450 permanent, politically impartial members of staff, led by the Chief Executive and Clerk.

Manon Antoniazzi – Chief Executive and Clerk

The Chief Executive is the Principal Accounting Officer for the Commission, and has a number of other statutory functions. The Commission delegates its functions, subject to some exceptions and conditions, to the Chief Executive. The senior management team consists of the Chief Executive and her team of Directors.

Adrian Crompton – Assembly Business Directorate

Provision of specialist parliamentary, legal and research support to Members to ensure the efficient and effective conduct of business as well as responsibility for communications and constitutional change.

David Tosh – Assembly Resources Directorate

Provision of ICT, Human Resources, estates and facilities, security services, as well as managing procurement and governance arrangements. The Director of Finance, Nia Morgan, responsible for corporate financial planning, budget management, payments and pensions reports into this Directorate.

Craig Stephenson – Commission Services Directorate

Provision of services and support to the Llywydd, Assembly Commission, Management Board, translation and reporting, business support and professional development for Members and our visitor and public information services.

Elisabeth Jones – Chief Legal Adviser

Provision of high level legal advice across a range of the Commission's functions, focusing on constitutional change, external affairs and the impact of the United Kingdom's departure from the European Union.

During the year

During the year, the Directors met as a forum and as the Investment and Resourcing Board. They were joined by senior officials from across their Directorates to make up a Management Board. Following consideration by the Chief Executive and Principal Accounting Officer during the year, these arrangements were reviewed and a consultation took place to replace these boards with an Executive Board and Leadership Team from April 2018. More detail is provided in the Chief Executive's Governance Statement, published as part of this report.

A number of other groupings have been established, led by these senior officials, to consider key areas of work, such as constitutional change, dignity and respect, official languages, legislation and the transformation of Assembly business services.

The Commission has independent advisers to help ensure that Commissioners and the senior management team are supported and constructively challenged in their roles.

The advisers considered our performance management and reporting arrangements, advised on the Commission's responsibilities for staff appraisal and remuneration policies and systems and maintained a critical overview of the Commission's financial controls and risk management procedure. More information about our independent advisers can be found in the Remuneration and staff report section of this report.

Summary of key activity

Dignity and Respect

In October we reviewed our arrangements for the handling of complaints about inappropriate behaviour following concerns expressed in the media about the culture in UK political life. The Llywydd, Chair of our Standards of Conduct Committee and party leaders made a public statement in November 2017 that inappropriate behaviour has no place within this institution and the intention to provide a safe place to work. We made some immediate improvements to meet this aim while the Standards of Conduct Committee established its inquiry “Creating the Right Culture: Inquiry into the Review of the Code of Conduct for Assembly Members.”

A further statement was made in February 2018 on the progress made together with a summary of the next stages. In response to the review and the evidence we were hearing, our focus has been on:

- clarifying and improving accessibility to our existing complaints processes and procedures;
- provision of enhanced emotional support for those making complaints and those against whom allegations have been made;

- the development and formal adoption of a Dignity and Respect Policy covering everyone who works at the Assembly whether they are elected, employed, contracted or undertaking paid or unpaid work for us;
- awareness training for Members and staff now and as part of future induction and professional development arrangements;
- a review of arrangements within political parties to establish whether they can be aligned with our arrangements; and
- obtaining more information through a confidential and anonymous survey of Members, the staff they employ and Assembly Commission staff to establish whether our arrangements are addressing the experiences of individuals.

By working in partnership with trade unions, staff and with the assurance of external benchmarking expertise, our Dignity and Respect policy was recently approved by a vote in the Assembly after which we immediately launched our new web pages. Work will continue in 2018-19 to help ensure that the Assembly delivers its commitment to providing an inclusive culture that is free from harassment.

Constitutional change

The Assembly has been preparing for the transition to the new powers devolved to the Assembly under the Wales Act 2014 and Wales Act 2017. Under the 2014 Act, new Welsh taxes, legislated for by the Assembly (land transaction (formerly stamp duty) and landfill disposal), came into effect on 1 April 2018. The Assembly has also been responding to the Wales Act 2017 as we moved from a 'Conferred Powers Settlement' to a 'Reserved Powers Settlement', which came into effect on 1 April 2018. Members, their Support Staff and Commission staff have received awareness raising and training to help them understand the implications of the change and prepare for working within the new settlement.

Brexit

There was considerable focus during the year on the work required to ensure Wales' interests are considered in issues relating to the United Kingdom's departure from the European Union. This included multiple committee inquiries, consideration of an Emergency Bill, engagement with EU institutions and emphasis on the need for the UK Government to ensure that there is engagement with legislatures and not just devolved governments. Greater detail is provided in the Performance Analysis section of this report where we describe our approach to fulfilling our goal of providing Outstanding Parliamentary Support.



Assembly Reform

The Wales Act 2017 gave the Assembly powers to address some important constitutional issues, including autonomy over its internal and electoral arrangements. Acting on behalf of the institution and of the people of Wales, the Commission has been leading a programme of Assembly reform to consider how best to make use of these powers to help make it a stronger, more accessible, inclusive and forward-looking legislature that delivers effectively for the people of Wales. As part of this

work and following public consultation, the Commission announced in June 2017 that it would introduce legislation to change the name of the Assembly to Welsh Parliament.

As part of its reform programme, the Assembly Commission has also been leading work to address the capacity issues facing the Assembly as a result of its small size and to determine the appropriate electoral arrangements for the Assembly, including the minimum voting age.



The design of electoral systems is highly technical, requiring significant specialist expertise. To ensure that any legislative proposals brought forward by the Commission are based on robust, politically impartial, independent advice, the Llywydd established an Expert Panel on Assembly Electoral Reform to review the evidence and make recommendations to her and the Commission. The Panel, chaired by Professor Laura McAllister CBE, included members with a wealth of expertise in the fields of electoral systems, parliamentary work and

capacity, the constitutional position of the National Assembly and wider issues of governance, including equalities, diversity and engagement. The Panel reported in December 2017. Mandated by the Assembly, the Commission consulted the public on the Panel's recommendations and other potential reforms between February and April 2018. Public engagement events and workshops for young people were held across Wales as part of the consultation process. Any changes progressed will require primary legislation.



Capacity review

Since 2007, the Assembly has seen a significant increase in its powers and responsibilities, whilst the number of Assembly Members has remained unchanged. The Commission's response to supporting Members' greatly increased workload has been to design and deliver services that are closely tailored to individual Members' needs and choices, as well as implementing increasingly sophisticated support services for the work of Assembly Committees and Plenary. Sustaining this support has required a steady increase in Commission staff numbers.

The Commission continues to face new and increasing demands, including supporting the Assembly to address the impact on Wales of Brexit, as well as progressing work on Assembly reform and constitutional change so that we have a Parliament fit for the future. However, we are acutely aware of the continuing pressure on public finances and, whilst we have benefitted from a period of growth, we cannot expect to meet these new challenges by further increasing the size of the organisation.

Therefore, in September, we instigated a capacity review to analyse how resources are currently allocated within



the organisation and to evaluate whether we can be more effective and efficient in our deployment of resources, to deliver the Commission's goals and priorities for the Fifth Assembly and beyond. An initial findings report was presented to the Assembly Commission and the Assembly's Finance Committee in January 2018, and we have conducted a series of staff engagement sessions. We have now commenced a second phase of work to consider the findings in more detail and to develop approaches to delivering our services more efficiently and effectively.

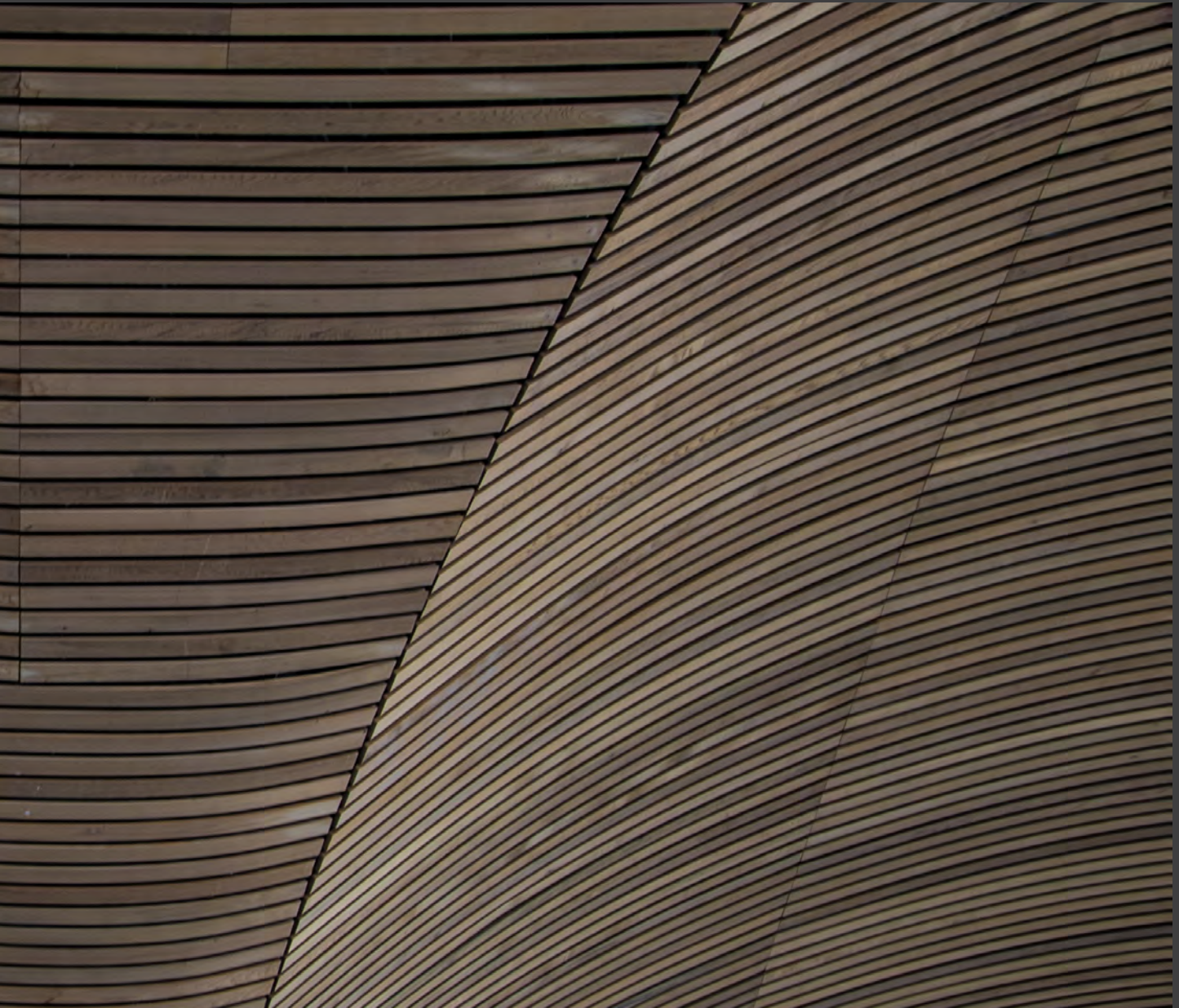
Risk

Our risk management processes, identified a number of areas that present risks to our success in achieving our ambitions. These include increased financial, corporate capacity and accommodation pressures to deliver our priorities; our arrangements for reporting and investigating inappropriate behaviour; negative reactions to our proposals for Assembly reform; the impact on the Assembly of leaving the European Union and heightened risks in relation to online and physical security.





OUR PERFORMANCE: ANALYSIS



Provide outstanding parliamentary support

In this section of the annual report we describe how we have progressed work on the Assembly Commission's priorities under our strategic goal of providing outstanding parliamentary support.

Innovate and tailor our services to best support Members, exploiting technology

Throughout the year, the Assembly has been developing the Record of Proceedings in order to make it much easier to use and quicker for people to search for, share and re-use the information they need – making their experience of engaging with the Assembly far more effective and efficient. The information includes transcripts of Plenary and Committee meetings and other tabled business, such as oral, topical and written questions, motions and statements of opinion. The improvements mean it is easier to search, discover and share information from the Assembly, including through Twitter, Facebook and LinkedIn. This development of the Record is only one outcome of the programme to transform Assembly Business services over the coming years.

A new self-service portal, developed in-house and with our development partner, enables Assembly Members and support staff to table Written, Oral, and Topical questions, Statements of Opinion, Motions and Amendments quickly and from any location. The system provides a number of improvements, including better tracking and searching of tabled items, automatic and personalised notifications, and easier and faster processes for co-tabling and subscribing. Feedback from the users involved in all of these improvements has been very positive and they have also identified opportunities for continuous improvement that will be implemented in 2018-19.

These achievements have also been recognised by the Assembly being short-listed in the Wales Digital Awards that took place in May 2018.



Our partnership with Cardiff University's Wales Governance Centre

A varied programme of events and activities has been delivered for public and civil society organisations through the Assembly's strategic partnership with Cardiff University's Wales Governance Centre, including sessions on:

- the Welsh Government's 2018-19 Budget;
- Brexit: Where are we now; and
- the 2017 UK General Election.

Six fellowships were established during 2017 on the following topics: dementia; development of the north Wales economy; Bovine TB; suicide and self-harm; the implications of Brexit for trade in Wales; and Brexit & Environmental Law. Most of these have fed into Committee inquiry work and there are plans to establish the fellowship scheme on a permanent basis during 2018.



Making our work accessible to our audiences

Paul Davies AM conducted a consultation on the general concept of an Autism (Wales) Bill and a consultation on the text of a draft Bill. An Easy Read version of both consultations was produced (including an Easy Read version of the draft Bill).

He has until 13 July 2018 to develop an Autism (Wales) Bill, and introduce it to the Assembly.

Enabling a strong institutional response to constitutional change and the outcome of the EU referendum

The Wales Act 2017 changed the competence of the National Assembly for Wales from a ‘conferred powers model’ to a ‘reserved powers model’ and came into effect on 1 April 2018. Previously, the Assembly had competence to legislate on any matter that related to a subject listed in Schedule 7 to the Government of Wales Act 2006. Under the reserved powers model, the Assembly has competence to legislate on any matter that is not reserved to the UK Parliament by Schedules 7a and 7b of the Government of Wales Act 2006.

Scrutiny of Brexit will be one of our biggest challenges over the next two years with an increasing focus on this area across all of the Assembly’s work.

Engagement with the EU institutions continues to be important. Our EU office has promoted the work of the Assembly’s committees within EU institutions and with EU stakeholders, including:

- an EU-funded 2-day training programme for Commission officials in Brussels to increase their knowledge of the EU institutions and the implications of Brexit for Wales;
- three visits by the External Affairs and Additional Legislation Committee as part of its work on assessing the implications for Wales of the UK’s exit, including a meeting with the EU’s Chief Negotiator Michel Barnier; a visit by the Economy Infrastructure and Skills (EIS) Committee as part of its Selling Wales to the World inquiry;
- regular engagement with the Welsh MEPs; and
- visits by party groups and Members in relation to trade and the EU negotiations.

The range of support in place to provide up to date information on Brexit includes:

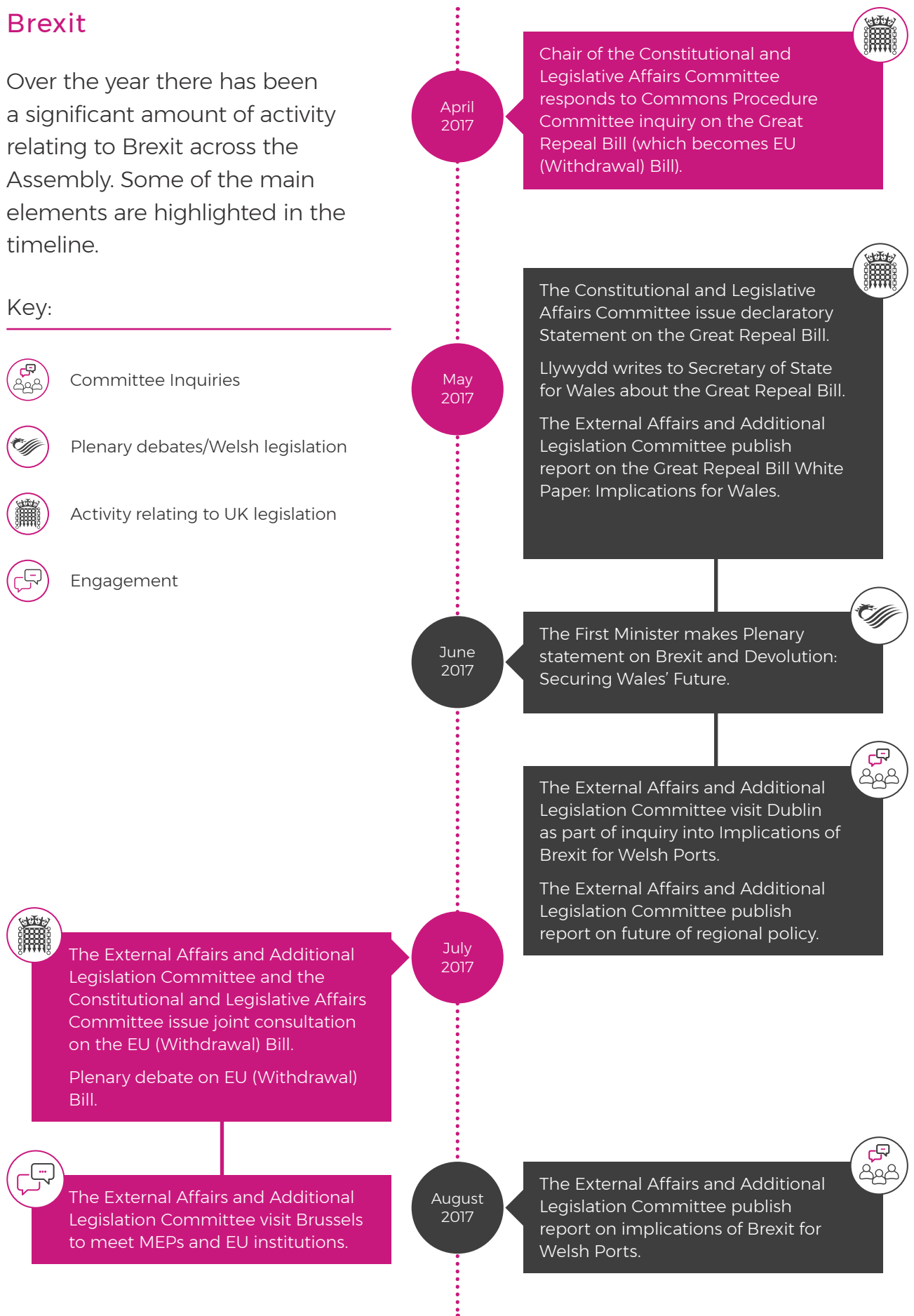
- Brexit briefing sessions for Members, their staff and Commission staff, including joint sessions with the Wales Governance Centre; and
- a fortnightly **Brexit Update, monthly Negotiation Monitoring report**, blogs on latest developments, timeline, infographics and guides.

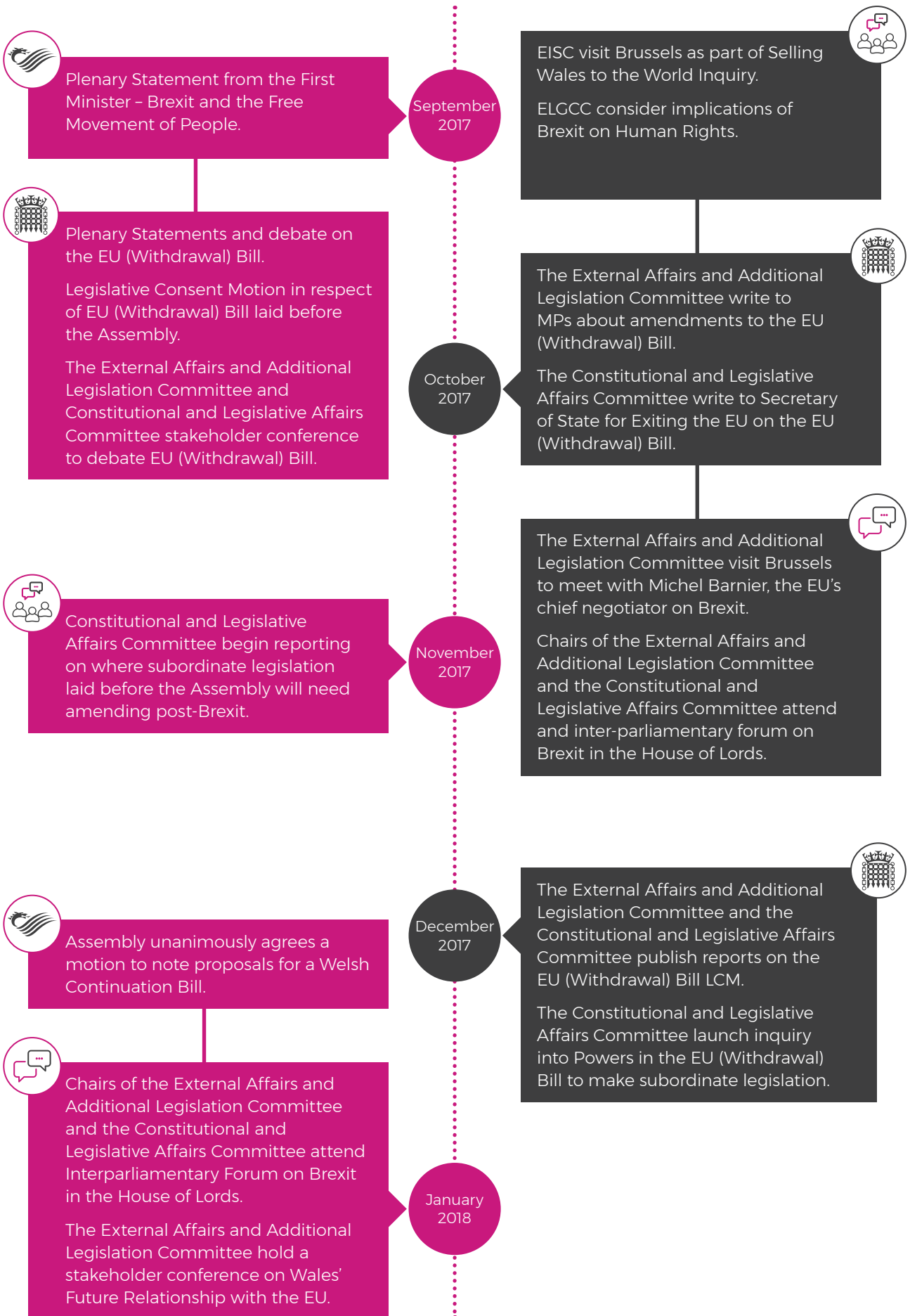
Brexit

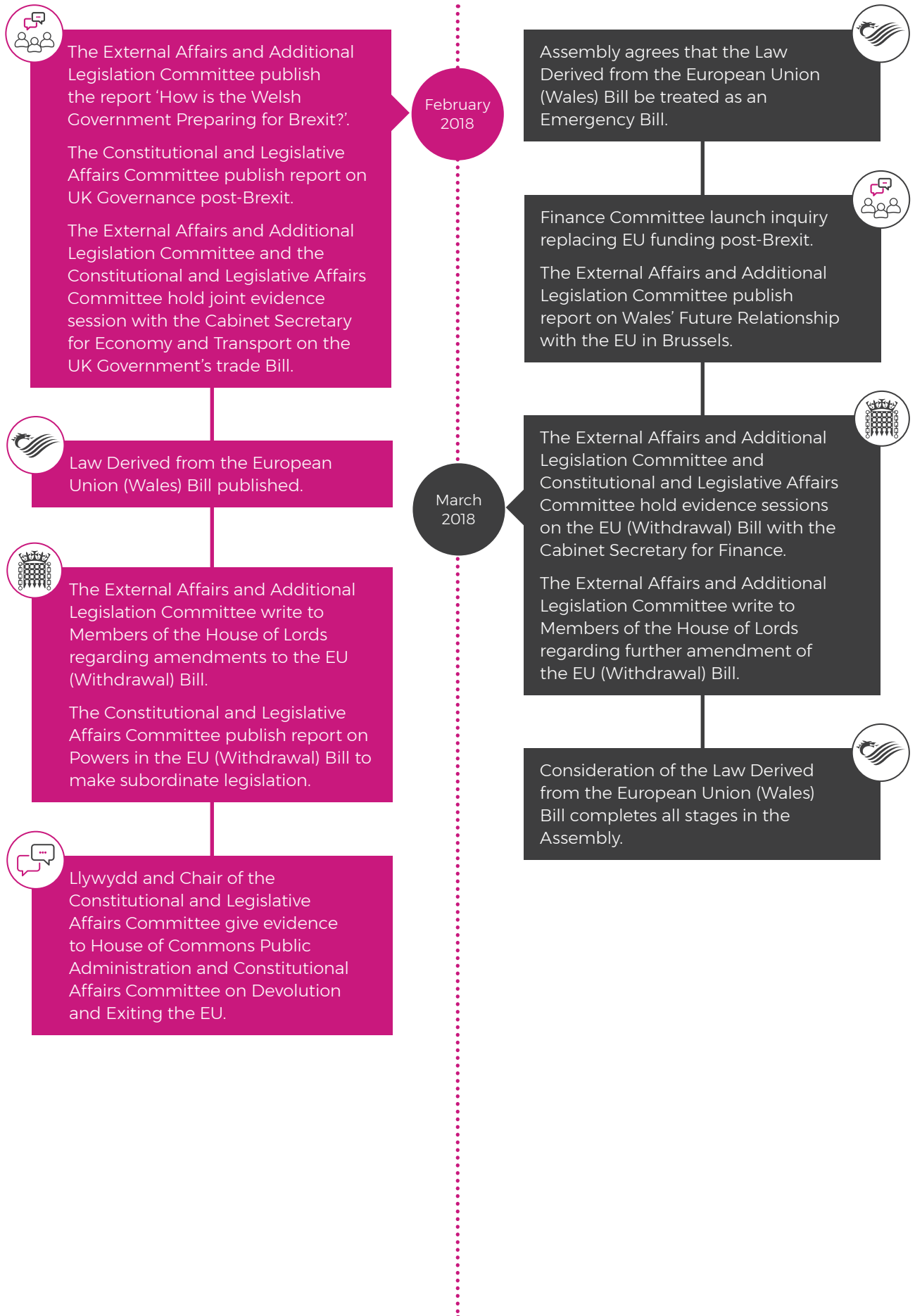
Over the year there has been a significant amount of activity relating to Brexit across the Assembly. Some of the main elements are highlighted in the timeline.

Key:

-  Committee Inquiries
-  Plenary debates/Welsh legislation
-  Activity relating to UK legislation
-  Engagement









Ensuring Brexit is a priority

In March the Assembly considered the Law Derived from the European Union (Wales) Bill as an Emergency Bill, the second Emergency Bill in its history.

Emergency Bills allow for the quick enactment of urgent legal provisions. The procedure followed the usual four stage legislative process but with a much shorter timetable. Unusually, the Presiding Officer laid her statement on Legislative Competence before the Assembly on 27 February, ahead of formal introduction of the Bill, to assist with the Assembly's consideration.

Timetable:

- Tuesday 6 March 2018: the Assembly agreed to treat the Law Derived from the European Union (Wales) Bill as an Emergency Bill
- Tuesday 13 March: Stage 1 (General Principles debate)
- Tuesday 20 March: Stage 2 (Committee of the Whole Assembly)
- Wednesday 21 March: Stages 3 and 4 (in Plenary)

The Bill was passed by the Assembly on 21 March.

Assembly business

During 2017-18 Assembly Members represented their constituents and scrutinised government policy, legislation and expenditure in weekly Plenary and committee meetings..



7

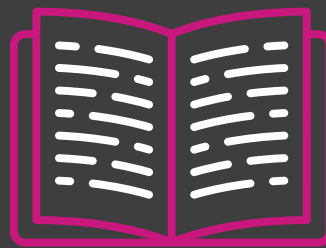
Individual Member Debates



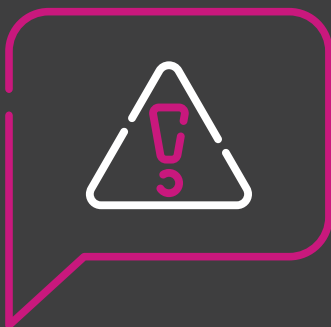
68 Plenary Sessions



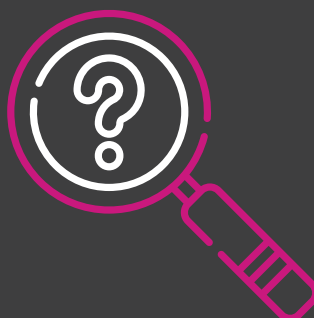
358 Committee Meetings



194 Committee Reports



2
Emergency Questions



59
Topical Questions

Deliver exemplary bilingual services

The Official Languages Scheme for the Fifth Assembly was passed on 12 July 2017. The scheme outlines the bilingual services provided to Assembly Members and their support staff, to the people of Wales and to employees of the Commission. Building on the Assembly Commission's existing bilingual ethos, one of the improvement themes in the scheme is to increase the level of basic Welsh language skills across the organisation over time. This has included the development of an approach to recruitment where all new and vacant posts require at least a basic/courtesy level of Welsh language skills. A working group was established to agree and implement the actions required, including:

- agreeing definitions of courtesy Welsh and the language skills levels;
- formulating guidance for recruiting managers to ensure consistency across the organisation;
- developing text for inclusion in job adverts to guarantee a standardised approach; and
- awareness raising across the organisation and the development of resources and FAQs for applicants.

Liaison with the Trade Unions, Service Heads and staff networks has provided assurance that the approach does not inadvertently discriminate against applicants. The new approach will be in place by summer 2018.

Work was also started to provide training and carry out optional assessments of those employees learning Courtesy Welsh. The Language Skills Team provides support to individuals and teams and has prepared a Courtesy Welsh module. Staff are offered regular opportunities to be assessed and those who attain the required level receive a certificate. In February, the Chief Executive and Clerk held an event to celebrate the success of the first group learners to attain the required level of Welsh.

Carl Sargeant AM

On 7 November, we sadly lost one of our Assembly Members. Assembly Business was immediately suspended.

The Llywydd said “He served the people of Alyn and Deeside with pride and determination and he made an enormous contribution to the development of this democratic institution.”

“On behalf of all the Members and those who work at the National Assembly for Wales, I would like to express my deepest sympathy to his family and colleagues.”

Assembly business resumed on 14 November with a minute’s silence followed by Assembly Members’ tributes in Plenary. Among the many tributes, Carl’s colleague and friend, Lesley Griffiths AM, said “...he took his role as an elected representative very seriously, and he was proud to be an advocate for his constituents, particularly those who did not have a voice.”



Rhodri Morgan

We were honoured to host the funeral service for former Assembly Member and First Minister, the Right Honourable Rhodri Morgan on 31 May 2017. Hundreds of people attended the Senedd, both inside and out, to pay their respects. The celebration of his life was broadcast on Senedd.tv.



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Engage with all the people of Wales and champion the Assembly

In this section of the annual report, we describe how we have progressed work on our priorities under the Assembly Commission's strategic goal of engaging with all the people of Wales and championing the Assembly.

Engage strategically to make an impact on Assembly Business through people visiting our estate, across Wales and online

We have been supporting Assembly Members and Assembly committees to engage with new and different audiences. Examples include:

- an event in Cardiff in March with women who have had both positive and negative experiences of pregnancy and maternity while at work. This includes the use of an online platform, Dialogue, to gather responses to inform the Equality, Local Government and Community's inquiry into pregnancy, maternity and work in Wales;
- visits for the Health and Social Care Committee with organisations that specialise in supporting and educating people about suicide, for the inquiry into Suicide Prevention;
- focus groups to gather the views of head teachers and governors as part of the Children, Young People and Education Committee inquiry into Targeted Funding to Improve Educational Outcomes; and
- a survey aimed at identifying people's perceptions and attitudes towards low carbon homes, which will inform the Climate Change, Environment and Rural Affairs Committee's inquiry. The survey is supplemented by video interviews, which include first time buyers, letting agents and those who have previously lived in low carbon homes.

Following a wholesale review of how activities on the estate are managed, the Assembly Commission agreed to move to a more purposefully managed use of the Assembly estate. We are now delivering:

- more policy-focused activity;
- more events directly linked with parliament's democratic work;
- more opportunities for Assembly Members to attend events, improving the event experience for all concerned; and
- fewer events of a similar nature scheduled at the same time and competing for audiences.

Commit strongly to the young people of Wales

Good progress has been made on plans to establish a Youth Parliament for Wales, which was approved by the Commission in September 2017 following an extensive consultation, including a survey to which over 5,000 young people responded and over 150 workshops across Wales. The Commission considered the results of the consultation and, in September 2017 agreed to establish a Youth Parliament for Wales, with elections taking place in November 2018. Plans are being developed by a cross-service project board and registration is now open.

We continue to work proactively with schools, colleges, youth groups, community groups and organisations across Wales to deliver workshops and presentations on the Assembly's work, through which we were able to interact with over 20,600 young people in 2017-18.

Make trusted information easy to find in a digital world

The *Digital News and Information Taskforce* launched its report on 21 June 2017 and the findings were presented to the Assembly Commission in July.

The Commission considered its response to the recommendations in November and December 2017 and noted work already underway to deliver several of the key findings e.g. the development of a new video

clipping tool, a revised tone for our online presence and new investment in the Assembly's website. Work continues in all these areas to ensure that our information is presented appropriately for all those who access our services.

Through a partnership with the National Library of Wales, from November 2017 the Assembly's archive can be viewed in the National Library's Reading Rooms and an Archiving Strategy for Assembly Business has been established.



The way people engage with the political environment is changing and this work will provide greater transparency and accessibility to information about the Assembly and its work. Plans have also been drawn up to convert footage of some of the most historic Assembly business meetings into digital format in 2018 and to make the footage more accessible online.

An Open Data Strategy has been developed to help promote transparency, engagement and

efficiency, and is making more of the Assembly's business data available for anyone to access, use or share through the Assembly's website more easily. We have been developing a new website landing page that will contain open data for the Record of Proceedings and Legislation with further developments for open data from the Table Office datasets to follow. All Bills considered by the Assembly are now available in an open data format (Crown XML).



Remembrance at the National Assembly

From 8 August to 24 September 2017, as part of our commemorations for the centenary of World War 1, we were proud to work in partnership with 14-18 NOW to bring the Weeping Window sculpture to the Senedd.

This provided an opportunity to raise awareness of our work and position the Senedd as a place of national and

international significance and as a cultural hub for Wales.

During the eight-week period:

- We welcomed just under 85,000 visitors to the estate
- A 440.51% increase in visitor figures compared to the same period in 2016/17
- Over 6.6 million Twitter impressions
- A Facebook reach of 92,855



Marking the centenary of the Battle of Passchendaele

The Llywydd and Assembly Party Leaders attended a remembrance service in Langermark (Ypres), Flanders to mark the centenary of the Battle of Passchendaele.

In November 2017, a delegation from Flanders visited the Assembly for a joint commemorative event between the Flemish and Welsh Parliaments

and Governments. Both events marked the shared history between Wales and Flanders during the First World War and celebrated the friendship between our people.



Share our learning in Wales and beyond

The Official Languages Team advised several external organisations on issues ranging from language technology to recruitment. Among these institutions were the University of South Wales, Gwent Police, the Independent Office for Police Conduct, Rhondda Cynon Taf Council and Cardiff Council.

Once again this year, a member of staff from the Official Languages Team introduced a number of training sessions in conjunction with the Association of Welsh Translators and Interpreters with the aim of encouraging translators to use machine translation technology to facilitate their work. The Manager of the Official Languages Scheme is a member of Welsh Government Technology Board, which advises the Minister for Welsh Language and Lifelong Learning on issues relating to technology and the Welsh language.

The Assembly has continued to play an active role in promoting Welsh democracy to international audiences both here in Wales and abroad and, in so doing, has positioned the Assembly as a distinct, innovative and progressive international legislature.

The Assembly has participated in the work of extensive networks, including participation in the Commonwealth Parliamentary Association (CPA) conferences



and meetings in London, Gibraltar, Canada, Australia and Bangladesh; the British Irish Parliamentary Assembly (BIPA) plenaries and meetings in the UK, Jersey, Ireland and Brussels; and the Conference of European Regional Legislative Assemblies (CALRE) in Valencia, Spain. The Llywydd joined the CALRE meeting to discuss the future of minority languages across Europe and introduced a session and shared our experiences of working as a completely bilingual legislature.

During this reporting period, the Assembly has welcomed international delegations from a range of countries. These have included:

- New Brunswick, Canada;
- Sudanese Parliament, as part of a programme in partnership with Global Partners Governance (GPG);
- the Gambian National Assembly; and
- hosting international diplomats representing Israel, Sweden, the USA, Latvia, Poland, Georgia, India, Belgium and Quebec.

Areas of interest and focus included bilingual parliaments, Members' continuous professional development and support for newly elected Members, developing quality research services, effective committee scrutiny and engaging with citizens as part of open, transparent and participative democracies.





Use resources wisely

This section of the annual report describes progress made against the Assembly Commission's priorities under our strategic goal of using resources wisely.

Build our people capability

We know that we face significant challenges. Our people must have the right skills to enable them to perform well in their roles and future leaders must have the skills needed to make sure we meet these challenges.

The Learning and Development team has designed and is delivering the Commission Manager Programme: a leadership programme specifically focused around current business needs, known future changes, our values, competences and strategic goals. It aims to develop line manager capability and improve employee engagement and organisational performance through a range of initiatives:

- online videos and e-learning training to meet a range of learning preferences and support remote working;
- CPD accreditation for the entire programme to gain employee buy-in;
- pre-course learning;
- engagement with the Trade Unions and the recruitment team to make the course mandatory for all new managers and any managers who have not received training in the past two years;
- a series of internal workshops to increase the understanding of Assembly Business across the organisation, including workshops on Brexit;
- promoting ICT's digital toolkit to develop the skills of staff in relevant areas; and
- working with Academi Wales to deliver an in-house senior leadership programme.

Integrate diversity and inclusion into decision-making, service design and delivery

Our **Diversity and Inclusion Annual Report 2017-2018** includes detailed information of our work in this area, as well as staff monitoring data, recruitment monitoring data and our equal pay data. It is published alongside this report.

Some of the highlights of the year include:

- being named by Stonewall as the top employer in Britain for LGBT people, identified as a “trailblazer” by Stonewall, named the Top Trans-inclusive employer, and our workplace network was highly commended for their activity;
- establishing MINDFUL, our mental health and wellbeing workplace equality network, following the launch of our Mental Health policy. Throughout the year, the network has promoted mental health and wellbeing and raised money for charity;



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- reaching out to communities across Wales to encourage democratic participation and to promote the Assembly as an employer of choice, including at Pride Cymru, at a suite of events for Black History Month and celebrating women in politics by marking the centenary of some women getting the right to vote. We have also promoted diversity and inclusion outside Wales at the Fijian Parliament, at the Commonwealth Parliamentary Association's Inaugural Conference for Parliamentarians with Disabilities and at the British Island and Mediterranean Region of the Commonwealth Women Parliamentarians;
- reshaping our apprentice scheme to increase external outreach and make the application process more inclusive;
- our committees carrying out a range of inquiries relating to a number of diversity and inclusion topics including equalities and Brexit, refugees, children's rights and perinatal mental health; and
- undertaking a review of our recruitment practices to ensure that they are inclusive.



Be completely transparent and accountable in the financial management of our budget

The Commission must provide the National Assembly with the staff, property and the services required to fulfil its role as a strong, accessible and forward-looking democratic institution and legislature that delivers effectively for the people of Wales. The Commission's budget is used to meet the running costs of the National Assembly for Wales and the costs of Assembly Members' salaries and allowances, as determined by the independent Remuneration Board.

Throughout the year, Management Board was responsible for ensuring that the alignment with strategy and priorities is consistent. The Investment and Resourcing Board (IRB) was responsible for decisions on investment and staffing resources, and for oversight of the Commission's budget.

At a corporate level, IRB had the strategic responsibility for ensuring the Commission's Investment Fund is used effectively and efficiently. More detail on these boards and how the financial management is scrutinised monthly is contained in the Chief Executive's Governance Statement published as part of this report.

This year we took steps to make our decisions about major areas of investment more transparent. This was in response to scrutiny of the 2016-17 Annual Report and Accounts by the Assembly's Finance Committee and the Public Accounts Committee and, in particular, questions concerning the approval process for major projects and the use of the underspend against the Remuneration Board's Determination. As a result, the Budget Strategy document for 2018-19 includes details of the major proposed areas of investment in-year and the potential sources of funding.



...In the past, during in-year scrutiny of the Commission's budget, we made a number of recommendations with a view to improving transparency and aiding scrutiny...

...The Commission has already taken some steps to provide further information on its budget and we encourage it to continue to provide such level of detail in future...

...The Committee notes that additional information has been included in the Commission's most recent budget proposal for 2018-19, relating to investment priorities and use of any underspend. The Committee welcomes the steps taken by the Commission and believes that this added transparency will aid budget scrutiny....

*Extracts from the **Finance Committee Report***



Reduce our environmental impact

Sustainability Report for the year ended 31 March 2018

The National Assembly for Wales has a legal duty to pursue sustainable development in all of its work under Section 212 of the Government of Wales Act 2006. We are fully committed to the key role we play in promoting sustainable development, minimising the environmental impacts of our operations and using resources wisely.

For the past three years we have been working to our new targets which will take us through to 2020-21, including our primary target of reducing our energy footprint by 30% (on our baseline year). We are also targeting the efficiency of business travel, and reducing water use, whilst aiming to send zero waste to landfill by 2021.

The Assembly is committed to being an open and transparent organisation and we have been publicly reporting sustainability performance data since 2007-08. We report in-line with the Government's Sustainability Reporting Guidance (2017-18), and also publish a more comprehensive Annual Environmental Report which is available on the Sustainability page of the Assembly website, along with further environmental information.

Summary of Performance

We have again reduced our energy use, despite an increase in the number of users of our estate. Water, gas and electricity are all lower than last year's figures, which when combined with further greening of the UK's electricity grid has resulted in a significant reduction in our carbon footprint.

Our work this year has included a range of measures aimed at improving the efficiency of our existing technology, as well as looking at more efficient options for refurbishments. Coupled with this we have now eliminated waste sent to landfill and are moving to target total waste and disposable plastics in particular.

We have conducted further work on encouraging low-carbon travel to and from the estate, in particular capacity for more cyclists and for the first time electric vehicles.

Our environmental work operates to a formally-audited environmental management system, using UKAS-accredited auditors to verify our sustainability improvements.

Energy

Compared to 2016-17 we have seen an increase in use of biomass for the Senedd, largely due to a longer and colder winter. This was combined with an increase in the cost of woodchip of 13%, which resulted in a higher cost of heating for the building.

Similarly with gas use, our consumption has dropped slightly, but cost per unit increased over 20% since the previous year, in line with wholesale market prices. Through utilising NPS/CCS frameworks we have brought our utilities supply under two main providers this year which will help realise savings over some of the previous contracts.

Electricity costs have also increased over the past year; whilst our usage has reduced very slightly, our expenditure in this area has increased due largely to an increase in unit cost of more than 10%.

Our overall emissions are down however, both in individual scope areas and our primary target of energy emissions specifically. This energy emissions figure, thanks in part to more renewable energy in the UK grid, is now tracking at 27% below our baseline year; well on the way to our 30% target by 2020-21.

Travel

Our business travel figures fluctuate across the cycle of assemblies, and at the time of publication, our figures are currently down slightly on last year. However, with two months of Members' and support staff claims outstanding, we estimate our final totals will be similar to last year.

Travel modes too have fluctuated according to business needs, but we are encouraging the use of sustainable options where possible. We have increased the provision for bike storage on-site again this year, to further encourage cyclists, and have recently installed electric vehicle charging points for use by staff working at the estate. These will operate at a cost-neutral level; users being charged for any electricity they consume. For the forthcoming year we will be looking at even more bike storage space, as well as encouraging drivers to switch to ultra-low emission vehicles where possible. We will be changing the Assembly's pool car over to a primarily electric vehicle, which will reduce both our carbon footprint and running costs.

Waste

We are able to report our operation as zero waste-to-landfill, ahead of our target year of 2020-21. All of the Assembly's waste is now sent to recycling or recovery outlets.

Whilst the total tonnage of waste produced has increased slightly over time, in line with an increase in the number of building users, we will be targeting this for the next financial year. We have already begun to work with our suppliers to phase-out single-use plastics, which we've committed to doing wherever possible by the end of September 2018 and will also be looking at reusable packaging options.

Fewer ad-hoc waste collections, particularly those related to infrastructure and project work, has meant that despite a slight increase in the amount of waste handled our costs have actually reduced slightly this year. Other cost-saving improvements have included amalgamating the waste electrical & electronic equipment (WEEE) collections to one supplier for all our operations. We have been able to source a local SME for this work who are able to satisfy both our governance and environmental requirements.

Paper use falls into the waste category, and we have noticed an increase in this area over the past year. As a service led by customer demand we have seen an increase in printing requests from a variety of areas, including the printing of reports supporting business and other engagement activities. All the paper we use is FSC-certified and/or 100% recycled-content. Further work over the forthcoming year will include continued roll-out of the 'follow-me' printing service which is helping reduce the volume of printing done in the offices.

Water

Following a slight rise in water use last year, our consumption this year has reduced significantly. Usage is down 32% on our baseline year, with costs also down 31% over the same period, and down 20% since last financial year.

These reductions are a result of several variables, including staff and visitor numbers. Although visitor numbers increased, this did not result in significant increases to water use in the Senedd and Pierhead. We have continued to roll out water-saving devices wherever an area has been refurbished. One further factor was some lower-than-usual billing by Dwr Cymru, something which we brought to their attention and was attributed to a faulty meter for Tŷ Hywel.

Continual improvement

A summary of improvements made to the estate and the way we operate includes the following:

- We have brought our energy contracts under the same two suppliers for all sites, via NPS frameworks. This is already improving the clarity around billing and we hope it will help realise some small financial savings.
- We switched our environmental management system (EMS) over to the international standard ISO14001. We use this as the basis for continual environmental improvement and see the auditing process as a valuable extra set of eyes over our work.
- We have trained a new team of internal environmental auditors this year, something which supports the requirements of our EMS but is also highlighting opportunities for improvement.
- We continue to work on the monitoring data we produce to seek energy efficiency savings, for example in managing heating demand where we have identified areas of the building holding heat longer than others. We are also continuing the rolling programme of verifying all our temperature sensors around the estate, to ensure the system controlling heating and cooling receives accurate real-time data.
- We installed electric vehicle charging points for staff working on our estate, and increased the capacity of our bike shed, all to encourage low-emission transport use.
- We have procured further IR (infra-red) heaters, after their successful use in hard-to-heat transitional spaces. We hope to realise savings from their use next winter.
- Some of the pumps associated with hot water for the heating system have been replaced for more efficient units, which we hope to continue to roll out subject to availability of funding.

The 2018-19 financial year will see us continue to install energy-saving measures in areas being refurbished, as well as continuing to identify efficiency savings using existing equipment. We will continue to provide specific measures to target the reduction of travel emissions and encourage people to take lower-carbon options

such as cycling. Waste will be one real focus area, with the Assembly committed to the phase-out of disposable plastics where possible by the end of September.

About our data

The emissions figures contained in this report are calculated based on the Department for Environment, Food and Rural Affairs (DEFRA) 2017 Conversion Factors which are specific to the UK. In accordance with Defra guidance, reported GHG emissions are not weather corrected. Although not obligated to, we report largely in line with the HM Treasury Sustainability Reporting Guidance 2017-18. Our monitoring and reporting techniques for related sustainability data are assessed as part of our annual external environmental audit.

Greenhouse Gas Emissions ^{1,2,3}		2012-13 <i>(baseline)</i>	2014-15	2015-16	2016-17	2017-18
<i>Non-financial indicators (tCO2e)</i>	<i>Total gross emissions scope 1</i>	329	561	248	308	297
	<i>Total gross emissions scope 2</i>	1,470	1,480	1,367	1,133	955
	<i>Total gross emissions scope 3</i>	432	465	423	396	344
	<i>Total outside of scope emissions</i>	298	130	7	4.1	5.3
	<i>Total gross emissions</i>	2,588	2,636	2047	1846	1601
	<i>Total net emissions</i>	2,290	2,506	2040	1841	1596
	<i>Expenditure on accredited offsets (e.g. Government Offsetting Fund)</i>	£0	£0	£0	£0	£0
<i>Financial Indicators (£)</i>	<i>CRC Gross Expenditure</i>	N/A	N/A	N/A	N/A	N/A

¹ All energy data now contains current and retrospective transmission and distribution emissions and well-to-tank emissions where applicable.

² All travel data now contains current and retrospective well-to-tank emissions for fuel use.

³ Excludes Assembly Member and AMSS travel February and March 2018 due to delayed reporting requirements. Previous years have been adjusted as final claims for those years have been processed.

Energy Consumption ^{4,5}		2012-13 <i>(baseline)</i>	2014-15	2015-16	2016-17	2017-18
<i>Non-financial indicators (kwh)</i>	<i>Electricity (non-renewable)</i>	3,194,890	2,995,138	2,791,282	2,623,244	2,602,054
	<i>Gas</i>	1,741,299	1,295,506	1,214,901	1,481,681	1,452,075
	<i>Biomass (renewable)</i>	840,438	372,225	535,050	308,850	409,770
<i>Non-financial indicators (tCO2e)</i>	<i>Total energy emissions</i>	1,880	1,881	1,663	1,563	1363
<i>Financial Indicators (£)</i>	<i>Total energy expenditure</i>	458,168	448,586	407,442	377,993	431,187

Official Travel ^{6,7}		2013-14	2014-15	2015-16	2016-17	2017-18
<i>Non-financial indicators (miles)</i>	<i>Business travel</i>	884,176	1,061,374	875,999	820,851	724,400
	<i>Owned and leased vehicles</i>	31,949	26,440	27,638	15,803	16,512
<i>Financial Indicators (£)</i>	<i>Expenditure on official business travel</i>	349,775	393,509	358,666	328,532	281,196

⁴ Includes costs for electricity and air conditioning in offsite server farm from 2010 onwards.

⁵ All energy data now contains current and retrospective transmission and distribution emissions and well-to-tank emissions where applicable.

⁶ All travel data now contains current and retrospective well-to-tank emissions for fuel use.

⁷ Excludes Assembly Member and AMSS travel February and March 2018 due to delayed reporting requirements. Previous years have been adjusted as final claims for those years have been processed.

Waste		2013-14	2014-15	2015-16	2016-17	2017-18
Non-financial indicators (tonnes)	Total waste arising	118	125	123	140	142
	Recycled/Reused	111	119	118	136	142
	Landfill	6.4	4.7	3.7	5	0 (4t recovery)
	Waste composted	5.5	5.5	12.5	15.9	17
	Hazardous waste	0.5	1	0.4	0.15	0.4
	Paper purchased (A4 and A5) (per million sheets)	2.7	2.6	2.48	1.99	2.92
Financial indicators (£)	Expenditure on all waste disposal	26,561	26,930	33,266	36,455	33,008

Water consumption		2013-14	2014-15 (baseline)	2015-16	2016-17	2017-18
Non-financial indicators (m3)	Water consumption:					
	Supplied (direct)	7,315	6,117	5,174	5,347	4,158
	Collected (indirect)	1,301	1,554	502	853	578
	Abstracted (indirect)	0	0	0	0	0
Financial indicators (£)	Expenditure on supply and sewerage	23,681	22,245	18,954	19,376	15,424

The information contained above has been developed for our Annual Report and Accounts in accordance with HM Treasury's Sustainability Reporting Guidance for the 2017-18 financial year. We also use the DEFRA conversion factors for 2017 for carbon dioxide equivalent (CO₂e) figures. CO₂e is a universal unit of measurement that allows the global warming potential of different GHGs to be compared.

Emissions are reported based on a financial control approach for the core administrative estate only.

A full summary of our environmental performance can be found in the Assembly's Annual Environmental Report, available on our website.

Continuously increase efficiency and effectiveness and measure and report on improvements

Our Corporate Key Performance Indicator Report looks at how the Assembly Commission performed against its strategic goals for the period April 2017 to March 2018.

The Assembly Commission Strategy 2016-2021 sets out our goals for the Fifth Assembly. Our strategic goals are to:

- provide outstanding parliamentary support;
- engage with all the people of Wales and champion the Assembly; and
- use resources wisely.

Our Corporate Key Performance Indicator Report looks at how the Assembly Commission performed against its strategic goals for the period April 2017 to March 2018. It consists of a number of headline indicators, allocated under the strategic goals, which are then broken down into more detailed indicators.

A 'traffic light' system is used to show performance against the indicator targets. Tolerance levels against the target have been set for each indicator, therefore performance for each indicator is determined depending on where the results fall within the tolerance levels.



Red: There are significant issues impacting the achievement of business objectives. To achieve delivery, changes must be made to timing, costs and/or scope.







Amber: There are issues or risks which must be addressed. However, successful delivery is achievable without major impacts to budget, service standards or target dates.







Green: Work is meeting agreed standards or is proceeding to plan. All known risks are being managed.







Achievement against Strategic Goals





Summary overview of the more detailed key performance indicator (KPI) information that follows:

Provide outstanding parliamentary support	April 2016 - March 2017	April 2017 - March 2018
<p>KPI 1: All parliamentary business has taken place as planned</p> <p>A consistently high performance on timeliness of issuing committee papers, briefings and the publication of the Record of Proceedings.</p>	 Green	 Green
<p>KPI 2: Providing effective Professional Development</p> <p>As expected, the take up of continuous professional development activities has decreased when compared to the previous year which included the May 2016 Election and the training of new Assembly Members. A high rating has been received for the positive impact it will have on delegates work. There has been an increase in the number of Welsh learners and the number of learners progressing to a higher level.</p>	 Green	 Green






Engage with all the people of Wales and champion the Assembly	April 2016 - March 2017	April 2017 - March 2018
<p>KPI 3: Help build an understanding about the role and work of the Assembly</p> <p>There has been an increase in the number of visitors to the estate. The increase to Senedd numbers is mostly due to the Weeping Window exhibition which took place over the summer recess. The exhibition was promoted in partnership with the artist and content for the building was developed to help increase people's understanding of the Assembly. During the summer months the hosting of Snow Pups, a trail which encouraged people to explore Cardiff, also brought an increase of visitors to the Pierhead. Although there was a dip in the number of visitors taking an organised tour, most visitors read the information which was available around the building. There was an increase in the number of events organised on the estate. Commission priorities have seen resources from the awareness raising sessions with young people being utilised to help with the establishment of the Welsh Youth Parliament.</p>	 Green	 Green




Engage with all the people of Wales and champion the Assembly	April 2016 - March 2017	April 2017 - March 2018
<p>KPI 4: Champion the work of the Assembly</p> <p>The May 2016 Election social media campaign in April and May 2016 caused a huge surge in numbers for YouTube views and, as expected, figures for this period have decreased when compared to the same period last year. If the months of April and May are discounted from both periods, YouTube views have increased slightly this year. The streaming of Plenary to YouTube has also resulted in an increase in minutes watched. There has been a significant increase in Twitter impressions for this period. This is a result of a very successful social media campaign for the Weeping Window exhibition.</p>	 Green	 Green

Use resources wisely	April 2016 - March 2017	April 2017 - March 2018
<p>KPI 5: Expenditure to target</p> <p>A contract saving of circa £138K is reported. The timeliness of payments to suppliers and Assembly Members continue to be well within target.</p>	 Green	 Green
<p>KPI 6: Staff resource requirements and expectations are being met</p> <p>Absence rates for the rolling 12 month average have shown a marginal increase due to seasonal factors and an increase in cases of long term sickness. Mental health issues remain one of the highest causes of absence. Average absence rates are below the Chartered Institute of Personnel and Development (CIPD) benchmark figure of 3.7% but above the Commission's target of 3%. The completion of staff performance reviews by the deadline decreased slightly and, while there was a decrease in the number of staff completing the annual staff survey, the response rate still remains higher than the Civil Service Median.</p>	 Amber	 Amber
<p>KPI 7: ICT services are being delivered as planned</p> <p>Some incidents, such as hardware faults, are taking longer to fix and has resulted in a slight dip in achievement against the SLA agreement targets. However, a replacement programme is now underway to update Commission hardware which will make it more reliable for the next five years.</p>	 Green	 Green

Use resources wisely	April 2016 - March 2017	April 2017 - March 2018
<p>KPI 8: Freedom of Information (FOI) requests are being processed as required</p> <p>A high number of FOI requests were received during this period with four FOI requests exceeding the statutory deadline. This was mainly due to the consultation process falling within a recess period causing a delay in gaining the required responses.</p>	 Amber	 Amber
<p>KPI 9: Environmental targets are being delivered as planned</p> <p>Good progress continues to be made against the reduction in total energy emissions. The Commission has achieved a 27% reduction in total energy emissions compared to the 2012-13 baseline and is on course to achieve the target of a 30% reduction by 2021. The target of 100% diversion of waste from landfill has now been achieved, ahead of the 2021 target date.</p>	 Green	 Green

Strategic Goal: Provide outstanding parliamentary support

KPI 1: All parliamentary business has taken place as planned ⁸	Target	April 2016 - March 2017	April 2017 - March 2018
Percentage of committee papers issued by deadline agreed with each committee	100%	95.8%	95.4% 
Plenary Record of Proceedings published within deadline	100%	100%	100% 
Committee Record of Proceedings published within 5 working days	100%	96.3%	98.5% 
Percentage of Assembly proceedings (committee/Plenary meetings) affected by failure to deliver Commission services	0%	0.3% (1 out of 350)	0% (0 out of 415) 
Research Service enquiries answered within agreed deadline	100%	98.4%	99.5% 

KPI 2: Providing effective Professional Development	Target	April 2016 - March 2017	April 2017 - March 2018
Number of delegate spaces filled by AMs on a Continuous Professional Development (CPD) programme ⁹	180	334	143 
Number of delegate spaces filled by Assembly Member Support Staff (AMSS) on a CPD programme ¹⁰	350	660	586 
The extent to which AMs and AMSS anticipate the provided training will have a positive impact on their work ¹¹	70% positive impact	97.7%	98.2% 
Number of Welsh learners (Commission staff, AMs and AMSS) receiving tuition through the Language Skills Team ¹²	-	95	131 -
Number of Welsh learners progressing to a higher level	-	-	34 -

⁸ Data is shown as an average for the reporting period.








⁹ Data is shown as a total for the reporting period.






¹⁰ Data is shown as a total for the reporting period.

¹¹ Data is shown as an average for the reporting period.

¹² Data is shown as at the end of March.

Strategic Goal: Engage with all the people of Wales and champion the Assembly

KPI 3: Help build an understanding about the role and work of the Assembly	Target	April 2016 – March 2017	April 2017 – March 2018
Number of visitors to the: ¹³	Maintain each period		
<ul style="list-style-type: none"> ▪ Senedd ▪ Pierhead 		83,680	108,778 
		82,962	99,523 
Number of visitors on tour ⁴	Maintain each period	26,305	23,238 
Customer rated good/very good overall experience of taking a tour on the estate ¹⁴	80%	100%	100% 
Number of events organised on the estate ⁴	Increase on previous period	263	308 
Customer rated good/very good overall experience of organising an event on the estate ⁵	80%	98.7%	98.0% 
Number of face to face general awareness raising sessions held with young people ⁴	Maintain each period	873	643 

KPI 4: Champion the work of the Assembly	Target	April 2016 – March 2017	April 2017 – March 2018
Web Traffic: ¹⁵	Maintain each period		
<ul style="list-style-type: none"> ▪ Visitors ▪ Visits ▪ Page views 		45,940	50,162 
		87,553	91,046 
		281,797	265,990 
Facebook:	Maintain each period		
<ul style="list-style-type: none"> ▪ Average Reach ¹⁶ ▪ Likes ¹⁷ 		9,847	13,039 
		9,067	10,345 









¹³ Data is shown as a total for the reporting period.

¹⁴ Data is shown as an average for the reporting period.

¹⁵ Data is shown as an average for the reporting period.

¹⁶ Data is shown as an average for the reporting period.

¹⁷ Data is shown as at the end of March.

KPI 4: Champion the work of the Assembly	Target	April 2016 – March 2017	April 2017 – March 2018
Twitter: <ul style="list-style-type: none"> ▪ Impressions (the number of people who saw the content) ¹⁸ ▪ Followers (main corporate account) ¹⁹ ▪ Followers (other accounts)²⁰ 	Maintain each period	847,175	5,099,358 
		44,215	48,723 
		28,270	30,225 
YouTube: ²¹ <ul style="list-style-type: none"> ▪ Views ▪ Minutes watched 	Maintain each period	102,478	29,072 ²² 
		93,233	182,318 
Use of Senedd.tv: ²³ <ul style="list-style-type: none"> ▪ Views ▪ Users 	Maintain each period	386,576	344,470 
		58,650	52,247 
Research Service Blog ²⁴ <ul style="list-style-type: none"> ▪ Views (English and Welsh) 	Maintain each period	138,426	185,256 

¹⁸ Data is shown as an average for the reporting period.

¹⁹ Data is shown as at the end of March.

²⁰ Data is shown as at the end of March.





²¹ Data is shown as a total for the reporting period.






²² 2016/17 figures include abnormally high results for April and May 2016 due to the 2016 Election campaign, which drove high numbers of viewers to our YouTube channel. By excluding April and May from both reporting periods, YouTube views have increased slightly in 2017/18.

²³ Data is shown as a total for the reporting period.

²⁴ Data is shown as a total for the reporting period.

Strategic Goal: Use resources wisely

KPI 5: Expenditure to target	Target	April 2016 - March 2017	April 2017 - March 2018
Per cent underspend forecast at year end ²⁵	<0.5%	0.4%	0.8% 
Achieving value for money target ²⁶	£100,000	-	£138,116 
Average days taken to pay suppliers ²⁷	<10 days	5.9	4.2 
Average days taken to pay AMs ²⁸	<5 days	2.0	1.9 

KPI 6: Staff resource requirements and expectations are being met	Target	April 2016 - March 2017	April 2017 - March 2018
Sickness absence - % rolling 12 month average ²⁹	<3%	3.5%	3.8% 
Sickness absence - % monthly average ³⁰	<3%	3.8%	3.2% 
Completion of staff performance reviews (twice annually - April and October)	100%	95.9%	89.5% 
Employee response rate to the annual staff survey ³¹	Civil Service Median - currently 65%	85.0%	82.0% 
Employee engagement level against the 5 core questions in the annual staff survey	Civil Service Median - currently 58%	72.0%	74.0% 
Number of staff: ³²			
▪ Headcount	-	466	468 -
▪ Full Time Equivalentents (FTEs)	-	448.0	444.6 -

²⁵ Data is shown as at the end of March.

²⁶ Data is shown as at the end of March.

²⁷ Data is shown as an average for the reporting period.



²⁸ Data is shown as an average for the reporting period.


²⁹ Data is shown as at the end of March.



³⁰ Data is shown as at the end of March.

³¹ The annual staff survey is completed in May/June each year.

³² Data is shown as at the end of March.

KPI 7: ICT services are being delivered as planned ³³	Target	April 2016 - March 2017	April 2017 - March 2018	
Achievements against Service Level Agreement (SLA) targets for all incidents	90%	91.3%	89.2%	
Customer satisfaction score for incident handling (out of 9)	8	8.8	8.7	

KPI 8: Freedom of Information (FOI) requests being processed as required ³⁴	Target	April 2016 - March 2017	April 2017 - March 2018	
Number of FOI requests answered	-	75	78	-
Per cent of FOI requests answered to statutory deadline	100%	90.7%	94.9%	

KPI 9: Environmental targets are being delivered as planned ³⁵	Target	April 2016 - March 2017	April 2017 - March 2018	
Combined energy footprint (Cardiff Bay Estate)	30% reduction in total energy emissions by 2021	17.1%	27.0%	
Diversion of waste from landfill	100% by 2021	96.6%	100%	







³³ Data is shown as an average for the reporting period.



³⁴ Data is shown as a total for the reporting period.







³⁵ Data is shown as at the end of March.

Assembly Member and Support Staff satisfaction survey

Assembly Members and Assembly Member Support Staff are asked to complete an annual satisfaction survey to help gauge how well the services provided by Commission staff have performed over the past year. Questions use a 10 point scale, where 1 = poor and 10 = excellent. A summary of results are presented here.

Strategic Goal - Provide outstanding parliamentary support	Target	2017	2018	
Overall support for Assembly Committees	8	8.5	8.4	
Overall support for Plenary	8	8.4	8.4	
Overall support for constituency work	8	8.2	8.4	
Overall support to conduct your work in the language of your choice	8	8.9	8.4	
Overall support provided by Members' Business Support	8	8.9	8.9	
Overall support provided through the Professional Development function	8	8.3	8.2	

Strategic Goal - Engage with all the people of Wales and champion the Assembly	Target	2017	2018	
Overall effectiveness of the Assembly Commission in engaging with the people of Wales	8	6.9	6.9	
Overall effectiveness of the Assembly Commission in championing the work of the Assembly	8	7.0	6.8	

Strategic Goal - Use resources wisely ³⁶	Target	2017	2018	
Overall support provided by ICT in Tŷ Hywel	8	8.3	8.4	
Overall support provided by ICT in the Senedd	8	8.4	8.3	
Overall support provided by ICT in the constituency or regional offices	8	7.9	8.3	
Overall choice of ICT equipment available	8	7.9	8.0	
Overall support provided for Tŷ Hywel, Pierhead and the Senedd	8	8.7	8.1	
Overall support provided for constituency or regional offices	8	8.0	7.7	

Manon Antoniazzi

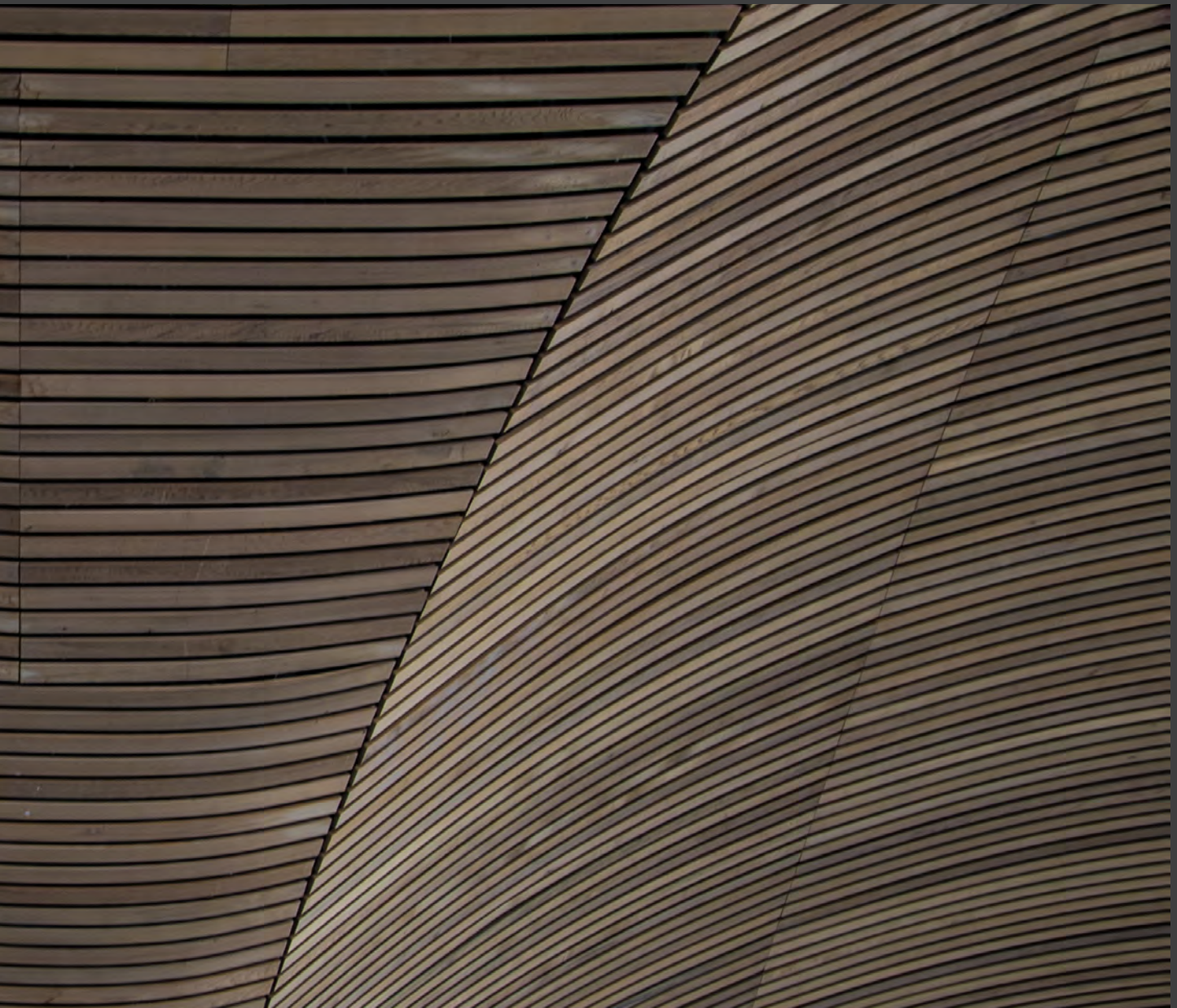
Chief Executive and Clerk of the Assembly

Date: 16 July 2018

³⁶ Data is shown as an average score provided by Assembly Members and Assembly Member Support Staff.



OUR ACCOUNTABILITY: CORPORATE GOVERNANCE



Directors' report

This report, which has been signed by the Chief Executive and Clerk as Principal Accounting Officer in line with Treasury rules, provides information about senior remuneration and audit.

Commissioners and other office holders

Information on the Presiding Officer, Deputy Presiding Officer, and Commissioners is included on pages 102 – 104.

Independent advisers

Information on the Independent Advisers and Independent Committee members is included on pages 106 – 108.

Remuneration Committee

Information on the Remuneration Committee is included on page 108.

Senior management

Information on the Chief Executive and Clerk, and senior management having responsibility for directing the major activities of the Commission during the year is included on page 109 – 110.

Significant interests held by Members

A Register of Financial and Other Interests of Assembly Members is available at www.assembly.wales and www.cynulliad.cymru.

Personal data related incidents

There was one incident of personal data loss requiring reporting to the Information Commissioner's Office between 1 April 2017 and 31 March 2018. There were 3 incidents of personal data breach reported internally, which were investigated and managed internally. Given that the likelihood of damage or distress to the data subject in each case was considered to be low, no further escalation was required.

Auditor

The Accounts of the National Assembly for Wales Commission are audited by the Auditor General for Wales. The Audit Report can be found at page 127.

The estimated external audit cost for the audit of these financial statements is £57,958 (£62,958 2016-17). No additional non-statutory audit work was incurred during 2017-18 (£0 2016-17).

Disclosure of information to the Auditor General for Wales

So far as I am aware:

- there is no relevant audit information of which our auditor is unaware; and
- I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information, and to establish that our auditor is aware of that information.

Accounts direction

The accounts set out in pages 122 to 137 have been prepared in accordance with the Treasury Direction issued under Section 137 of the Government of Wales Act 2006. The financial statements comply with the requirements specified in HM Treasury's Financial Reporting Manual and are supported by explanatory notes. These accounts set out the financial impact of decisions made by the Commission both within the financial year and arising from previous financial years.

Information about the Assembly and Commission is also available on the Assembly website at www.assembly.wales and www.cynulliad.cymru.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 16 July 2018

Statement of Commission and Principal Accounting Officer responsibilities

The Chief Executive and Clerk of the Assembly is, by virtue of Section 138 of the Government of Wales Act 2006, the Principal Accounting Officer for the Commission.

The Chief Executive and Clerk of the Assembly has prepared the statement of accounts in accordance with the Direction issued by HM Treasury and with the accounting principles and disclosure requirements set out in the Government Financial Reporting Manual. The Resource Accounts are prepared on an accruals accounting basis and give a true and fair view of the Commission's state of affairs at the year-end and of its net resource outturn; resources applied to objectives; statement of comprehensive net expenditure; statement of financial position; cash flows, and statement of changes in taxpayers' equity for the financial year.

In preparing the accounts the Chief Executive and Clerk of the Assembly has:

- complied with the accounts direction issued by HM Treasury;
- complied with the relevant accounting and disclosure requirements and applied suitable accounting policies on a consistent basis;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepared the accounts on a going concern basis.

The relevant responsibilities of the Principal Accounting Officer, including the responsibility for the propriety and regularity of the finances of the Commission and for the keeping of proper records, are set out in a memorandum issued by HM Treasury.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 16 July 2018

Governance Statement

This Statement, which is signed by the Chief Executive and Clerk as Principal Accounting Officer, sets out the way in which the National Assembly for Wales Commission is governed and managed and how it is accountable for what it does.

Governance framework

Under the terms of the *Government of Wales Act 2006*, the National Assembly for Wales Commission (the Commission) is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and the management of risk.

The governance framework comprises the structures, systems and processes, and culture and values, by which the organisation is directed and controlled and the activity through which it accounts to and engages with the Assembly and the people of Wales. It includes frameworks for: strategic and operational planning; management of risks and performance; information governance; procurement; and financial management. Corporate policies and codes of conduct ensure everyone working at, or with, the Commission is aware of the need to operate to the highest governance standards. There are also clear policies on fraud, corruption and bribery and whistleblowing. The governance framework enables the Commission to plan for, and monitor, the achievement of its strategic goals and objectives and to consider whether those have led to the delivery of appropriate, cost-effective services.

Governance structure

The Commission comprises the Llywydd (Presiding Officer) who is its Chair, together with four other Assembly Members appointed by the Assembly and representing the main party groups. The Commissioners are charged with the governance of the organisation and are accountable to the Assembly. They set the organisation's strategic goals and objectives, provide the leadership to put them into effect and oversee and report on their delivery. Each Commissioner is assigned a portfolio of areas for which they have responsibility.

The Commission's Principal Accounting Officer is the Chief Executive and Clerk of the Assembly. She is accountable to the Commissioners for the delivery of their strategic goals. As Principal Accounting Officer, she is personally accountable to the Assembly for the organisation and quality of management in the Commission, including its use of public money and the stewardship of its assets. Assembly staff are employees of the Commission.

As part of the organisation's governance framework, the Commission has an **Audit and Risk Assurance Committee**³⁷ and a Remuneration Committee, further details of which can be found on page 108 of the Annual Report and Accounts. An independent **Remuneration Board**³⁸ determines the salaries and other financial support available for Assembly Members. The Audit and Risk Assurance Committee and Remuneration Board also produce and publish their own Annual Reports.

Compliance with governance principles

The Commission has adopted a set of **governance principles and supporting provisions**³⁹, which were updated following the 2016 Assembly elections. The principles are consistent with the UK Corporate Governance Code and the International Framework: Good Governance in the Public Sector and are used to guide the work of the Commission and its staff. The Commission has complied with these principles.

The Assurance section of this statement describes how evidence of this has been gathered through assurance statements and use of the Assurance Framework.

Decision taking and business management

The Commission meets on a regular basis to provide direction and to oversee delivery of the Commission's strategic goals and objectives. The Commission delegates its day-to-day management functions to the Chief Executive and Clerk. The **formal delegation**⁴⁰ outlines exceptions and areas on which the Chief

³⁷ <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=373>

³⁸ <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=375>

³⁹ http://www.assembly.wales/en/abthome/about_us-commission_assembly_administration/comm-corporate-framework/Pages/governance_principles_supporting_provisions.aspx

⁴⁰ http://www.assembly.wales/en/abthome/about_us-commission_assembly_administration/comm-corporate-framework/Pages/delegation_of_assembly_commission_functions.aspx

Executive and Clerk must consult with the Commission. There is also an established system of delegated authorities to control resource management which covers finance, staffing and other resource responsibilities, such as procurement. The Commission administration is divided into three Directorates: Assembly Business, Assembly Resources and Commission Services, reporting to the Chief Executive. The Director of Finance is a member of the Assembly Resources Directorate. Further details on this can be found on page 18 of the Annual Report and Accounts.

In July 2018, the Director of Assembly Business will be leaving the Assembly Commission. Temporary management arrangements have been put in place for the Assembly Business Directorate, prior to establishing new permanent arrangements towards the end of 2018.

Assembly Commission Directorates are further sub-divided into service areas, led by Heads of Service. Throughout 2017-18, the Chief Executive, Directors and Heads of Service have regularly met formally and informally as a Management Board, to review, coordinate, and make decisions and share information on policy and operational matters. The Board has also monitored corporate performance and corporate risks in relation to the delivery of the Commission's strategic goals and priorities. Management Board members have been required to act corporately in the interests of the Assembly.

An Investment and Resourcing Board, consisting of the Chief Executive and Directors, has had responsibility for making decisions on priorities for funding from an Investment Fund and for the allocation of resources during 2017-18. This Board has also had oversight of the Commission's budget and agreed investment and resourcing priorities.

Directors have provided regular updates to the Board on delivery of programmes and projects within their Directorates in order to provide ongoing assurance on progress against plans.

The Head of Governance and Assurance finalised an effectiveness review of the Investment and Resourcing Board in March 2017 and concluded that "the Board is discharging its functions in a positive way and there is a clear appetite from all those who participated in this review for the Board to move forward and continue to add value to the Assembly Commission's governance arrangements". A number of strengths were identified, including the robustness of scrutiny and commitment to transparency. Alongside this, however, areas of improvement

were identified, particularly around clarification of the Board's role in the overall governance arrangements and its inter-relationship with the Management Board.

Following on from the review of the Investment and Resourcing Board, the Chief Executive and Clerk has taken the opportunity to review the current governance structure to ensure it remains fit-for-purpose. After consultation with the membership of the Investment and Resourcing Board and Management Board, a new governance structure has been put into place, from April 2018, to help clarify decision-making responsibilities. This consists of an Executive Board and Leadership Team, which replaces the Investment and Resourcing Board and Management Board from financial year 2018-19 onwards.

Under the new arrangements, the Executive Board will be the sole strategic decision-making body for all matters delegated by the Assembly Commission. The Board also acts as an advisory body to the Assembly Commission, to ensure that it receives the best possible advice in setting the Commission's strategy, goals and priorities, the budget, and in taking decisions. The Executive Board monitors the budget, agrees investment and resourcing priorities, oversees corporate risk and has an oversight of change management. All members of the Board set aside their line management responsibilities and participate with a remit to act in the interests of the organisation as a whole.

The Leadership Team is an advisory body to the Executive Board and an enabler for effective delivery of operational plans, priorities, and our governance arrangements. Under the new arrangements, it is clear that it is the Executive Board that sets operational priorities based on the Commission's strategy, goals, and priorities. The Leadership Team is free to develop its role at generating ideas and constructive challenge as well as having its role reinforced as a forum for sharing and disseminating information. The Leadership Team is being used to facilitate scenario planning exercises, options analysis and supporting the Executive Board by undertaking a first stage prioritisation exercise for proposed investments. Leadership Team membership has been extended from the previous Management Board to include all Heads of Service. The Chief Executive and Directors still attend, but the group is chaired in rotation by its membership.

The intention is to empower Heads of Service and encourage them to manage their teams with more authority, by delegating more financial and resource responsibility to them within an appropriate and agreed governance and assurance framework.

Planning and performance measurement

The Commission's **strategy for the Fifth Assembly, 2016-21**⁴¹, which was agreed in June 2016 provides direction and informs planning at a corporate and service level. This strategy is kept under review to take account of drivers and external influences that shape the Commission's services, including constitutional change and the changing digital world.

The Management Board has undertaken twice yearly scrutiny of service plans and capacity plans which helps ensure effective planning for current and future demands across the Commission.

The Commission's Corporate Performance Report includes Key Performance Indicators which demonstrate sustained high performance across many services and improvement where efforts have been targeted. A review of performance measures for the remainder of the Fifth Assembly is underway with the aim of identifying more relevant, challenging and outcome-focused measures. We recognise that these will take time to develop.

In line with our strategic goal of using resources wisely we have always challenged whether we are doing things in the most efficient and effective ways. This year, in response to increased scrutiny by the Assembly's Finance and Public Accounts Committees, the Commission asked the Chief Executive to carry out a formal review of the organisation's capacity. Phase 1 of this Capacity Review was a significant piece of work with a report successfully delivered in a short timescale.

The initial report of the review outlines four action themes:

- Agreement of priorities
- Improved planning and delivery
- Greater agility in capacity and capability
- Development of a shared understanding

This report has been accepted by the Commission and a Steering Group, consisting of senior managers from across the Commission and led by the Director of Assembly Resources, has been established to develop and deliver solutions under these four action areas.

⁴¹ [http://www.assembly.wales/NAFW%20Documents/About%20the%20Assembly%20section%20documents/Commissionstrategy-Englishbranded1\(final\).pdf](http://www.assembly.wales/NAFW%20Documents/About%20the%20Assembly%20section%20documents/Commissionstrategy-Englishbranded1(final).pdf)

Good progress has already been made on a number of developments. We have:

- engaged with the Commission, the Committee Chairs' Forum and the Business Committee around resource planning for Brexit;
- introduced better alignment of our service and capacity planning with the budget planning cycle, enabling more informed decision-making and more effective long-term planning;
- re-structured our senior management arrangements; and
- developed prioritisation criteria to support consistent, clearly evidenced and effective prioritisation of investment opportunities.

The Steering Group will conclude and report on its work in July 2018.

Progress and performance

Progress on areas identified for focus and development

In last year's Governance Statement, we identified a number of areas for focus and development; progress is outlined below:

Proposals to address the capacity of the Assembly, electoral reform, further constitutional change and preparations for Brexit

We have made significant progress in supporting the Llywydd and Commission's ambition to explore how the new powers under the Wales Act 2017 might be exercised to reform the Assembly to ensure it remains an accessible, forward-looking institution which serves the people of Wales effectively. The Expert Panel on Assembly Electoral Reform, which published its report in December 2017, provided a number of options for change, supported by robust consideration of evidence and guidance. This has formed the basis for a Commission consultation paper which was published in February 2018. The consultation closed at the start of April 2018.

The work has involved close working with a Political Reference Group to ensure cross-party engagement throughout. We have engaged key stakeholders and the public through a series of consultation events.

At the same time, Welsh Government are developing proposals for Local Government electoral reform. We have therefore given high priority to working closely with Welsh Government to ensure that any changes to the electoral system

in Wales are coherent and as joined up as possible. Given the potentially tight timescales within which any reform would need to be delivered, effective resource planning has also been a priority.

In June 2017, following a period of consultation which closed in February 2017, the Commission agreed to introduce legislation before the end of 2018 to change the name of the Assembly before the end of the Assembly term in 2021 to Senedd Cymru/Welsh Parliament.

The Assembly has also been preparing for the transition to the new powers devolved to the Assembly under the Wales Act 2014 and Wales Act 2017. Under the Act new Welsh taxes, legislated for by the Assembly (land transaction (formerly stamp duty) and landfill disposal) came into effect on 1 April 2018.

The Assembly has also been responding to the Wales Act 2017 by updating Standing Orders and procedures. The move from a Conferred Powers Settlement to a Reserved Powers settlement came into effect on 1 April 2018. Awareness raising and training has been undertaken for Members, their Support Staff and Commission staff to help understanding of the implications of the change and prepare for working within the new settlement.

Assembly Committees, the Llywydd and Commission staff have been heavily involved in the Assembly response to, and preparation for, Brexit. There has been a step up in the level of interparliamentary working to enable a more effective response and support around the implications of Brexit.

Staff supporting committees have helped Members to keep pace with the complex and rapidly evolving constitutional, legislative and political situation and to publish rapid and timely outputs to maximise the Assembly's influence. One of the most significant challenges was facilitating the scrutiny of the Law Derived from the European Union (Wales) Bill, which was only the second Bill in the Assembly's history to be introduced under the Emergency Procedure and completed all its legislative stages in only three weeks.

These fundamental constitutional pressures will continue to dominate the work of many Commission staff in the coming year and influence decisions on resource allocation in the light of the capacity review.

The risks around corporate capacity to deliver on all of the Commission's goals and emerging priorities have been monitored by the Director of Assembly Resources and the Management Board. Regular updates have been provided to the Commission's Audit and Risk Assurance Committee, which has helped ensure

that effective risk mitigations are in place. Further details can be found on this under the Risk identification and management section of this statement.

Forming budget proposals for the remainder of this Assembly that enable the Commission's priorities to be delivered and gaining the support of the Assembly for the proposals

Spend against the budget has been closely monitored fortnightly by the former Investment and Resourcing Board throughout 2017-18 and this will continue with the newly established Executive Board going forward. It is evident that the likely available Investment Fund will be insufficient to allow all the project proposals for 2018-19 to be taken forward. The financial position will be constantly monitored so that Executive Board has clear visibility of committed spend when considering new project proposals.

The second phase of the Capacity Review has commenced with the formation of a Capacity Planning Steering Group. Initial findings were reported to the Leadership Team and Executive Board in April 2018.

A new Planning Cycle timetable has been circulated which required all Heads of Service to complete their service planning for 2019-20 by March 2018. This will inform the Budget Strategy for that year.

The Finance Committee has completed an inquiry into treatment of the Determination in other Parliaments. We are corresponding with the Committee to address recommendations which they have raised as a result of this inquiry. The Executive Board is conscious of the need to prioritise its budget spend in response to emerging pressures and the decreased flexibility brought about by budgetary constraints. Going forward, the Commission is proposing a change to its budget to reduce or remove reliance on the Remuneration Board's determination budget underspend. The Commission is giving consideration to alternative options around the presentation of the budget.

Managing the risks associated with a range of significant security concerns

We have continued to invest in a wide range of physical security controls which are in place across the Assembly estate. We have also continued to raise awareness around prevention and carried out regular reviews of the controls.

Reviewing the use and effectiveness of the new NAV financial system

The new finance system was successfully launched on 3 April 2017. This has created efficiencies in the finance team, provides real time information to budget holders thereby improving financial management reporting and has contributed to stronger controls around procurement.

An internal audit report on key financial controls identified a number of areas which needed addressing but these were largely down to the pressures associated with introducing a new system rather than issues of functionality of the new system. As the system has bedded down staff have been able to pay an appropriate level of attention to the core financial controls and all audit recommendations were quickly implemented and addressed to the satisfaction of both internal audit and the Audit and Risk Assurance Committee.

The Finance Team continue to liaise closely with the system developers to address any system issues that arise and ensure that the Assembly Commission continues to realise all the functionality and benefits which the NAV system brings to the organisation.

One of the Commission's Independent Advisers provided advice to the Senior Responsible Owner, Project Manager and Project Board throughout the lifetime of the project and the Commission's Audit and Risk Assurance Committee have been provided with updates.

A project closure report was completed which highlighted lessons learned and outlined the effective ways in which the project had been successfully managed and delivered. This was presented to the Assembly Commission's Community of Project Management Practitioners and commended by the Audit and Risk Assurance Committee as a good example of how to close a project.

The project to secure future accommodation for the Assembly will require formal governance, management and assurance arrangements to be developed and implemented

We continue to work with the Welsh Government in preparing a business case in relation to a potential future accommodation project. The risk around future accommodation is included in our corporate risk register and is regularly monitored by the Commission's internal governance boards and the Audit and Risk Assurance Committee. We have a number of controls in place to mitigate against the risk of having insufficient capacity within our Cardiff Bay estate to meet any additional pressures associated with future growth of the Assembly.

Improvements to internal communications, with greater engagement during a period of change

The engagement of staff and having effective communication channels is crucial to our ability to deliver high standards of service. A number of developments over this period have included:

- the Chief Executive, Directors and Heads of Service holding formal and informal meetings with staff on a regular basis;
- an all staff meeting during December 2017, to communicate initial findings from the Capacity Review. We followed this up in March 2018, with three sessions with a smaller number of staff. These sessions were more interactive, workshop style exercises focusing on canvassing staff views on the development and renewing of our organisational values to make sure they remain fit for purpose and are in line with these principles and the staff Code of Conduct – all staff have been given the opportunity to contribute to this. We have received some initial positive feedback from this approach and will continue to learn lessons and take on board the feedback from staff as we plan future events; and
- work underway to explore our future approaches to internal communication, including the recognition that we need to improve our Intranet.

Performance

The annual staff survey, which was based on selected questions from the Civil Service People Survey was carried out in May 2017. A total of 382 (82 per cent) responses were recorded, which supports how our employee engagement score has increased to 74 per cent this year (72 per cent last year) - only one civil service organisation in the UK had a higher engagement index score. All our themes in the survey remained largely positive – which compares favourably with external organisations across Wales. Given the impact of a challenging year in terms of the significant amount of change, it was reassuring to see that employees felt they had better work-life balance, and a greater number of employees felt that the organisation as a whole is well managed.

In October 2017, 99 per cent of the Commission's staff performance reports were completed and there was evidence from the comments of on-going positive staff engagement and effective performance discussions. A series of workshops and drop-in sessions have been held to help staff get the best out of the performance

management process. An internal audit of performance management will be conducted in 2018, from which any recommendations for further improvements will be implemented.

Delivery of strategic goals

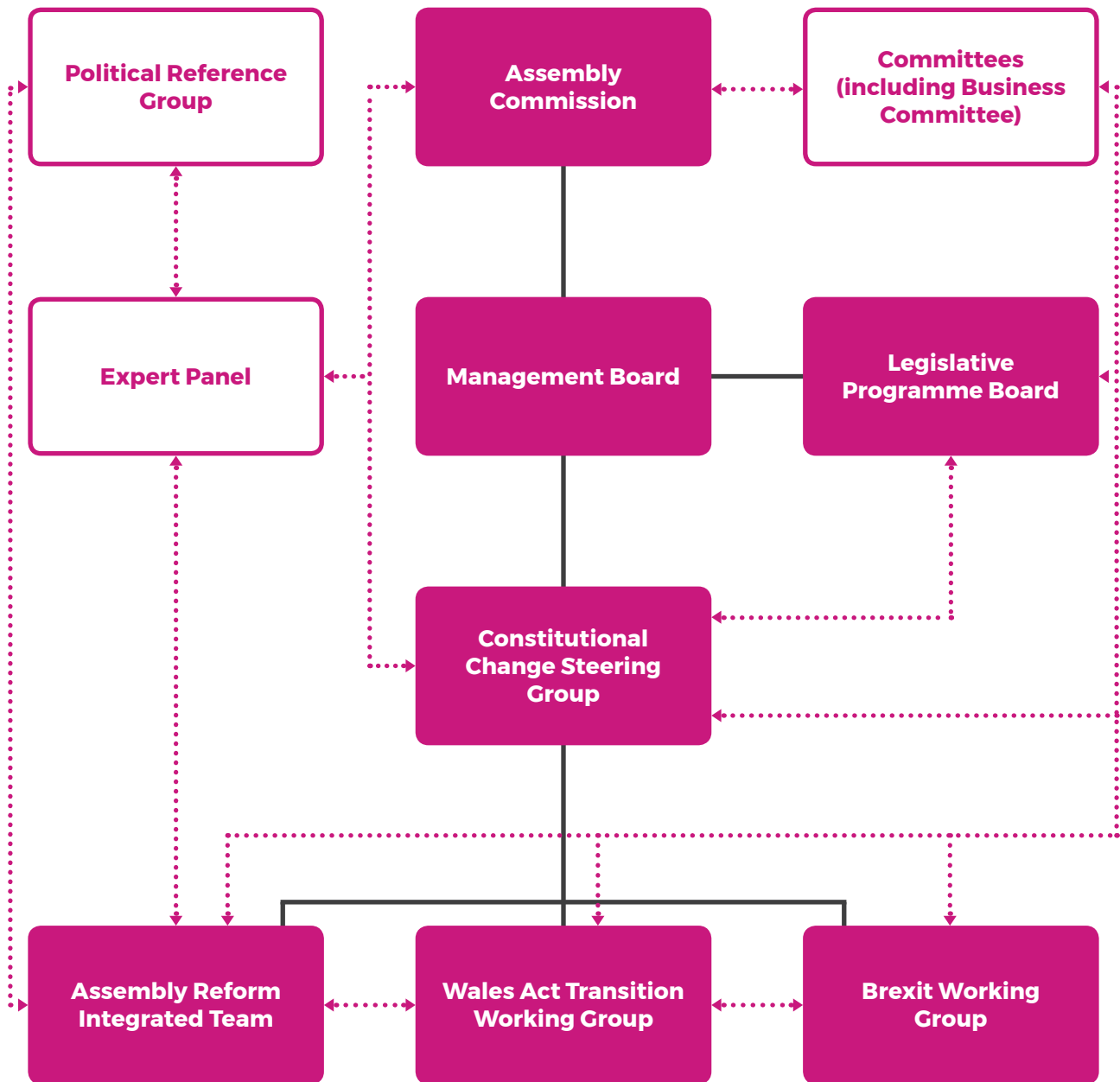
Our strong governance arrangements have contributed directly to a number of the achievements against our strategic goals. Full details of our achievement against these goals are set out in the performance analysis section at pages 28 to 70 of the Annual Report and Accounts. Examples are as outlined below.

We continue to innovate and tailor our services to best support Members, exploiting technology. Our successful delivery in these areas are underpinned by effective and robust governance arrangements. Two projects have been delivered as part of the MySenedd programme which aims to make the Assembly a truly world class, open digital parliament. The programme delivered fundamental improvements in people's online experience of the Record of Proceedings and the Table Office. These improvements have been made by applying robust project governance and working closely with Members, support staff, key stakeholders and the wider public to understand and meet their needs and to have a clear focus on benefits realisation.

Both projects have been delivered by an agile approach whereby the people who will use and benefit from the improvements being made are involved throughout. This gives people frequent and early opportunities to see the solution being developed and to ensure that it meets their needs within the time and budget available. This new approach to user research, and to change, communications and engagement is helping build the capability and capacity required for digital ways of working to thrive and embedding agile project working.

In relation to constitutional change, the Constitutional Change Steering Group has continued to have effective oversight of the Assembly Reform work and the Assembly's response and support for constitutional matters. This includes the establishment of the staff Brexit working group, to help facilitate an effective joined up response and the Wales Act Transition Group to co-ordinate efforts to prepare staff, Members and the public for a significant milestone in our devolution journey. Preparations for Brexit have been enhanced by the strategic partnership arrangements with the Wales Governance Centre. In addition, the Llywydd delivered the Wales Governance Centre's annual lecture, entitled "Towards a parliament that Works for Wales."

The diagram below outlines the governance structure around the Constitutional Change Programme which was in place during 2017-18. An Assembly reform project Board was established in April 2018 to oversee, direct and agree resources for the Assembly reform work. Its work is supported by the Assembly reform integrated team, as well as other working groups which are established as needed to focus on specific elements of the work.



Key

- Lines of accountability
 - ⋯ Other potential engagement or interaction
- Internal
Commission
groups

Non-
Commission
groups

Financial management and performance

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

The information provided to the Investment and Resourcing Board has been developed further. This has enhanced the robust decision-making of the Board and its prioritisation of investment decisions.

Focused training has been provided to the majority of users through the year on using the new system; effective budgeting; and forecasting and budgetary control.

The effectiveness of financial management was reflected in:

- a clean audit of the 2016-17 accounts: positive feedback from the Audit and Risk Assurance Committee Chair and no areas for improvement raised by the Wales Audit Office;
- a reduction in the Audit Fee for 2016-17 for the second year running reflecting the improvement in working practices and papers allied to a refreshed audit approach resulting in an efficient, smooth audit process;
- interim financial statements were produced in November and January promptly after the period end, which is good practice and was welcomed by the Wales Audit Office; and
- the Commission's focus on delivering Value for Money continues although the scale of potential areas for achieving savings is gradually reducing. For the seventh consecutive year we exceeded our target savings of £100k (actual saving of £138k in 2017-18).

Risk identification and management

The system of internal control is based on a continuous process designed to identify, prioritise and effectively manage the risks to the achievement of the Assembly's strategic goals and priorities, and compliance with policies and procedures.

The Commission's Management Board carried out reviews of its corporate risks throughout the year. The Board also carried out regular horizon scanning of emerging risks and closely monitored and reported on the risks identified to

ensure the controls were adequate and that progress was made on further actions to improve the controls.

At the start of the 2017-18 year, the corporate risk register contained some significant risks which have remained on the register because of their ongoing severity, particularly due to their potential impact, despite a sharp focus on mitigation actions. These risks included the following:

- failure to align our corporate capacity/capability to deliver the Commission's strategic goals and priorities;
- increased financial pressure due to uncertainty around sufficient future resources to fund delivery of Assembly strategic goals and priorities;
- negative reactions to proposals to change the name of the Assembly, increase the size of the Assembly, or to change electoral arrangements;
- failure on the part of the Assembly to engage effectively in the process of leaving the EU through influence and scrutiny, and inadequate preparations for the impact on Assembly business;
- security risks such as cyber threats and terrorist attacks; and
- our readiness for the new General Data Protection Regulation (GDPR) which came into force in May 2018.

Throughout the year we have added risks around our dignity and respect procedures, the need for additional accommodation, and delivering on the objectives of the capacity review. We also separated the corporate risk around GDPR to reflect the different controls and mitigating actions relating to Commission staff and Assembly Members. This had previously been captured as one corporate risk.

Cyber security is a corporate risk which has been reviewed regularly, including by the Audit and Risk Assurance Committee. This threat has increased through the year, and the Commission has responded by introducing a range of protective measures and awareness raising campaigns. Cyber security arrangements were subject to an internal audit review during 2017-18 and will continue to be kept in sharp focus going forward as the area will remain on the annual internal audit plan in the coming years.

We have also continued to monitor the cumulative impact on the organisation of managing these risks in parallel, reporting on this to the Commission's Audit and

Risk Assurance Committee. Our risk management approach has enabled us to effectively plan our response to significant challenges as far as possible and to ensure our capacity to respond to and deliver change alongside maintaining high standards of service.

As well as considering individual corporate risks and their cumulative impact, the Audit and Risk Assurance Committee has also maintained an overview of the effectiveness of risk management arrangements. The Committee welcomed the continual assessment and visibility of risks and the focus on change and uncertainty.

Assurance

Assurance Framework

The Commission's Assurance Framework has been used to help gather evidence on levels of assurance to inform service-level assurance statements, which in turn informed Directorate-level assurance statements. Scrutiny and challenge of the process for gathering evidence of assurance and the assurance statements by one of our Independent Advisers added a further layer of assurance. The framework illustrates the overall strength of the Commission's sources of assurance. The approach to gathering evidence on, and reporting on assurance will continue be evaluated and updated to reflect new governance arrangements and to ensure it remains fit for purpose.

Commission Sub-Committees

The **Audit and Risk Assurance Committee**⁴² consists of two Independent Advisers, one of whom is the Chair, a further Independent Committee Member and the Assembly Commissioner with responsibility for finance and governance. The Committee, which acts in an advisory capacity and has no executive powers, met four times during the year. Its activity during the year focused on internal and external audit reports, including updates on the implementation of recommendations, the Commission's Annual Report and Accounts, reports on risk management, and the governance and internal control arrangements.

The Remuneration Committee consists of three independent advisers, one of whom is the Chair. The Remuneration Committee is an advisory body with no executive powers and makes recommendations on matters regarding the

⁴² <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=373>

remuneration and terms of service of the Chief Executive and other senior posts. The Committee assists the Commission in ensuring that remuneration arrangements meet the highest standards of probity and accountability for the use of public funds by advising, on request, the Commission and Chief Executive on their responsibilities for appraisal and remuneration policies and systems.

Internal Audit

The Commission's Head of Governance and Assurance fulfils the role of Head of Internal Audit for the organisation. He provides assurance across a range of service areas and attends each meeting of the Audit and Risk Assurance Committee.

In May 2017, an External Quality Assessment of Internal Audit was completed by the Head of Internal Audit and Risk from the Scottish Parliament. The report concluded that the Assembly Commission's internal audit service generally conforms to internal auditing standards as set out by, and in accordance with, HM Treasury's Internal Audit Quality Assessment Framework.

During 2017-18, the timing of internal audit work has been impacted due to the Head of Governance and Assurance leading on the Commission's Capacity Review Phase 1 Report. This in itself is a highly significant piece of assurance work and during the period the Audit and Risk Assurance Committee have been regularly updated on the Capacity Review's progress, together with the impact on the internal audit plan.

Internal audit work has maintained the balance of audits of systems including financial controls and pension administration together with other assurance reviews including the approach to the support of Integrated Committees and the impact of the Security Service Review.

The internal audit reports have identified a number of areas where the Commission demonstrates good practice in terms of the systems and controls it has established. However, where weaknesses or issues are identified, management continues to take positive action to address audit recommendations. For example, the review of key financial controls identified a number of areas which required strengthening and these were immediately addressed by the time that the report was reported to the Audit and Risk Assurance Committee.

Internal Audit and the Wales Audit Office (as the Commission's external auditors) continue to have an effective working relationship and have a joint working protocol in place. The Wales Audit Office are placing reliance on the internal audit

work completed on key financial controls, pension administration and Members' expenses as part of their approach to the audit of the 2017-18 financial statements.

The 2017-18 Head of Internal Audit Report concludes that, "... the framework of governance, risk management and control is adequate and effective." The Audit and Risk Assurance Committee considered the report to be a good assessment of work undertaken during the year.

Other Governance Areas

We continue to improve our arrangements for business continuity planning. In October 2017 we completed a full mock Plenary test and undertook a lessons learned exercise. During the year we have been able demonstrate the effectiveness of our business continuity arrangements in responding to the suspension of business in November 2017 and ensuring that Members were still able to table business despite the closure of the Assembly estate, due to adverse weather during March 2018.

The Head of Governance and Assurance has undertaken a review of the Commission's policies on fraud and whistleblowing. In April 2018, he reported to the Audit and Risk Assurance Committee that there had been no changes to either policy during 2017-18. However, through membership of networks and extensive review of the latest material from organisations such as HM Treasury, National Audit Office, Wales Audit Office and Public Concern at Work, Internal Audit keeps up to date with latest developments and ensures the policies are kept under review to ensure they remain relevant, up to date and reflect the latest best practice.

No incidents of fraud have been noted during 2017-18. The Head of Governance and Assurance produced an Annual Report on Fraud and presented this to the Audit and Risk Assurance Committee, alongside his Annual Report and Opinion. There have also been no incidents of whistleblowing reported during 2017-18.

The Senior Information Risk Owner reported that there was one incident of personal data loss that required reporting to the Information Commissioners Office between 1 April 2017 and 31 March 2018. The ICO decided that no further action was necessary. We have used external frameworks and internationally recognised frameworks and standards to guide our governance and assurances around cyber-security. These help us to continue to develop and strengthen our cyber-security controls and to ensure that risks associated with information and data security are dealt with appropriately.

In terms of sustainability, a 30% reduction in total energy emissions by 2021 is on target to be achieved. The target of 100% diversion of waste from landfill has now been achieved, ahead of the 2021 target date. In March 2018, we received the international standard for environmental management (ISO14001) accreditation.

The Commission carries out formal compliance monitoring against legal and regulatory obligations, reports on which are published on the Commission's website. Examples of this are the Annual Equalities Report, the Official Languages Scheme Annual Compliance Report, the Annual Environmental Report, and the Annual Report of the Senior Information Risk Owner.

Within service areas, there continues to be numerous practical mechanisms used to ensure good governance – regular all-service and all-staff meetings, staff with specific governance responsibilities, development days, regular management meetings, guidance from central services and subject specific audits.

Independent External Assurance

The Commission's non-executive, **Independent Advisers**⁴³ provide support and constructive challenge to the Assembly Commission and its work. Their responsibilities include considering our performance management and reporting arrangements, advising on the Commission's responsibilities for staff appraisal and remuneration policies and systems, and maintaining a critical overview of the Commission's financial controls and risk management procedures. During 2018-19, the terms of three of the independent advisers will expire and the Assembly Commission has begun a recruitment process to replace these advisers over the next year.

The existence of the **Remuneration Board**⁴⁴, as a statutorily independent body, with responsibility for setting the pay, pensions and financial support available to Members and their staff, greatly strengthens the governance arrangements of the Commission. The application of the Remuneration Board's Determination is regularly audited and continues to be effective, so safeguarding the reputation of Members and the Assembly.

Similar assurance arises from the independent **Standards Commissioner**⁴⁵. The existence of the office, and the exceptional expertise, experience and track record

⁴³ <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=386>

⁴⁴ <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=375>

⁴⁵ <http://standardscommissionerwales.org/>

of both the former and current Standards Commissioner, provided a high level of assurance with regard to Member conduct and the standards regime.

The results of independent external recognition are also important to the Commission and reflect the culture and environment in which Commission staff work. During the year we have retained our Investors in People Gold accreditation; been ranked first in the UK in Stonewall's 2018 Workplace Equality Index; and named by Stonewall as a Star Performer organisation due to our consistency at the top of the Index as Top Public Sector Employer in Wales. Our Diversity and Inclusion Manager was also named at the Stonewall Cymru Ally of the Year. We have also achieved recognition through: the Action on Hearing Loss Louder Than Words charter mark and an Excellent Wales awards by Action for Hearing Loss Cymru for service excellence; Disability Confident employer status by the Department for Work and Pensions; accreditation as top employer for working families by the Top Employers for Working Families organisation; and the National Autism Society Access Award.

Review of effectiveness of internal control and governance arrangements

Core to the review of the effectiveness of the governance arrangements was a self-review and challenge process completed by the Executive Board on 5 March 2018. This review considered the assurance statements from Directors which had been produced taking account of detailed assurance statements from each Head of Service. The Commission's Independent Advisor, who is also the Chair of the Audit and Risk Assurance Committee attended the meeting to provide independent challenge. The review covered assurances on:

- progress against key achievements;
- awareness of and compliance with governance principles, rules and procedures and the effectiveness of the governance arrangements;
- management of risks;
- progress against areas identified for improvement; and
- areas for focus or strengthening.

The outcome of the review was used to inform this statement and was considered by the Audit and Risk Assurance Committee after the end of the financial year, before the financial statements were signed.

Areas of focus and development for 2018-19

The scale of future change facing the organisation remains significant. The Commission's ambitious plans for public engagement, digital change, a Youth Parliament and electoral reform, the implications of Brexit and other aspects of constitutional change and the operation of a small Assembly with the high and growing workload, mean that the Assembly Commission will face significant resource pressures next year.

During 2017-18 the first phase of the Capacity Review was completed and reported in a timely manner and the next phases will take place throughout 2018-19 with a clear focus on developing approaches and solutions to the issues which the Review has identified.

The main strategic concern for the coming year remains our ability to continue to deliver excellence on all fronts at the same time as facing a number of unprecedented challenges.

Specific areas of focus and development for 2018-19 will include:

- implementing the changes recommended within the Capacity Review;
- keeping pace with Assembly reform and constitutional change;
- effectively resourcing the Assembly Commission to address the implication of Brexit;
- delivering the Assembly's Public Engagement Strategy in a way that offers the best value for money. Taking forward recommendations from the Digital and Information Task Force, promoting transparency, engagement and efficiency, and making access to Assembly business data easier;
- reviewing and assessing the impact of new governance arrangements brought about by the new board structure;
- evaluating and determining future senior staff arrangements;
- continuing to monitor and review the implementation and compliance with GDPR across the organisation; and
- the development and launch of updated Dignity & Respect policies and procedures for Assembly Members, Support Staff and Commission staff.

We will prepare a plan setting out the actions needed to address these areas, and we will report on progress to the Audit and Risk Assurance Committee.

Concluding statement

In summary, I am confident that the organisation has a very high standard of governance. The strength of this position is particularly important as we face significant challenges. I am satisfied that the weaknesses identified through our assurance processes have been addressed or are in the process of being addressed. I am also satisfied that, over the course of the year, the systems and processes within our governance framework were operated and developed effectively.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 16 July 2018



OUR ACCOUNTABILITY: REMUNERATION AND STAFF



Remuneration and staff report

This section of the report sets out financial information and commentary about Commission office-holders, staff and others paid by the Commission.

Remuneration Policy

The independent Remuneration Board (the Board) established by the National Assembly for Wales Remuneration Measure 2010 has responsibility for setting Members' Pay and Allowances. The Board became operational in September 2010. The second Board, chaired by Dame Dawn Primarolo, commenced its 5 year term in September 2015.

The Chair receives a day rate of £333. The four other members of the Board (Ronnie Alexander, Dame Jane Roberts, Trevor Reaney and Michael Redhouse) receive a day rate of £267. Following Roger Williams' resignation in May 2016 Ronnie Alexander was appointed as the fifth Board member in July 2017. As an independent Board, it publishes its own Annual Report.

The Determination on Members' Pay and Allowances, published in May 2017, set Members' base salary for the 2017-18 financial year at £65,344 (£64,000 2016-17). The following positions were entitled to additional salaries as follows:

Position	From 1 April 2017	From 1 April 2016
Presiding Officer	£41,861	£41,000
Deputy Presiding Officer	£21,441	£21,000
Assembly Commissioners	£13,273	£13,000
Committee Chairs (higher) ⁴⁶	£13,273	£13,000
Committee Chairs (lower) ⁴⁷	£8,842	£8,660
Business Committee Member	£8,842	£8,660

This table is subject to audit

⁴⁶ Committees were Children, Young People and Education; Climate Change; Environment and Rural Affairs; Constitutional and Legislative Affairs; Culture, Welsh Language and Communities; External Affairs and Additional Legislation; Finance; Health, Social Care and Sport and Public Accounts.

⁴⁷ Committees were Petitions and Standards of Conduct.

From 1 April 2017 a leader of a political group without an executive role received an additional office holder's allowance calculated using a base level of £13,273 (£13,000 2016-17) plus an additional £1,021 (£1,000 2016-17) for every member of the group to a maximum salary of £36,756 (£36,000 2016-17).

From 1 April 2017 the political group appointed Business Committee Members received an additional office holder's salary of £8,842 (£8,660 2016-17).

From 1 April 2017 the political group appointed Assembly Commissioners received an additional office holder's salary of £13,273 (£13,000 2016-17).

From 1 April 2017 Assembly Committee chairs received an additional office holder's salary of either £13,273 (£13,000 2016-17) or £8,842 (£8,660 2016-17) depending on which committee they chaired.

Members who are entitled to additional salaries are not able to decline all or part of their salary (none 2016-17).

The Commission does not provide any benefits-in-kind. Assembly Members are members of the National Assembly for Wales Members' Pension Scheme for which separate annual accounts are published via the Assembly website www.assembly.wales.

The Commission pays the salaries and related costs of Welsh Ministers and the Counsel General and they are charged to the Commission's resource accounts for administrative efficiency. The Welsh Government Consolidated Resource Accounts contain the disclosure information.

Commission office holders

The Commission was established in May 2007 under Section 27 of the *Government of Wales Act 2006* (the 2006 Act). The Commission is made up of five Commissioners: the Llywydd (Presiding Officer), who chairs the Commission, and four other Assembly Members appointed by the Assembly.

The Commissioners during 2017-18 were:

Elin Jones AM

Elected 11 May 2016. Elin Jones attended ten out of ten Commission meetings.

Suzy Davies AM

Appointed 8 June 2016. Suzy Davies attended ten out of ten Commission meetings.

Joyce Watson AM

Appointed 8 June 2016. Joyce Watson attended ten out of ten Commission meetings.

Adam Price AM

Appointed 21 September 2016. Adam Price attended nine out of ten Commission meetings.

Caroline Jones AM

Appointed 8 June 2016. Caroline Jones attended nine out of ten Commission meetings.

Dai Lloyd AM

Appointed 8 June 2016. Resigned 21 September 2016.

Commissioners have other Assembly responsibilities, which prevent them from attending Commission meetings from time to time. A Register of Financial and Other Interests of Assembly Members is available at www.assembly.wales and www.cynulliad.cymru.

The Commission had portfolio arrangements with Commissioners taking a lead interest in specific issues (see pages 14 – 15).

The Assembly Commissioners, other than the Presiding Officer, were entitled to an annual salary of £13,273 (£13,000 2016-17) in addition to their Assembly Member pay. Their pension details are not included in the details below because only part of their remuneration related to their roles as Commissioners. Their accrued pension and Cash Equivalent Transfer Values (CETV) as Commissioners cannot be disaggregated from the total amounts accrued.

The salary costs for the Presiding Officer and Deputy Presiding Officer are a direct charge on the Welsh Consolidated Fund.

Table 1: Single total figure of remuneration

Name and title	Salary 2017-18 £'000	Salary 2016-17 £'000	Pension Benefits 2017- 18⁴⁸ £'000	Pension Benefits 2016-17 £'000	Total 2017-18 £'000	Total 2016-17 £'000
Elin Jones AM – Presiding Officer (elected 11 May 2016)	105-110	90-95	36	102	140-145	195-200
Ann Jones AM - Deputy Presiding Officer (elected 11 May 2016)	85-90	75-80	38	94	120-125	165-170
Rosemary Butler AM – Presiding Officer (service ended 11 May 2016)	-	05-10	-	2	05-10	05-10
David Melding AM – Deputy Presiding Officer (service ended 5 April 2016)	-	0-2.5	-	0	0-2.5	0-2.5

This table is subject to audit.

⁴⁸ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. (Pension benefits are shown to the nearest 1000).

Table 2: Presiding Officer and Deputy Presiding Officer – pension benefits

Name and title	Real increase in pension £'000	Total accrued pension £'000	CETV at 31 March 2018 £'000	CETV at 31 March 2017 ⁴⁹ £'000	Real increase in CETV £'000
Elin Jones AM – Presiding Officer	0-2.5	35-40	532	476	14
Ann Jones AM – Deputy Presiding Officer	0-2.5	30-35	610	562	34

This table is subject to audit.

The Clerk of the Assembly (appointed under Section 26 of the 2006 Act) is the Chief Executive of the Commission and its Principal Accounting Officer. In practice the Commission has delegated its operational responsibilities to the Chief Executive and Clerk, with some exceptions. Its staff are appointed under paragraph 3 of Schedule 2 to the 2006 Act. The Commission is independent of Ministers of the Welsh Government.

The Commission has a duty to ensure that the Assembly is provided with the property, staff and services it requires to undertake its statutory obligations. This ensures the Assembly and its committees can convene, encourages public awareness of and engagement with the democratic process and supports the aspiration to make the Assembly an accessible and effective parliamentary body that inspires the confidence of the people of Wales.

⁴⁹ CETV at the start of the year has been re-stated for these members to reflect the fact that they can take their final salary pension unreduced before age 65.



Independent Advisers and Committee members

The Assembly Commission has appointed Independent Advisers to ensure that Commissioners and the Assembly's senior management team are supported and constructively challenged in their roles.

The advisers are involved in a number of the activities and service areas of the Assembly. They participate in the meetings of the Commission; consider our performance management and reporting arrangements; advise on the Commission's responsibilities for staff appraisal and remuneration policies and systems, and maintain a critical overview of the Commission's financial controls and risk management procedures.

Keith Baldwin



Keith spent 20 years as a Partner at PricewaterhouseCoopers (PWC). Apart from his client responsibilities during this period, he also held a number of management roles including Deputy Partner-in-Charge of Government Consulting and Partner responsible for the Risk and Quality Management functions within PWC's Advisory Business.

Since leaving PWC he has filled a number of non-executive and advisory roles, including Non-Executive Board Member and Member of the Audit Committee at CVQO Ltd. (which helps young people obtain vocational qualifications). He was a Member of Council and the Audit and Risk Assurance Committee at the National Army Museum, between 2010 and December 2017. He was a Non-Executive Director of the Judicial Studies Board (now the Judicial College) from 2007 to 2011 and has filled several positions as a committee member and Special Adviser to the Board at the Bar Standards Board (the regulator for barristers) since January 2013.

Helena Feltham



Helena has experienced a long career in Retail and Human Resource Leadership. She is currently the Director of Human Resources for B&Q and has previously held appointments as the Global HR Director for TOPSHOP TOPMAN and as HR Director at Marks & Spencer, Jack Wills Ltd. and Woolworths South Africa. She has also spent time in executive search with Odgers Berndtson, covering senior appointments across both public and private sectors. Helena has served as a non-executive director of an NHS Trust, is currently a Justice of the Peace, and Board Member and Trustee of Action for Children and The Retail Trust.

Eric Gregory



Eric is Chair of the Assembly Commission Audit and Risk Assurance Committee. He was a Panel member for the Parliamentary Review of Health and Social Care in Wales, which published its final report in January 2018. He is an Independent Adviser and Chair of the Risk and Assurance Committees for Her Majesty's Passport Office and UK Visas and Immigration, a non-executive director for the Ministry of Justice Legal Aid Agency, where he is a member of the Audit and Risk Assurance Committee, and a Governor of the Health Foundation.

He worked for the John Lewis Partnership for 25 years until 2009, where he was a Board Director for seven years, holding all three principal IT Director roles before becoming Personnel Director, John Lewis. He was previously non-executive director for the Cabinet Office Electoral Registration programmes, and for the Crown Prosecution Service London where he was also a member of their ICT Board. He has also held the position of Chair of the Consumer Goods Forum IT Board, and was a member of the e-skills Businesses Board for six years.

Hugh Widdis



Hugh was appointed as the Permanent Secretary to the Northern Ireland Executive Department of Finance in July 2017 and served in this role until May 2018. As Permanent Secretary he was responsible for ensuring the effective implementation of policy and providing strategic leadership to the Department in a regional, national and international context.

In May 2018, he returned to his permanent post as the Head of the Government Legal Service for Northern Ireland, known as the Departmental Solicitor. He leads the Departmental Solicitor's Office in advancing and protecting the interests of the Northern Ireland Executive Departments by the provision of high quality, cost effective legal services.

Prior to joining the Northern Ireland Executive, Hugh was Director of Legal and Governance Services for the Northern Ireland Assembly.

Hugh is a barrister and member of the Bar of Ireland and the Bar of Northern Ireland.

There are three independent advisers and one independent committee member. They receive non-pensionable emoluments of £5,000 per annum with £7,000 per annum for the Chair of the Audit and Risk Assurance Committee, and £6,250 per annum for the Chair of the Remuneration Committee.

Independent Advisers during the period from 1 April 2017 to 31 March 2018

- **Eric Gregory** (November 2012 – March 2019) Eric Gregory attended four out of four Audit and Risk Assurance Committee meetings and one out of one Remuneration Committee meetings
- **Helena Feltham** (November 2012 – October 2018) Helena Feltham attended one out of one Remuneration Committee meetings
- **Keith Baldwin** (November 2012 – October 2018) Keith Baldwin attended four out of four Audit and Risk Assurance Committee meetings and one out of one Remuneration Committee meetings

The independent advisers do not attend all Commission meetings. They attend relevant meetings that correspond to their individual responsibilities.

Committee member during the period from 1 April 2017 to 31 March 2018

- **Hugh Widdis** (November 2013 – October 2019) Hugh Widdis attended four out of four Audit and Risk Assurance Committee meetings during the period.

Remuneration Committee

The Commission has a Remuneration Committee consisting of at least three members who are independent of the Assembly Commission and its staff and do not have personal or business interests in the functions of the Committee. One or two members must be drawn from the Assembly Commission's Audit and Risk Assurance Committee. The Remuneration Committee ensures that the Commission meets the highest standards of probity and accountability for the use of public funds and, specifically, for appraisal and remuneration policies and systems.

The Committee's members during the period ended 31 March 2018 were:

- **Helena Feltham**, Chair of the Remuneration Committee (from April 2014) and Independent Adviser
- **Keith Baldwin**, Independent Adviser
- **Eric Gregory**, Independent Adviser

During the period the Committee met once, on 16 November 2017.

Commission senior staff

Appointments of Commission staff, on terms and conditions set by the Commission, are made on merit on the basis of fair and open competition. These principles are in line with civil service arrangements. Staff are not members of the Civil Service but are entitled to membership of the Principal Civil Service Pension Scheme (PCSPS).

The Commission's senior staff are shown in the table below. These director-level posts were agreed in accordance with the Commission's Instrument of Delegation. Directors have declared that they hold no significant third party interests that may conflict with their duties.

The senior managers covered by this report hold appointments, which are open-ended. Early termination, other than for misconduct or resignation, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Name	Title
Manon Antoniazzi - from 24 April 2017	Chief Executive and Clerk of the Assembly Manon Antoniazzi attended four out of four Audit and Risk Assurance Committee meetings, nine out of ten Commission meetings and one out of one Remuneration Committee meetings. Manon attended one Commission meeting as an observer prior to taking office.
Claire Clancy - to 23 April 2017	Chief Executive and Clerk of the Assembly Claire Clancy attended one out of ten Commission meetings
Adrian Crompton	Director of Assembly Business
Dave Tosh	Director of Resources Dave Tosh attended four out of four Audit and Risk Assurance Committee meetings
Craig Stephenson	Director of Commission Services
Elisabeth Jones	Chief Legal Adviser

Aside from the Chief Executive and Clerk of the Assembly, the directors do not attend all Commission and Committee meetings. The directors attend relevant meetings that correspond to their individual responsibilities. Unless otherwise stated the directors hold appointments which are open-ended.

Table 3: Single total figure of remuneration

Name	Salary (£'000)		Pension benefits (to the nearest £1,000) ⁵⁰		Total (£'000)	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Manon Antoniazzi – from 24 April 2017	115-120	-	46	-	160-165	-
Claire Clancy – to 23 April 2017	5-10	150-155	1	31	10-15	180-185
Adrian Crompton	120-125	120-125	37	48	160-165	170-175
Dave Tosh	105-110	105-110	37	42	144-150	145-150
Craig Stephenson	90-95	85-90	47	50	135-140	135-140
Elisabeth Jones	75-80	80-85	16	25	95-100	105-110
Nicola Callow	-	0-5	-	2	-	5-10

This table is subject to audit.

Salary includes gross salary, overtime, recruitment and retention allowances. The Chief Executive and Clerk of the Assembly and the directors do not receive any bonus payments or benefits-in-kind.

Adrian Crompton will leave the Commission on 20 July 2018 to take up a new position as Auditor General for Wales.

Elisabeth Jones reduced her hours to 26 per week with effect from 1 September 2016.

Nicola Callow left the Assembly Commission on 21 April 2016 under agreed terms and the cost of £70,000 was provided within the 2015-16 accounts and was paid during 2016-17.

⁵⁰ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Commission staff salaries

The relationship between the mid-point of the banded remuneration of the highest-paid director during the year ended 31 March 2018 and the median remuneration of the Commission staff is disclosed in the following table. Salaries are the annualised, full time equivalent remuneration of all staff (including agency and temporary staff) as at 31 March 2018. They do not include Employer's National Insurance or Superannuation contributions. There were no benefits-in-kind or performance related bonuses payable in 2017-18 or in 2016-17.

Measure	2017-18 Salary £	2016-17 Salary £
Band of highest paid director	125,000-130,000	150,000-155,000
Median total remuneration	33,304	31,341
Ratio	3.83	4.87

This table is subject to audit.

The banded remuneration of the highest-paid director in the National Assembly for Wales Commission at 31 March 2018 was £125,000 - £130,000 (£150,000 - £155,000 2016-17). This was 3.83 times (4.87 2016-17) the median remuneration of the workforce, which was £33,304 (£31,341 2016-17).

The new Chief Executive was appointed at the lowest point of the salary scale and this has reduced the ratio.

In 2017-18, and 2016-17 there was no remuneration paid in excess of the highest-paid director. Remuneration ranged from £16,258, which ensured that employees received a Living Wage, to £125,000 (£16,000 to £152,000 2016-17).

Total remuneration includes salary. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Pensions

Table 4: Senior management – pension benefits

Name and title	Real increase in pension ⁵¹	Total accrued pension ⁵²	CETV at 31 March 2018	CETV at 31 March 2017	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
<i>Chief Executive and Clerk of the Assembly</i>					
Manon Antoniazzi – from 24 April 2017	2.5-5.0	10-15	150	118	24
Claire Clancy – ended 23 April 2017	0-2.5 plus lump sum of 0-2.5	70-75 plus lump sum of 215-220	1,672	1,667	1
<i>Director of Assembly Business</i>					
Adrian Crompton	0-2.5 plus lump sum of 0	45-50 plus lump sum of 120-125	880	811	15
<i>Director of Resources</i>					
Dave Tosh	0-2.5	35-40	541	488	20
<i>Director of Commission Services</i>					
Craig Stephenson	0-2.5 plus lump sum of 5-7.5	40-45 plus lump sum of 125-130	856	764	41
<i>Chief Legal Adviser</i>					
Elisabeth Jones	0-2.5	35-40	756	685	15

This table is subject to audit.

⁵¹ Real increase in pension and related lump sum at pension age.

⁵² Total accrued pension at pension age and related lump sum at 31 March 2018 for current post holders and at date they ceased to hold office for previous post holders.

Civil Service pensions

Pension benefits for Assembly staff are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member’s State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits banked, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of his or her benefits in the two schemes.)

Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a “money purchase” stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6 per cent and 8.05 per cent of pensionable earnings for members of classic, premium, classic plus, nuvos and all other members of alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years’ initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in

premium. In nuvos a member builds up a pension based on his or her pensionable earnings during the period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of his or her pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32 per cent. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8 per cent and 14.75 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5 per cent of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for senior staff show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of his or her benefits in the two schemes, but note that part of that pension may be payable from different ages).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

The Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement, which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Pension liabilities

The treatment of pension liabilities and details of the relevant pension schemes are set out in the Statement of Accounting Policies within these accounts.

Voluntary Exit Scheme

Details of obligations arising as a result of the VES can be found in Note 2 D (on page 157).

Staff numbers

Staff numbers by category

All senior managers and staff are employees of the Commission. The **average** number of full time equivalent persons employed by the Commission across the year (including senior management) was as follows:

Table 5: Average full time equivalent staff

Category	2017-18	2016-17
Employed staff	433.11	415.49
Seconded staff	3.55	3.48
Temporary/casual staff	14.53	22.16
Total	451.19	441.13

At the **end** of the financial year, the Commission employed the following numbers of full time equivalent staff:

Table 6: Year-end full time equivalent staff

Category	31 March 2018	31 March 2017
Employed staff	442.31	417.69
Seconded staff	2.30	4.95
Agency	-	25.34
Total	444.61	447.98

Table 7: Staff composition by gender and band*

Category	31 March 2018			31 March 2017		
	Female	Male	Total	Female	Male	Total
Directors	2	3	5	2	3	5
Staff	232	231	463	231	230	461
Total	234	234	468	233	233	466

*In the tables above staff employed are reported as full time equivalent numbers. However, the gender breakdown is reported as actual numbers.

Independent advisers are not included in the FTE figures or gender breakdown above.

This table is subject to audit.

Sickness absence data

The overall sickness absence rate for the year was 3.77 per cent (3.54 per cent in 2016-17), or 8.29 (7.78 in 2016-17) average working days per person. We maintain a strategic focus on absence management and actively support absences through line management, Human Resources and Occupational Health support. During the year we have focused on mental well-being, information can be found in the Using resources wisely on page 50

Disability

We have measures in place to support employees who identify as having a disability. Our Vacancy Filling Policy references our guaranteed interview position for applicants who meet the minimum role requirements, which also applies internally for employees seeking promotion.

Reasonable adjustments are made, wherever possible, following discussions between employees and managers for employees in post or returning to work following injury or development of an illness that may have an impact on their ability to do their work.

Human capital management

We have policies and systems in place to support all Assembly Commission staff to continually develop their skills, identify new opportunities, support work life balance and inform them of key developments on how the Assembly operates. We believe that all staff should have access to the development they need to do their job, and we are fully committed to developing a learning culture where the skills, knowledge and behaviours of our staff are continuously developed. Further information regarding building our people capability can be found in the Using resources wisely section on pages 49 – 49.

Expectations on Assembly Commission staff are high. The People strategy seeks to ensure that our employment arrangements allow us to attract and retain people with the skills and behaviours required to deliver the best possible services. Within that, our arrangements need to offer sufficient flexibility to recognise the contribution of specialist and experienced employees, linking pay progression to performance.

Trade union relationships

The National Assembly for Wales Partnership Forum is a body consisting of management and TUS representatives that meets once a quarter. Subjects for discussion may be raised by either side and are generally those that have an impact across the Assembly Commission. Each of the three official Unions (PCS, FDA and Prospect) have their own representatives but all three regularly work together to represent all Union members.

Equality and diversity

Information on equality and diversity can be found in the Using resources wisely section on pages 50 – 51.

Travel and subsistence

Details of claims made by and on behalf of the Chief Executive and directors for travel and subsistence and other business expenses over the last two years can be found in Note 15 on pages 166-167.

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 16 July 2018





OUR ACCOUNTABILITY: ACCOUNTABILITY AND AUDIT



Statement of National Assembly for Wales supply and supporting notes

a) Summary of Resource Outturn 2017-18

	Note	Budget			Outturn			2017-18	Outturn	
		Expend	Income	Total	Expend	Income	Total	£'000	2016-17	
		£'000			£'000			£'000		
									Net total outturn compared with budget: under spend/(excess)	
Resources for use by the National Assembly for Wales Commission	SOS 01	37,313	(300)	37,013	37,941	(193)	37,748	(735)	40,451	
Resources in respect of Remuneration Board decisions	SOS 01	15,532	-	15,532	14,408	-	14,408	1,124	13,763	
Annually Managed Expenditure	SOS 01	1,900	-	1,900	1,696	-	1,696	204	1,078	
		54,745	(300)	54,445	54,045	(193)	53,852	593	55,292	

This table is subject to audit.

The notes on pages 140 to 168 form part of these accounts

b) Net cash requirement 2017-18

				2017-18	2016-17
	Note	Budget	Outturn	Net total outturn compared with budget: under spend /(excess)	Outturn
		£'000	£'000	£'000	£'000
Net cash requirement	SOS 03	50,245	50,172	73	51,962

This table is subject to audit.

Explanations of variances between the approved budget and outturn are given in SOS 01 and in the Performance Report.

The notes on pages 140 to 168 form part of these accounts

Notes to the Resource Accounts

(Statement of National Assembly for Wales' supply)

SOS 01. Analysis of net resource outturn 2017-18

	Outturn	Analysis of approved budget	Outturn compared with approved budget	Analysis of revised budget	Outturn compared with revised budget	Outturn 2016-17
<i>Revenue expenditure</i>	£'000	£'000	£'000	£'000	£'000	£'000
Staff salaries and related costs	22,279	22,453	174	22,453	174	20,706
Non staff costs	15,595	14,360	(1,235)	14,360	(1,235)	16,781
Election costs	-	-	-	-	-	2,491
Gross revenue expenditure	37,874	36,813	(1,061)	36,813	(1,061)	39,978
Gross revenue income applied	(193)	(300)	(107)	(300)	(107)	(163)
NET REVENUE EXPENDITURE	37,681	36,513	(1,168)	36,513	(1,168)	39,815
CAPITAL EXPENDITURE (Creation of fixed assets)	67	500	433	500	433	636
NET RESOURCE OUTTURN (Commission expenditure)	37,748	37,013	(735)	37,013	(735)	40,451
Members' salaries allowances and related costs	14,408	15,532	1,124	15,532	1,124	13,763
RESOURCE OUTTURN	52,156	52,545	389	52,545	389	54,214
Members' Pension finance costs	1,696	1,200	(496)	1,900	204	1,078
TOTAL NET RESOURCE OUTTURN	53,852	53,745	(107)	54,445	593	55,292

This table is subject to audit

The notes on pages 140 to 168 form part of these accounts

Analysis of net resource outturn – notes

The resource outturn, before pension finance costs, for 2017-18 was £52.2 million against a budget of £52.5 million resulting in an underspend of £0.3 million (0.6 per cent).

During 2017-18 a number of significant areas of investment were taken forward. These included the completion of refurbishment works to the ground floor in Tŷ Hywel, works that were started in the prior year, replacement of the CCTV equipment in Tŷ Hywel, technology solutions to support Plenary, Committees and research and Assembly Reform. We were able to fund these priority requirements by a redeployment of un-used resources from the Member's Salaries and Allowances budget, rather than having to request a Supplementary Budget. The variance on this budget line was £1.1 million.

Capital expenditure is hard to predict. The majority of the Assembly Commission's investment priorities are revenue in nature. In 2017-18 expenditure incurred was almost entirely revenue. A number of investments in technology were made to support a number of key processes and services but these did not match the required criteria for being treated as intangible assets.

The Commission's AME budget is for the non-cash accounting adjustment in respect of the future financial liability of the Assembly Members' Pension Scheme. The budget for 2017-18 was laid in November 2016 and the estimate required for AME spend of £1.2 million was made based on data available at the time.

In June 2017 the Commission received updated estimates from professional advisors. The new calculations reflected known changes to the discount rate and other variables which impact on the estimated liabilities of the scheme and resulted in a revised estimate for 2018-19 of just under £1.8 million. The single biggest change is a decrease in the discount rate from 1.3 per cent at 31 March 2016 to 0.3 per cent at 31 March 2017. A decrease in the net discount rate leads to an increase in the current service cost, a main component of the pension finance cost.

The Commission submitted a supplementary AME budget of £1.9 million in order to ensure there would be sufficient contingency to manage any variation from the estimate in the final year-end figures. The confirmed end of year figure was £1.7 million which meant there was an underspend of £0.2 million.

The notes on pages 140 to 168 form part of these accounts

SOS 02. Reconciliation of outturn to net operating expenditure

	Note	2017-18 £'000	2016-17 £'000
Net resource outturn	SOS 01	53,852	55,292
Capital expenditure	4	(67)	(636)
Direct charges on the Welsh Consolidated Fund		701	707
Income payable to the Welsh Consolidated Fund	SOS 05	-	-
Net operating expenditure		54,486	55,363

This table is subject to audit

The direct charges on the Welsh Consolidated Fund £701,480 (£706,670 2016-17) are in respect of the salary costs of the Presiding Officer, Deputy Presiding Officer, Auditor General for Wales, Standards Commissioner, Public Services Ombudsman for Wales and the Wales Audit Office Chair. These salaries are paid by the Commission but, as a direct charge on the Fund, are excluded from the net resource outturn. The sum of £688,042 was drawn down and paid in the year and £13,438 was accrued and paid after the year end.

The notes on pages 140 to 168 form part of these accounts

The Certificate and independent auditor's report of the Auditor General for Wales to the National Assembly for Wales

Report on the audit of the financial statements

Opinion

I certify that I have audited the financial statements of the National Assembly for Wales Commission for the year ended 31 March 2018 under the Government of Wales Act 2006. These comprise the Statement of National Assembly for Wales' Supply, Statement of Comprehensive Net Expenditure, Statement of the Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and related notes, including a summary of significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In my opinion the financial statements:

- give a true and fair view of the state of the National Assembly for Wales Commission's affairs as at 31 March 2018 and of its net cash requirement, net resource outturn and net operating cost for the year then ended; and
- have been properly prepared in accordance with HM Treasury directions issued under the Government of Wales Act 2006.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with

these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Principal Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Principal Accounting Officer is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the National Assembly for Wales and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report on other requirements

Opinion on other matters

In my opinion, the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government of Wales Act 2006.

In my opinion, based on the work undertaken in the course of my audit:

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Governance Statement has been prepared in accordance with HM Treasury guidance;
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Report has been prepared in accordance with HM Treasury directions.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report or the Governance Statement.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- proper accounting records have not been kept;
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns;
- information specified by HM Treasury regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

I have no observations to make on these financial statements.

Responsibilities

Responsibilities of the Principal Accounting Officer for the financial statements

As explained more fully in the Statement of Principal Accounting Officer's Responsibilities, the Principal Accounting Officer is responsible for preparing the Annual Report, including the Remuneration Report and the financial statements, in accordance with the Government of Wales Act 2006 and HM Treasury directions made there under, for being satisfied that they give a true and fair view and for such internal control as the Principal Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Principal Accounting Officer is responsible for assessing the body's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Responsibilities for regularity

The Principal Accounting Officer is responsible for ensuring the regularity of financial transactions.

I am required to obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

Huw Vaughan Thomas
Auditor General for Wales
17 July 2018

24 Cathedral Road
Cardiff
CF11 9LJ

The maintenance and integrity of the National Assembly for Wales's website is the responsibility of the Principal Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.



OUR FINANCIAL STATEMENTS



Statement of Comprehensive Net Expenditure

For the year ended 31 March 2018

	Note	2017-18 £'000	2016-17 £'000
Income from operations			
Income from sale of goods and services	SOS 05	193	163
Total operating income		193	163
Members, office holders and staff salary costs	2a	27,956	27,069
Members' other costs	2b	8,629	8,696
Members' Pension finance cost	2a and 9	1,696	1,078
Depreciation and impairment charges	3	2,582	2,614
Other administration costs	3	13,816	16,069
Total operating expenditure		54,679	55,526
Net operating expenditure		54,486	55,363
Net expenditure for the year ended 31 March		54,486	55,363
Other comprehensive net expenditure			
Items which will not be reclassified to net operating costs:			
▪ Net loss on revaluation of property, plant and equipment	4	-	(3,147)
▪ Actuarial (gain)/loss on pension scheme liabilities	2a and 9	(2,460)	5,982
Comprehensive net expenditure for the year		52,026	58,198

All activities are continuing.

There are no significant gains or losses other than those included within the Statement of Comprehensive Net Expenditure.

The notes on pages 140 to 168 form part of these accounts

Statement of Financial Position

As at 31 March 2018

	Note	31 March 2018 £'000	31 March 2017 £'000
Non-current assets:			
Property, plant and equipment	4	62,114	64,536
Intangible assets	5	13	106
Total non-current assets		62,127	64,642
Current assets			
Inventories		19	23
Trade and other receivables	6	1,745	1,765
Cash and cash equivalents	7	73	74
Total current assets		1,837	1,862
Total assets		63,964	66,504
Current liabilities			
Trade and other payables	8	(4,265)	(4,888)
Provisions	9	-	-
Total current liabilities		(4,265)	(4,888)
Total assets less current liabilities		59,699	61,616
Non-current liabilities			
Provisions	9	(15,099)	(15,863)
Total non-current liabilities		(15,099)	(15,863)
Total assets less total liabilities		44,600	45,753
Taxpayers' equity and other reserves			
General Fund		43,957	45,874
Pension Fund Reserve		(14,979)	(15,743)
Revaluation Reserve		15,622	15,622
Total equity		44,600	45,753

Manon Antoniazzi

Chief Executive and Clerk of the Assembly

Date: 16 July 2018

The notes on pages 140 to 168 form part of these accounts

Statement of Cash Flows

For the year ended 31 March 2018

	Note	2017-18 £'000	2016-17 £'000
Cash flows from operating activities			
Net operating expenditure	SOS 02	(54,486)	(55,363)
Adjustments for non-cash transactions:			
Depreciation, amortisation and impairment	4 and 5	2,582	2,614
Disposal	4	-	-
Decrease in inventories		4	4
Decrease / (increase) in trade and other receivables	6	20	(175)
Increase in provisions	9	-	120
Decrease in trade and other payables	8	(623)	(450)
Increase in payables relating to items not passing through the Statement of Comprehensive Net Expenditure		1	162
Utilisation of provisions	9	-	(23)
Pension finance costs	9	1,696	1,078
Net cash outflow from operating activities		(50,806)	(52,033)
Cash flows from investing activities			
Purchase of property plant and equipment	4	(67)	(636)
Net cash outflow from investing activities		(67)	(636)
Cash flows from financing activities			
From the Welsh Consolidated Fund (supply)		50,245	52,036
From the Welsh Consolidated Fund (direct charges)		701	707
Payments to the Welsh Consolidated Fund		(74)	(236)
Net cash inflow from financing activities		50,872	52,507
Net decrease in cash and cash equivalents	SOS 03	(1)	(162)
Cash and cash equivalents at beginning of year	7	74	236
Cash and cash equivalents at end of year	7	73	74

The notes on pages 140 to 168 form part of these accounts

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2018

	Note	General Fund £'000	Revaluation Reserve £'000	Pension Reserve £'000	Taxpayers' equity £'000
Balance at 31 March 2016		47,490	12,475	(8,683)	51,282
Comprehensive net expenditure for the year		(55,363)	3,147	(5,982)	(58,198)
Transfer between reserves		1,078	-	(1,078)	-
Welsh Consolidated fund					
▪ Supply (authorised)		52,038	-	-	52,038
▪ Supply (not drawn)		(2)	-	-	(2)
▪ Direct charges		707	-	-	707
Amount payable to the Welsh Consolidated Fund					
▪ Supply		(74)	-	-	(74)
Balance at 31 March 2017		45,874	15,622	(15,743)	45,753
Comprehensive net expenditure for the year		(54,486)	-	2,460	(52,026)
Transfer between reserves	9	1,696	-	(1,696)	-
Welsh Consolidated Fund					
▪ Supply (authorised)	SOS 3	50,245	-	-	50,245
▪ Supply (not drawn)	SOS 3	-	-	-	-
▪ Direct charges		701	-	-	701
Amount payable to the Welsh Consolidated Fund					
▪ Supply		(73)	-	-	(73)
Balance at 31 March 2018		43,957	15,622	(14,979)	44,600

The notes on pages 140 to 168 form part of these accounts



NOTES TO THE ACCOUNTS



01. Statement of accounting policies

These financial statements have been prepared on an accruals basis in accordance with the 2017-18 Financial Reporting Manual (FReM) suitably adapted for the constitution of the National Assembly for Wales and the Commission as specified by the *Government of Wales Act 2006*. The accounting policies contained in the FReM follow International Financial Reporting Standards (IFRS) to the extent that it is meaningful and appropriate to the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The Commission's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts. In addition to the primary statements prepared under IFRS, the FReM also requires the National Assembly to prepare two additional statements of supply.

A review of all new standards and interpretations issued and effective in 2017-18 by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) during the year has been completed and proven to not have an impact on the National Assembly for Wales Commission Financial Statements.

Accounting convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of fixed assets in accordance with International Financial Reporting Standards (IFRS).

Property, plant and equipment

The minimum level for capitalisation of a tangible asset is £5,000 inclusive of irrecoverable VAT.

Professional valuations are obtained for land and buildings every three years as a minimum. Other tangible assets are not revalued but held at fair value as, in the opinion of the Commission, the amounts involved would not be material.

Asset impairment

Property, plant and equipment are reviewed annually to ensure that assets are not carried above their recoverable amounts. Where these values are less than the carrying amount of the assets, an impairment loss is charged to the Statement of Net Expenditure.

Assets under construction

Assets under construction are carried at historic cost as this is considered to be a satisfactory proxy for fair value. Once brought into use, the asset is transferred to the appropriate asset category and included in subsequent revaluations and impairment reviews.

Intangible assets

Software licences are capitalised as intangible fixed assets and amortised on a straight line basis over the expected life of the asset.

Donated assets

Donated assets are capitalised at current value on receipt and are normally revalued in the same way as purchased assets. The value of donated assets is credited with the value of the original donation and subsequent revaluations. The value of Donated Assets is included within the General Reserve in accordance with HM Treasury's guidance under the Clear Line of Sight Programme.

Depreciation

Assets under construction are not depreciated. Depreciation is provided at a rate calculated to write off the valuation of buildings and other tangible assets by equal instalments over their estimated useful lives. Assets are analysed into relevant component parts to reflect the differing economic lives. Assets are not depreciated in the year of acquisition. Asset lives are normally as follows:

Asset	Asset life
Land and Buildings:	50 years or an alternative period provided by a qualified (RICS) valuer
Fixed plant:	10 years, or an alternative period provided by the supplier at the time of purchase or valuation
ICT, audio visual and broadcasting equipment:	Four to six years
ICT infrastructure:	10 years
Intangible assets (software):	Five years
Motor vehicles:	Four years
Donated assets:	Assessed on receipt of asset

Realised element of depreciation from revaluation reserve

Depreciation is charged on the revalued amount of assets. An element of the depreciation, therefore, may arise due to an increase in valuation and would be in excess of the depreciation that would be charged on the historical cost of assets. The amount relating to such an excess would be a realised gain on valuation and is to be transferred from the Revaluation Reserve to the General Fund, on disposal of the asset.

Asset components

Property assets are reviewed through the triennial professional valuations to confirm whether any part of the asset has a significantly different useful life. Where this is the case the asset will be split into components and the different parts will be depreciated over their respective useful lives.

Assets purchased in the interim period are reviewed by the Finance team and Asset Managers. ICT assets are “grouped” into ICT; audio visual and broadcasting equipment; ICT infrastructure, and intangible assets. The different parts will be depreciated over their respective useful lives.

Statement of comprehensive expenditure

Operating income and costs relate directly to the operating activities of the Commission. Income includes charges for goods and services provided on a full cost basis to external customers. Income and costs are shown net of Value Added Tax where it is recoverable.

The Commission reimburses Members in respect of expenses or costs incurred in each financial year in accordance with the Determination on Members' Pay and Allowances, subject to the various limits on expenses or costs set out in the Determination.

Inventories

Inventories, including goods held for resale in the Commission's shop, are stated at the lower of cost and net realisable value.

Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction. Foreign currency imprests are translated into sterling at the exchange rate ruling at the time of funding.

Pensions

The Civil Service Pension Scheme

Staff employed directly by the Commission and staff seconded to the Commission are eligible for membership of the Scheme. It is an unfunded multi-employer defined benefit scheme and the Commission is unable to identify its share of the underlying assets and liabilities. The valuation of the Scheme was completed as at March 2012 on 17 July 2014. Amounts payable to the Scheme are charged to the Statement of Comprehensive Net Expenditure when due.

Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation Accounts (<http://www.civilservice.org.uk/about-us/resource-accounts/>).

The Assembly Members' Pension Scheme (AMPS)

A pension scheme for the Members of the Assembly was originally established under the *Government of Wales Act 1998* and continues in force under the

Government of Wales Act 2006. The scheme is a defined benefit scheme, and applies to the salary of Members and to any office holder salary. The cost of pensions provided for the Members is by payment of charges calculated on an accruing basis, with liability for payment of future benefits charged to the accounts of the AMPS. Any liabilities of the fund arising from a deficit on assets would currently be met through increased funding by the Commission. In reporting on the assets and liabilities of the Scheme, the Commission has followed International Accounting Standard 19. In accordance with IAS 19, the Scheme Trustees are required to undertake a sensitivity analysis for each significant actuarial assumption as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption at that date.

The AMPS prepares its own annual accounts, separate from the Commission's accounts, and **these are available on the Assembly website**⁵³.

Operating lease charge

Rentals payable under operating leases are charged to the statement of comprehensive expenditure in the period to which they relate.

Value Added Tax

The Commission is treated as a Crown Body for the purposes of the *Value Added Tax Act 1994* and accordingly for the purposes of Section 41 of that Act (application to the Crown) it is treated as a government department, and VAT on goods and services supplied to the Assembly may be recoverable. The Commission is standard rated for VAT on its trading activities, such as the Assembly shop.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with Barclays Bank and RBS, which are readily convertible to a known amount of cash and which are subject to insignificant risk to changes in value.

⁵³ <http://www.assembly.wales/en/memhome/pay-expenses-financial-interests-standards/Pages/mem-pay.aspx>

Employee benefits

Salaries, wages and the cost of all employment related benefits, including the liability associated with untaken annual leave, are recognised in the period in which the service is received from employees.

Segmental reporting

Management is satisfied that under the requirements of IFRS 8 the organisation has no additional disclosure to make.

Provisions

The preparation of the financial statements requires various estimates and assumptions to be made that affect the application of accounting policies and reported amounts. The Commission recognises a provision in full in the year that the obligating event occurred. All such estimates and judgments are reviewed on an ongoing basis and any revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. The most significant areas of estimation and critical judgments are:

- Assembly Member Pension Scheme. Details of the actuarial assumptions can be found in Note 02.A and the annual report and accounts for the Pension Scheme.
- Provisions for compensatory payments to staff are based on projections of expected future pension payments. The relevant discount rate as set by HM Treasury is used in these calculations.
- Dilapidation provision is the assessment of the likely cost of rectifying dilapidations under the lease terms of Tŷ Hywel. The Commission considers that the its leased building is kept to such a standard, with the minimal backlog of maintenance and the annual review and agreement to the 10-year forward work programme, that there is no current need to make a provision for general dilapidations.
- In 2016-17 a provision was created in the sum of £120,000 to provide specifically for the cost of removing the foot bridges between Tŷ Hywel and the Senedd and the subsequent repair of the wall of Tŷ Hywel after their removal.

02. A – Member and staff related costs

Information on Members and staff numbers (and other relevant disclosures) can be found in the Accountability Section – Remuneration and Staff Report.

Member and staff related costs

Table 8: Staff costs comprise

Category	Staff £'000	Members and office holders £'000	Total 2017-18 £'000	Total 2016-17 £'000
Salaries				
Permanent Staff, Members and office holders	16,113	5,065	21,178	20,281
Temporary and Agency Staff	28	-	28	672
Seconded staff	222	-	222	126
Social security costs				
Permanent Staff, Members and office holders	1,746	636	2,382	2,121
Temporary and Agency Staff	3	-	3	39
Seconded staff	24	-	24	17
Other pension costs				
Permanent Staff, Members and office holders	3,393	779	4,172	3,861
Temporary and Agency Staff	6	-	6	93
Seconded staff	38	-	38	15
Subtotal Members, office holders and staff salary costs	21,573	6,480	28,053	27,225
Less recoveries in respect of outward secondments	(97)	-	(97)	(156)
Total Members, office holders and staff salary costs	21,476	6,480	27,956	27,069

The Commission pays the salary and related costs of the Welsh Ministers, as explained in the Remuneration Report within these accounts. Amounts paid to the Welsh Ministers are disclosed within the Welsh Government's consolidated resource accounts. As at 31 March 2018 there were 60 serving Assembly Members. At the year-end there were 27 office holder posts (other than Ministers), one First

Minister, one Leader of the House and Chief Whip, six Cabinet Secretaries, five Ministers and one Counsel General.

During 2017-18, the National Assembly for Wales Commission (the Assembly Commission) received £50.245 million resource from the Welsh Consolidated Fund to fund the administration and operation of Assembly Services to support the National Assembly for Wales and other items, as noted in the Assembly Commission's 2017-18 Budget Ambit. In addition, and as noted in page 126 of the financial statements, the Commission drew down £688,042 of resource from the Welsh Consolidated Fund for the payment of direct charges, including £153,000 in respect of the salary of the Auditor General for Wales. The salary for the Auditor General for Wales is set by reference to a particular Civil Service pay scale. Subsequent to the year-end it was noted that certain changes in that scale prior to 31 March 2018 had not been applied. The new salary is £161,744. The accounts for 2017-18 reflect an accrual for the amount underpaid. The direct charges to be drawn down in 2018-19 will include the sum of £11,443 relating to that accrual.

Civil Service Pension Scheme

For 2017-18, employer's contributions of £3.387 million (£3.161 million 2016-17) were payable at one of four rates in the range 20 per cent to 24.5 per cent of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

New employees since 1 April 2015 are eligible to join either alpha or partnership. Alpha is a career average defined benefit pension scheme; partnership is a defined contribution pension scheme.

The partnership pension account is a stakeholder pension arrangement. Contributions due to the partnership pension providers at the Statement of Financial Position date were £11,838 (£1,215 2016-17). There were no contributions prepaid at that date.

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk.

Assembly Members' Pension Scheme

The National Assembly for Wales (the "Assembly") provides a defined benefit scheme, governed by section 18 of the Government of Wales Act 1998. Section 20 (4) of and Schedule 11 to the Government of Wales Act 2006 provides continuity for the Scheme. The Government of Wales Act 2006 has not affected the legal status of the Scheme.

The Scheme provides benefits for Assembly Members and Office Holders. All Assembly Members are members of the Scheme from the date they enter the Assembly unless they opt specifically not to be.

The Remuneration Board as part of its Determination for the Fifth Assembly introduced a new career average pension scheme for Members. The Scheme was approved by HM Treasury in accordance with the Public Service Pensions Act 2013 and introduced with effect from 6 May 2016. Members aged 55 or over on 1 April 2012 are subject to 'Transitional Protection' and continue to have their benefits calculated on a final salary basis for an additional five years until 5 May 2021.

The Scheme has an accrual rate of 1/50th and pension age linked to State Pension Age. The member contribution rate is 10.5 per cent for new members and for those moving to the CARE scheme on 6 May 2016. Members aged 55 or over on 1 April 2012 will be subject to 'Transitional Protection' and continue to have their benefits calculated on a final salary basis for an additional five years until 5 May 2021. These members will continue to contribute at their current rate of either 10 per cent or 6 per cent for 40th or 50th accrual respectively. The employer contribution rate will be 15.6 per cent and will be subject to a cap.

Members not subject to 'Transitional Protection' pay contributions at the rate of 10.5 per cent. Those members who are subject to 'Transitional Protection' continue to pay contributions at their existing rate of either 6 per cent or 10 per cent depending on whether they are accruing benefits on a 50th or 40th basis respectively.

Normal Retirement Age is linked to State Pension Age (or 65, whichever is higher). Any Final Salary pension accrued before 6 May 2021 will continue to be payable at a Normal Retirement Age of 65.

The assets of the Scheme are held, separately from those of the Assembly Commission, by Mobius Life Limited, and are managed by four investment managers. The Trustees invest in a Diversified Growth fund ("DGF"), an Absolute

Return fund, a Private Markets fund, an Equity fund, a Property fund and an Index Linked Gilts fund.

The Remuneration Board of the National Assembly for Wales is the independent body responsible for setting the pay, allowances and pensions for Assembly Members and their staff. Details of pay and allowances are contained in the Board's Determination published in June 2017.

The principal funding objective is to maintain a fund of assets which is expected to be sufficient to provide the benefits promised to members and their beneficiaries. This objective is as advised by the Trustees of the Scheme, taking into account advice from the Actuary. The aim is to ensure that accruing benefits are paid for during members' participation in the NAFW AMPS and that the charges borne by the Assembly for accruing benefits are reasonably stable over time. These objectives are addressed by determining a contribution rate expressed as a level percentage of pensionable salary called the Standard Contribution Rate. This standard rate is such that it would be just sufficient to finance the benefits under the Scheme, provided that experience is in accordance with the actuarial assumptions made. Depending on the size of the accumulated fund and the actual experience of the Scheme as disclosed at each three-yearly actuarial valuation, larger or smaller contributions may have to be paid for a period to allow, in particular, for amortising surpluses and deficits.

The Pension Scheme was set up in 1999 and is immature, with contribution income still exceeding regular benefit outgo. The weighted average duration of the scheme's liabilities is around 20 years.

Table 9: The amounts recognised in the Statement of Financial Position are as follows

	Note	31 March 2018 £'000	31 March 2017 £'000
Present value of scheme liabilities		(50,385)	(49,456)
Fair value of scheme assets		35,406	33,713
Net liability		(14,979)	(15,743)
Amount in the Statement of Financial Position			
Liabilities		(14,979)	(15,743)
Assets		-	-
Net liability	9	(14,979)	(15,743)

Table 10: Analysis of amounts charged to the Statement of Comprehensive Net Expenditure

	2017-18 £'000	2016-17 £'000
Current service cost	2,016	1,472
Interest on pension liability	1,329	1,364
Interest on scheme assets	(924)	(1,043)
	2,421	1,793
Allocated in the account as:		
Other pension costs	725	715
Pension finance costs	1,696	1,078
	2,421	1,793

Table 11: Analysis of amounts recognised in the Statement of Change in Taxpayer's Equity (SCITE)

	2017-18 £'000	2016-17 £'000
Actual return less interest on scheme assets	669	3,615
Experience gains and losses arising on pension liabilities	297	160
Changes in assumptions	1,494	(9,757)
Net actuarial gains /(losses) recognised in SCITE	2,460	(5,982)

Table 12: Movement in liabilities during the year

	31 March 2018 £'000	31 March 2017 £'000
Liabilities at 1 April	49,456	38,352
Current service cost (net of member contributions)	2,016	1,472
Member contributions (including net transfers-in)	472	632
Benefits paid during the year	(1,097)	(1,961)
Interest on pension liability	1,329	1,364
Actuarial (gains)/losses	(1,791)	9,597
Liabilities at 31 March	50,385	49,456

Table 13: Movement in assets during the year

	31 March 2018 £'000	31 March 2017 £'000
Assets at 1 April	33,713	29,669
Interest on scheme assets	924	1,043
Actual return less interest on scheme assets	669	3,615
Contributions by NAFW	725	715
Contributions by Members (including net transfers-in)	472	632
Benefits paid and expenses	(1,097)	(1,961)
Closing fair value of scheme assets at 31 March	35,406	33,713

The Commission expects to contribute £970,810 to the Members' Pension Scheme in 2018-19.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

Table 14: major categories of scheme assets as a percentage of total scheme assets

	2017-18	2016-17
Equities	41%	41%
Alternative investments	12%	21%
Property	10%	-
Fixed interest and cash	37%	38%

The Pension Board has been working with their investment adviser (Quantum Advisory) to review the Scheme's investment strategy. As a result of the review, the Board has decided to move the assets of the Scheme from being held solely with Baillie Gifford to a more diverse spread of funds as follows:

- Baillie Gifford Diversified Growth
- Invesco Perpetual Global Targeted Returns
- Legal & General Investment Management ("LGIM") Managed Property
- Partners Group Generations
- LGIM Ethical Global Equity Index
- LGIM Over 5 Year Index-Linked Gilt

The change in strategy looks to lock in gains to date; reduce risk through diversification; keep fees at a reasonable level; reduce investment manager specific risk; reduce funding level volatility and offer wider investment opportunities.

The strategy was produced as part of the review exercise undertaken by the Scheme and is forecast to deliver a similar expected level of return to the Scheme's previous investment strategy, but with a lower expected level of risk.

The Trustees have decided to appoint four investment managers who manage six funds, which are a Diversified Growth fund ("DGF"), an Absolute Return fund, a Private Markets fund, an Equity fund, a Property fund and an Index Linked Gilts fund.

The actual return on scheme assets in 2017-18 was a gain of £1.721 million (£4.767 million gain in 2016-17).

Principal actuarial assumptions at the Statement of Financial Position date:

Table 15: Principal actuarial assumptions at the Statement of Financial Position date

Assumption	31 March 2018	31 March 2017
Discount rate	2.55%	2.65%
Future earnings increases – in excess of discount rate	-1.65%	-1.60%
Future pension increases (CPI) – in excess of discount rate	0.25%	0.30%
Expectation of life at age 65 (years)		
Men	24.4	25.3
Female members	25.8	26.9
Widows	24.5	26.9

Sensitivity to main assumptions

If the real rate of return in excess of earnings changes by 0.5 per cent a year, the total actuarial liability would change by around 1 per cent and the change in total liabilities by circa £0.5 million.

If the real rate of return in excess of pension changes by 0.5 per cent the total actuarial liability would change by about 10 per cent and the change in total liabilities by circa £5.0 million.

If longevity at retirement were assumed to be 2 years greater, this would increase the total actuarial liability by about 7 per cent and would increase total liability by circa £3.5 million.

Amounts for the current and previous four periods are as follows:

Table 16: Amounts for the current and previous four periods

	31 March 2018 £'000	31 March 2017 £'000	31 March 2016 £'000	31 March 2015 £'000	31 March 2014 £'000
Defined benefit obligation	50,385	49,456	38,352	38,175	30,258
Scheme assets	35,406	33,713	29,669	29,028	25,486
Net Liability	(14,979)	(15,743)	(8,683)	(9,147)	(4,772)
Experience gains and losses arising on pension liabilities	297	160	338	1,306	720
Actual return less interest on scheme assets	6,696	3,615	(1,041)	1,477	(282)

Further information on the **Assembly Members' Pension Scheme**⁵⁴ can be found in the annual report and accounts for the scheme for the year ending 31 March 2018.

⁵⁴ <http://www.assembly.wales/en/memhome/pay-expenses-financial-interests-standards/Pages/mem-pay.aspx>

02. B – Members’ other costs

Members’ other costs of £8.629 million (£8.696 million 2016-17) in the Statement of Comprehensive Net Expenditure consist of:

Category	2017-18 £'000	2016-17 £'000
Office Costs	1,035	1,027
Additional Costs	263	222
Members’ Staff Costs	7,094	7,213
Travel costs	237	234
Total Members’ other costs	8,629	8,696

Members’ staff costs include 2 severance payments, totalling £26,570 made in 2017-18, (£10,000 made in 2016-17).

The National Assembly for Wales has a group stakeholder (defined contribution) scheme with AVIVA and to which the Commission makes a monthly contribution of 10 per cent of gross salary for Assembly Member support staff. In addition, there is an option for the employee to make a regular monthly contribution. The Scheme was compliant with automatic enrolment legislation and the Scheme’s re-enrolment staging date was 1 January 2017. The employer pension contributions paid in 2017-18 were £635,213 (£622,060 in 2016-17).

02. C – Commissioner for Standards

Under the terms of the National Assembly for Wales (Commissioner for Standards) Measure 2009, the Commission pays the salary of and any related costs incurred by the Commissioner. The Commission is responsible for ensuring that the salary and allowances agreed in the terms and conditions of the appointment of the Commissioner and any reasonable liabilities incurred in the course of his duties, are charged to the Welsh Consolidated Fund.

The Commissioner for Standards is Sir Roderick Evans who took up the position on 1 December 2016. The post is a 6 year fixed term appointment. More information about Sir Roderick Evans and his work is available from <http://standardscommissionerwales.org/>

During 2017-18, a total of £25,471 (£21,959 2016-17) was incurred in relation to the Commissioner's work.

234 hours at a cost of £19,715 (212 hours at a cost of £17,889 2016-17) for the Commissioner's cost for 2017-18 was charged to the Welsh Consolidated Fund.

161.5 hours at a cost of £5,756 (129 hours at a cost of £4,070 2016-17) for staff costs was incurred in supporting the Commissioner during 2017-18 and was charged to the Welsh Consolidated Fund.

02. D – Voluntary Exit Scheme (VES)

The Assembly Commission launched a Voluntary Exit Scheme (VES) across all service areas on 19 November 2015. In total 20 people left, two prior to 31 March 2016 and the remainder during 2016-17. At 31 March 2017, there was an obligation on the Commission to make payments to 1 member of staff during 2017-18. The total cost of this obligation at 31 March 2017 was £18,000.

Table 17: Voluntary Exit Scheme

Exit package cost band	Total number of exit packages by cost band 2017-18	Total number of exit packages by cost band 2016-17
£0 - £20,000	-	1
£20,001 - £40,000	-	-
£40,001 - £60,000	-	-
£60,001 - £80,000	-	-
£80,001 - £100,000	-	-
£100,000 and above	-	-
Total number of exit packages	-	1
Total resource cost (£000s)	-	18

There was one severance payment made to a member of Commission staff in 2017-18 (nil 2016-17) as part of a negotiated settlement package totalling £95,000.

In 2015-16, special severance payments enhancing the standard VES terms, totalling £93,000, were made to two members of staff as part of negotiated settlement packages. The costs were accrued in 2015-16 and the payments made during 2016-17. One of these, for £70,000, related to a Director and is therefore disclosed within the Remuneration and staff report.

03. Other administration costs

Other administration costs of £16.4 million (£18.7 million 2016–17) in the Statement of Comprehensive Expenditure consist of:

Expenditure category	2017–18 £'000	2016–17 £'000
Leases – buildings	2,826	2,828
Leases – other	150	101
Accommodation and facilities costs	5,677	7,319
ICT costs	2,906	3,318
Administrative expenses	1,720	1,840
Staff related costs	537	663
Other administration costs	13,816	16,069
Depreciation, amortisation and impairment charges	2,582	2,614
Total Other administration costs	16,398	18,683

The estimated external audit cost for the audit of these financial statements is £57,958 (£62,958 2016-17). No additional non-statutory audit work was incurred in 2016-17 (£0 2016-17).

04. Property, plant and equipment

	Land and buildings	Information technology	Furniture and fittings ⁵⁵	Vehicles	Assets under construction	2017-18 Total
Cost or valuation	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2017	61,641	15,080	1,701	80	-	78,502
Additions	-	67	-	-	-	67
Reclassification and transfers	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
At 31 March 2018	61,641	15,147	1,701	80	-	78,569
Depreciation						
At 1 April 2017	-	(12,757)	(1,129)	(80)	-	(13,966)
Charged in year	(1,716)	(691)	(82)	-	-	(2,489)
Revaluation	-	-	-	-	-	-
At 31 March 2018	(1,716)	(13,448)	(1,211)	(80)	-	(16,455)
Carrying amount at 31 March 2018	59,925	1,699	490	-	-	62,114
Carrying amount at 1 April 2017	61,641	2,323	572	-	-	64,536

The latest revaluation of land and buildings was undertaken by DS Gibbon FRICS of GVA Grimley International Property Advisers, as at 31 March 2017, in accordance with the Royal Institution of Chartered Surveyors Valuation Standards. The Senedd and the Pierhead were re-valued at depreciated replacement cost (DRC) as a proxy for current value. The valuer's approach included calculating the cost of constructing modern equivalent buildings and depreciating the cost to account for the age and future economic life of the buildings.

Impairment reviews did not identify any indications of impairment at 31 March 2018 and hence no impairments have been recognised.

⁵⁵ Furniture and fittings includes 'donated assets', consisting of the Mace donated by the Parliament of New South Wales for the opening of the Senedd.

	Land and buildings	Information technology	Furniture and fittings ⁵⁶	Vehicles	Assets under construction	2016-17 £'000 Total
Cost or valuation	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2016	63,464	14,078	1,701	80	366	79,689
Additions	-	636	-	-	-	636
Reclassification and transfers	-	366	-	-	(366)	-
Revaluation	(1,823)	-	-	-	-	(1,823)
At 31 March 2017	61,641	15,080	1,701	80	-	78,502
Depreciation						
At 1 April 2016	(3,314)	(12,046)	(1,039)	(80)	-	(16,479)
Charged in year	(1,656)	(711)	(90)	-	-	(2,457)
Revaluation	4,970	-	-	-	-	4,970
At 31 March 2017	-	(12,757)	(1,129)	(80)	-	(13,966)
Carrying amount at 31 March 2017	61,641	2,323	572	-	-	64,536
Carrying amount at 1 April 2016	60,150	2,032	662	-	366	63,210

⁵⁶ Furniture and fittings includes 'donated assets', consisting of the Mace donated by the Parliament of New South Wales for the opening of the Senedd.

05. Intangible assets

Intangible assets comprise software and software licences for major systems used by the Commission:

	Software £'000	2018 Total £'000
Cost or valuation		
At 1 April 2017	2,317	2,317
Additions	-	-
Disposals	-	-
At 31 March 2018	2,317	2,317
Amortisation		
At 1 April 2017	(2,211)	(2,211)
Charged in year	(93)	(93)
Disposals	-	-
At 31 March 2018	(2,304)	(2,304)
Carrying amount at 31 March 2018	13	13
Carrying amount at 1 April 2017	106	106

	Software £'000	2017 Total £'000
Cost or valuation		
At 1 April 2016	2,317	2,317
Additions	-	-
Disposals	-	-
At 31 March 2017	2,317	2,317
Amortisation		
At 1 April 2016	(2,054)	(2,054)
Charged in year	(157)	(157)
Disposals	-	-
At 31 March 2017	(2,211)	(2,211)
Carrying amount at 31 March 2017	106	106
Carrying amount at 1 April 2016	263	263

06. Trade and other receivables

Category	31 March 2018 £'000	31 March 2017 £'000
Amounts falling due within one year:		
Trade receivables	52	48
Other receivables	34	12
Prepayments	1,310	1,369
Recoverable VAT	349	336
	1,745	1,765

There were no receivable amounts falling due after more than one year.

07. Cash and cash equivalents

	31 March 2018 £'000	31 March 2017 £'000
Balance at 1 April	74	236
Net change in cash and cash equivalent balances	(1)	(162)
Balance at 31 March	73	74
The following balances at 31 March were held at:		
RBS	58	58
Commercial banks and cash in hand	15	16
Balance at 31 March	73	74

08. Trade payables and other current liabilities

Category	31 March 2018 £'000	31 March 2017 £'000
Amounts falling due within one year		
VAT payable	8	13
Other taxation and social security	758	733
Trade payables	1,111	1,156
Accruals	2,315	2,912
Amounts due to the Welsh Consolidated Fund	73	74
	4,265	4,888

There were no payable amounts falling due after more than one year.

09. Provisions for liabilities and charges

	AM Pension Scheme £'000	Dilapidation Provision £'000	2017-18 Total £'000	2016-17 Total £'000
Balance at 1 April	15,743	120	15,863	8,706
(Decrease)/increase in Provision	(2,460)	-	(2,460)	6,102
Pension Finance cost	1,696	-	1,696	1,078
Utilised in-year	-	-	-	(23)
Balance at 31 March	14,979	120	15,099	15,863

* (£5.982 million loss – 2016-17).

Under IAS 19, a liability of £14.979 million is recognised for the Assembly Members' Pension Scheme. Further information is provided on this in Note 02.A. Additional information on the compensatory payment and dilapidation provisions can be found within the provisions section of Note 01 – Statement of accounting policies.

From the total £15.099 million (£15.863 million in 2016-17) provision, no amount is expected to crystallise within one year (£0 million – 2016-17).

10. Capital commitments

There were no contracted capital commitments at 31 March 2018 and 31 March 2017.

11. Commitments under leases

(a) Operating leases

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which payments are incurred.

Category	31 March 2018 £'000	31 March 2017 £'000
Land and buildings:		
Not later than one year	2,777	2,795
Later than one year but not more than five years	11,040	11,057
Later than 5 years	24,908	27,668
	38,725	41,520
Other – car, printers and copiers:		
Not later than one year	41	88
Later than one year but not more than five years	41	-
	82	88

(b) Finance leases

There are no current obligations under finance leases.

12. Other financial commitments

The Commission has contracts that make reference to early termination but do not quantify charges for such an event. Early termination would be a breach of contract and the contractor would be entitled to damages representing the loss of profit on the work which would have been done under the contract if it had run its full course. As this figure is variable for each contract, such contracts have not been included in this note.

13. Financial instruments

The Commission does not issue or trade in financial instruments such as loans and has no borrowings. It relies primarily on funding from the Welsh Consolidated Fund for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits, and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

14. Contingent liabilities

a) Pension contributions

Assembly Member support staff have contractual rights to have the equivalent of 10 per cent of gross annual salary contributed towards a pension. Liability continues until six years after cessation of employment, and is estimated as follows:

Pension contributions for AM support staff who:	Amount outstanding 31 March 2018 £'000	Amount outstanding 31 March 2017 £'000	Amount paid out 2017-18 £'000	Comments
Are currently employed but not contributing to a pension scheme	3	3	-	Remote
Have left employment without ever joining a pension scheme	3	41	-	Remote

The Commission has not entered into any quantifiable or unquantifiable contingent liabilities through giving guarantees, indemnities or letters of comfort.

15. Travel and Subsistence by directors

Claims made by and on behalf of the Chief Executive and directors for travel and subsistence and other business expenses over the last two years were as follows:

Category	Manon Antoniazzi Chief Executive and Clerk of the Assembly from 24 April 2017		Claire Clancy Chief Executive and Clerk of the Assembly to 23 April 2017		Adrian Crompton Director of Assembly Business		Dave Tosh Director of Resources		Elisabeth Jones Chief Legal Adviser		Craig Stephenson Director of Commission Services	
	2017-18 ⁵⁷	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18 ⁵⁸	2016-17 ⁵⁹	2017-18	2016-17
	£	£	£	£	£	£	£	£	£	£	£	£
Car mileage	288	-	-	85	-	170	-	-	55	198	-	-
Taxi / car hire / associated costs	77	-	-	35	-	-	-	-	-	80	-	70

⁵⁷ The bulk of travel costs in 2017-18 were related to two journeys to support inter-parliamentary work in Edinburgh and Quebec, together with travel within Wales related to electoral reform initiatives.

⁵⁸ The travel costs in 2017-18 principally reflect the need for travel abroad to support the External Affairs and Additional Legislation Committee in the context of its work relating to the UK's decision to leave the European Union, and internal UK travel related to work on the Wales Act 17 and the implementation of the new Welsh devolution settlement introduced by that legislation.

⁵⁹ The travel costs in 2016-17 principally reflect the need for travel abroad to support the External Affairs and Additional Legislation Committee in the context of its work relating to the UK's decision to leave the European Union, and internal UK travel related to work on the Wales Bill 2016-17 and the implementation of the new Welsh devolution settlement introduced by that legislation.

Category	Manon Antoniazzi Chief Executive and Clerk of the Assembly from 24 April 2017		Claire Clancy Chief Executive and Clerk of the Assembly to 23 April 2017		Adrian Crompton Director of Assembly Business		Dave Tosh Director of Resources		Elisabeth Jones Chief Legal Adviser		Craig Stephenson Director of Commission Services	
	2017-18 ⁵⁷	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18 ⁵⁸	2016-17 ⁵⁹	2017-18	2016-17
	£	£	£	£	£	£	£	£	£	£	£	£
Air travel / associated costs	963	-	112	226	180	-	112	175	341	982	258	-
Public transport	79	-	-	276	245	364	50	-	162	451	106	4
Accommodation	906	-	-	148	179	-	-	119	524	551	452	-
Subsistence / expenses	28	-	33	66	160	-	95	-	387	334	64	28
Total	2,341	-	145	836	764	534	257	294	1,469	2,596	880	102

16. Related-party transactions

The Commission has a number of transactions with the Welsh Government and with other government departments and public bodies, including HM Revenue and Customs. Additionally, regular transactions take place with the Assembly Members' Pension Scheme (see **Remuneration and staff report**). Standing Orders of the National Assembly for Wales require the Assembly, on a motion proposed by the Commission, to elect Trustees to the Members' Pension Scheme.

The Assembly may give special or general directions to the Commission for the purpose of, or in connection with, the exercise of the Assembly Commission's functions.

The Commission has not undertaken any material transactions directly with Commissioners, senior managers or their close family members nor with any organisations where Commissioners, senior managers or members of their close family hold positions of control or influence.

The former Deputy Presiding Officer, David Melding, and Peter Black, one of the Commissioners for the Fourth Assembly, were trustees of the Assembly Members' Pension Scheme until 6 May 2016. Subsequently Suzy Davies, one of the Commissioners for the Fifth Assembly, was appointed as one of the Commission representatives to the new Pension Board on 16 June 2016. Joyce Watson, also a Commissioner, replaced Suzy Davies as the Commission representative on 22 February 2017. Caroline Jones, also a Commissioner replaced Joyce Watson as the Commission representative on 25 January 2018.

An independent Remuneration Board was established by the **National Assembly for Wales Remuneration Measure 2010**. The Remuneration Board determines the salaries and allowances of all Assembly Members and office holders. The Members may employ family members as their support staff. However, this is only permitted where the Assembly Member plays no part in the fair and open selection process, which is conducted by Commission staff on their behalf.

The Commission decides the policies on salary and conditions for Commission staff. There are no restrictions in place relating to the employment by the Commission of family members of Commissioners or senior management.

Directors have declared that they hold no significant third party interests that may conflict with their duties. A Register of Financial and Other Interests of Assembly Members is available at www.assembly.wales and www.cynulliad.cymru.





ANNEX: REGULARITY REPORTING



Regularity Reporting

The National Assembly for Wales Commission's budget is authorised by the Assembly via formal budget motions. These motions authorise the Commission's capital and revenue expenditure, as well as retainable income and the amount that may be drawn from the Welsh Consolidated Fund.

The Statement and supporting notes have been prepared in accordance with the 2017-2018 Government Financial Reporting Manual (FReM) suitably adapted for the constitution of the National Assembly for Wales and the Commission as specified by the *Government of Wales Act 2006*.

SOS 3 Reconciliation of Net Cash Requirement to decrease in cash

	31 March 2018 £'000	31 March 2017 £'000
Net cash requirement	(50,172)	(51,962)
From the Consolidated Fund (supply) - current year	50,245	52,038
Amounts due from the Consolidated Fund not drawn	-	(2)
Amounts paid to the Consolidated Fund	(74)	(236)
Decrease in cash	(1)	(162)

This table is subject to audit.

SOS 4 Reconciliation of Net Resource Outturn to Net Cash Requirement

	Note	Budget £'000	Outturn £'000	Net total outturn compared with budget: under spend/(excess) £'000	Outturn 2016-17 £'000
Net Resource Outturn	SOS 01	54,445	53,852	593	55,292
Accruals adjustments					
Non-cash items	See below	(4,500)	(4,278)	(222)	(3,692)
Changes in working capital other than cash		300	598	(298)	362
Net cash requirement		50,245	50,172	73	51,962

Non-cash items	Note	Budget £'000	Outturn £'000	Outturn compared with budget 2017-18 £'000	Outturn 2016-17 £'000
Depreciation and amortisation and de- recognition	4 and 5	(2,600)	(2,582)	(18)	(2,614)
IAS 19 Pension finance cost and other provision movements		(1,900)	(1,696)	(204)	(1,078)
		(4,500)	(4,278)	(222)	(3,692)

This table is subject to audit.

SOS 5 Analysis of income payable to the Welsh Consolidated Fund

	Budget 2017-18 £'000	Outturn 2017-18 £'000	Outturn 2016-17 £'000
Retainable operating income	300	193	163
Subtotal	300	193	163
Amount retained	300	193	163
Amount payable to the WCF	-	-	-

There has been no other operating income in 2017–18 (nil 2016–17).

This table is subject to audit.

