

Chair of Public Accounts Committee  
National Assembly for Wales  
Tŷ Hywel  
Cardiff Bay  
CF99 1NA

28 January 2020

Dear Chair

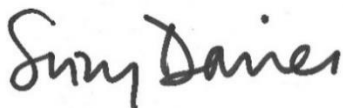
## **Public Accounts Committee Report on the Scrutiny of Accounts 2018-19**

I am writing in response to the Public Accounts Committee report on the Scrutiny of Accounts 2018-19. I would like to thank the Committee for their scrutiny. We will continue to develop our approach of including accessible and transparent information within our Annual Report and Accounts document.

I would also like to take this opportunity to assure the Committee that we remain as committed as ever to providing assurance through external scrutiny and audit as well as our internal governance framework. This work is vital in underpinning our confidence that we use resources efficiently, economically and effectively in delivering our services to the Assembly.

Your Committee's recommendations concerning the Commission are addressed in full in the attached Annex. If you would like any further information on any matter covered in the Annex, please do not hesitate to let me know.

Yours sincerely



Suzy Davies

cc Assembly Commissioners, Manon Antoniazzi, Nia Morgan



# Public Accounts Committee Report on the Scrutiny of Accounts 2018-19

**Recommendation 1.** The Committee recommends that the Assembly Commission introduce a KPI focusing on financial management as opposed to an outturn target.

Not accepted.

The Commission believes that the introduction of a performance indicator requiring unqualified accounts provides an authoritative measure of financial management arrangements whereby the notification from the AGW clearly accredits the Commission for its processes, management and control of the Assembly's budget.

The new indicators provide assurance that true and fair accounts are produced on a timely basis, in line with the budget set out and scrutinised by the Finance Committee.

The new indicator on outturn (ensuring an outturn operational underspend of no more than 1.5%) removes the prior target (<0.5%) which could have driven behaviour to spend all available funds and also increased the risk of overspending. It also maintains and encourages the return of any underspend where there are delays or no firm plans for expenditure. Both the Commission and ACARAC consider this to be a pragmatic and constructive indicator.

The Assembly Commission will review these corporate performance indicators at the end of the first reporting period and consider whether any changes are required.

**Recommendation 2.** The Committee recommends that the Assembly Commission includes the last three years figures of BAME pay gap within the diversity and inclusion report to allow for better comparisons of the progress made in this area.

Accepted.

The Assembly Commission will include comparative information, where available, on its BAME pay gap within its 2020 diversity and inclusion report. In the next report this will be two years of figures and three years of figures in future years.

**Recommendation 3.** The Committee recommends that the Assembly Commission provide evidence to reassure the Committee that recruitment policies are not restricting the overall number of applicants and in particular those from BAME and people from lower socio-economic groups, to feed into the Committee's scrutiny of the Annual Report and Accounts next autumn.



Accepted.

The Assembly Commission is committed to improving its engagement with Black, Asian and Minority Ethnic Communities, through its outreach work and by continuing to identify all opportunities to increase representation within the Commission's workforce. The Commission has agreed a new stretch indicator for BAME representation in the workforce, and engaged Business in the Community Wales to support our activities.

**Recommendation 4. The Committee recommends that the Assembly Commission gives consideration to setting a more specific percentage figure target for the engagement index in light of its consistently exceeding the target currently set.**

Not accepted.

The engagement score is a combination of five core questions, and it provides an indicator benchmark across comparable organisations. We are careful not to review the score in isolation and consider other workforce indicators to provide a broader picture of organisational health. We are content that the benchmark comparator is appropriate, and our continued good performance in this area allows us to focus instead on other areas of activity which may require greater support.

**Recommendation 5. The Committee recommends that the Assembly Commission makes public the overall results for each individual question in the staff survey. This should include comparative data over a three year period.**

Accepted, subject to consultation.

The Assembly Commission will consult with staff and following consultation will consider publishing the overall results of future staff surveys.

**Recommendation 6. The Committee recommends the Assembly Commission revisits the targets for citizen engagement to ensure they are deliverable, recordable, aimed at reaching as wider a cross section of the population as possible and will add value.**

Accepted.

The Commission has recently appointed a new Director of Communications and Engagement and a new strategy is being developed. As part of this process, the Commission will revisit targets and will take into account the view of the Committee.

**Recommendation 7. The Committee recommends that the Assembly Commission revisits its target for procurement to ensure that, while balancing value for money**



**considerations, it drives an increase in the proportion of expenditure with small businesses in Wales, including those involved in the supply chain.**

Accepted.

The Assembly Commission will review the corporate performance indicators at the end of the first reporting period and, noting the Committee's recommendation, will consider whether the target for procurement needs to be revisited as currently its main purpose is to drive up the % of spend with Welsh suppliers.

**Recommendation 8. The Committee recommends that the Assembly Commission set a range of indicators to achieve the ambitious aims needed to continually improve sustainability and reduce the Assembly Commission's impact on the environment.**

Accepted.

The Assembly Commission is currently in the process of setting a new range of ambitious targets. These will be considered by the Commission at its March meeting.

