

**National Assembly for Wales**  
The year in review

# Annual Report and Statement of Accounts

July 2014

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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

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## Presiding Officer's foreword



**Dame Rosemary Butler AM**

**Presiding Officer and Chair of the Assembly Commission**

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I am pleased to write this foreword to an annual report that looks back on a busy year of law-making and scrutiny of the Welsh Government at the National Assembly for Wales.

I would like to start by thanking Assembly Commissioners, Members, their support staff and Assembly staff for all their hard work in ensuring that the Assembly continues to be seen as an exemplar for good parliamentary practice by many around the world.

It has been a year that has been dominated by the discussion surrounding Wales's future constitutional settlement. I welcome the package of recommendations from the Commission on Devolution, which provides a sound basis for the development of devolution in Wales, to strengthen democracy and accountability and, most importantly, for the Assembly to better serve the people of Wales. In particular, I welcome its conclusion on the issue of more Assembly Members. It is crucial that the Assembly has enough elected Assembly Members to provide the expertise and knowledge required to challenge fully and robustly Government Ministers on their proposals.

Beyond that, moving to a reserved powers model will help to dispel some of the uncertainty about the Assembly's role and responsibilities. It will allow us to legislate more effectively and with greater confidence.

The report of the Commission on Devolution is also an important step toward the establishment of a constitutional convention. I believe, regardless of the result of the Scottish referendum later this year, that we must examine the future of devolution and clarify the responsibilities and relations between the different legislative institutions of the UK.

This year eight new laws have received Royal Assent, bringing the total to 12 since the start of the Fourth Assembly. As a legislature we have worked flexibly to scrutinise the wide variety of Bills that have been brought forward by the Welsh Government and the Assembly itself, as well as Individual Members' Legislation. The Human Transplantation (Wales) Act received UK-wide media coverage as it made Wales the first nation in the UK where consent for organ donation is presumed.

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One of the core objectives of the Assembly Commission in the Fourth Assembly is to widen engagement with the people of Wales. An important part of that is increasing the involvement of young people in the work of the Assembly. In the latter part of 2013, we undertook a wide-ranging consultation with more than 3,000 young people to ask them how best we can meet the Commission's aim of increasing the opportunities our younger citizens have to inform and participate in Assembly business. In July we will see the fruits of that work, as we launch a range of initiatives to ensure we are making it as easy as possible for young people to learn about how the Assembly works, and how it can be influenced.

I have continued to work on my campaigns to ensure that the decision makers in Wales are drawn from a wide and diverse pool of talent and to address the weaknesses in the way in which the media relay the work of the Assembly. My Women in Public Life campaign launched a new portal and development scheme to encourage women to put themselves forward for public appointments. I have also worked with the party leaders to establish a caucus for the parties to discuss what they can do to encourage more women to put themselves forward as candidates, and how they can find and share best practice from other parliaments.

As part of my Addressing the Democratic Deficit in Wales campaign, we have been working with local community websites, blogs and online groups to ensure they can access the information they need to produce news from Assembly business that is relevant to their areas and audiences. This year the Director General of the BBC and Chair of the BBC Trust appeared before the Assembly's Communities, Equalities and Local Government Committee to undertake a scrutiny session. I welcome this and hope to see further dialogue and accountability in future.

The fifteen years since the dawn of devolution in Wales have been marked by continuous improvement and development of the way the Assembly works and the responsibilities it holds. Over the next 12 months, we will turn our thoughts in earnest to the preparations for the Fifth Assembly. We will need to ensure that the next Assembly is ready for the challenges and opportunities it is likely to face.



**Dame Rosemary Butler AM**

Presiding Officer and Chair of the Assembly Commission

## Introduction from the Chief Executive and Clerk



**Claire Clancy**  
**Chief Executive and Clerk of the Assembly**

At the end of the third year of the Fourth Assembly, I am pleased and proud to report that we continue to make significant progress towards achieving the Commission's strategic goals for this Assembly term. One of those goals is to 'Use resources wisely' and, as Accounting Officer for the Commission, I am going to focus in this introduction on some of the key ways in which we ensure that we make the best possible use of the public funds that are entrusted to us.

In 2011, the Commission set a clear three-year budget strategy for enhancing the capacity and capabilities of Assembly services. The budget strategy championed the need for investment in support to Members and their new legislative responsibilities, the estate as a venue for Wales, communications and technology, and in how the Assembly works as an efficient corporate body. Underpinning the budget strategy, sound financial arrangements exist to deliver value for money savings, contain costs where appropriate and invest where needed.

Throughout 2013-14, we have been on track to hit our key financial performance indicators. At the end of the year, we exceeded the Value for Money target; delivered a year-end outturn within 0.07% of our £49.9m budget (an underspend of only £34k); and had settled supplier invoices and expense claims within four days against a target of ten days. These are incredible achievements that are a testament to the diligent work of staff across the Assembly.

Our governance framework is securely established and, together with strategic leadership and oversight by the Commission, includes the Audit and Risk Assurance Committee, a Remuneration Committee, the Management Board and an Investment Board. These Boards are supported and informed by programme and project boards and by a strong Internal Audit service. You will find information about these crucial elements of our governance in this Annual Report.

The Investment Board meets regularly to perform its role of overseeing and managing the Commission's resources, including the investment budget. The Board considers the priority of proposed development projects and takes decisions about the funding of these projects. The Board is also responsible for ensuring the Assembly's outturn is within budget by closely monitoring monthly outturns and forecasts and identifying opportunities to use any resources that become available in the most effective way.



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The Assembly's estate is our most important capital asset. Significant improvements have been delivered to the buildings this year and, as a result, the Assembly estate presents a greatly enhanced and professional image. The Commission has also made good progress in reducing its carbon footprint and has made changes that have reduced both consumption and output.

Finally, during the year, we planned for the transfer of our ICT services from outsourced arrangements to in-house management and delivery. This was a major change, delivered smoothly and effectively ahead of time and below budget. As a result, the Commission now has the flexibility and control that it needs to develop ICT to better support the delivery of its strategy. The change is also realising significant financial savings, which will be reinvested so that we can deliver more ambitious, flexible ICT services to Assembly Members and to all those who engage with the work of the Assembly.

The Commission's achievements would not be possible without the hard work, dedication and the high calibre of the Assembly staff, across all areas of the organisation. It is a pleasure to lead such a talented and motivated team.



**Claire Clancy**  
Chief Executive and Clerk of the Assembly

## Commissioners and Deputy Presiding Officer

The Assembly Commission serves the National Assembly 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.

The Commission consists of the Presiding Officer and four Assembly Members, one nominated by each of the four party groups represented in the Assembly.



**Dame Rosemary Butler AM** (Welsh Labour)

Presiding Officer and Commission Chair, taking lead responsibility for communications and professional development for Members and their staff.



**Angela Burns AM** (Welsh Conservatives)

Commissioner with responsibility for budget, governance (including Audit and Risk Assurance Committee membership) and links with the Remuneration Board. Angela also has responsibility for the improvement of services to Assembly Members and the Commission's role as the employer of Assembly staff.



**Peter Black AM** (Welsh Liberal Democrats)

Commissioner with responsibility for ICT, broadcasting and e-democracy; the Assembly estate and sustainability.

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**Sandy Mewies AM** (Welsh Labour)

Commissioner with responsibility for education services, front of house, the Assembly's facilities, retail, catering and security. Sandy also has responsibility for the Commission's statutory equality functions.

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**Rhodri Glyn Thomas AM** (Plaid Cymru)

Commissioner with responsibility for the Assembly's Official Languages, legal services and Freedom of Information.

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## Deputy Presiding Officer



**David Melding AM** (Welsh Conservatives)

In addition to deputising for the Presiding Officer, the Deputy Presiding Officer also attends meetings and functions in his own right in order to raise the profile of the National Assembly for Wales.

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## Independent advisers

**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 procedure.



### **Mair Barnes**

Mair Barnes advises and mentors a number of Board directors across a variety of sectors in addition to being a non-executive director of a global business. She is the former Chair of Vantios plc and Managing Director of Woolworths plc. She has held non-executive directorships at the Department of Trade and Industry and the Cabinet Office.



### **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 is a member of Council and a member of the Audit and Remuneration Committee at the National Army Museum, both since 2010. He was a non-executive director of the Judicial Studies Board (now the Judicial College) from 2007 to 2011 and now serves on two committees at the Bar Standards Board (the independent regulator for the Bar).



### **Richard Calvert** (until November 2013)

Richard Calvert re-joined the Department for International Development (DFID) in August 2009 as Director-General for Finance and Corporate Performance after two and a half years at the Food Standards Agency (FSA), where he held the post of Director of Strategy and Resources. Richard is a qualified Management Accountant, and has held a number of non-executive roles within the public sector.



### **Helena Feltham**

Helena has had a long career in Retail and Human Resource Leadership and is currently the Global HR Director for TOPSHOP TOPMAN, having previously held board appointments as HR Director at Marks & Spencer, Jack Wills Ltd. and HR Director at Woolworths South Africa, returning to the UK in 2005 when she joined Odgers Berndtson in Executive search. Helena has also served as a non-executive director of an NHS Trust, is currently a Justice of the Peace and Board Member and Trustee of the Charity Actions for Children.



### **Eric Gregory**

Eric is a non-executive director for Her Majesty's Passport Office (HMPO), the Ministry of Justice Legal Aid Agency (LAA) and the Cabinet Office Electoral Registration Transformation Programme, where he also chairs the Programme Risk and Assurance Board. He is a member of both the HMPO and LAA Audit Committees.

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. He was previously non-executive director for the Crown Prosecution Service (CPS) London and 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, Audit and Risk Assurance Committee Member**

Hugh is the Director of Legal and Governance Services for the Northern Ireland Assembly. In that role, he is Counsel to the Assembly, delivers internal audit and governance services, and is a member of the Management Board.

He has over 13 years of experience in parliamentary service. Prior to joining the Assembly's legal team, he worked in research, as a barrister in private practice and as an in-house lawyer in a leading financial services provider. He has also worked in the Scottish Parliament's legal office, and on discrimination law in the Office of the First Minister and deputy First Minister.

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

## Executive Summary

The Assembly Commission's strategic goals provide the focus for our work during the Fourth Assembly. They are that we will:

- provide outstanding parliamentary support;
- engage with the people of Wales and promote Wales; and
- use resources wisely

This report looks at how the Assembly is progressing towards these strategic goals.

Wales receives approximately £15 billion to provide essential public services for the people of Wales. Known as the 'Welsh block', this money funds our schools, hospitals, our transport infrastructure – every aspect of our lives that is the responsibility of the Welsh Government.

A small proportion of that money (0.3%) is set aside to fund the National Assembly for Wales. This money allows the Assembly to fulfil its roles of representing the Welsh electorate (through the 60 elected Assembly Members), making laws for Wales and holding the Welsh Government to account.

During the past financial year, the Assembly Commission had a budget of £49.9 million. Of this total, £13.7 million was available for our elected representatives: for their own remuneration as well as other costs such as a base in Cardiff Bay, and staff to support them in their work.

The remainder of the budget is for the Commission to provide the property, staff and services for the Assembly to function. This ranges from the smooth running of the Senedd and Tŷ Hywel to ensuring that Assembly staff have the necessary levels of legal and constitutional expertise to provide an exemplary parliamentary service to Members. A proportion of the money is also spent on a strategic public engagement programme designed to encourage people to become active participants in Welsh democracy.

### Value for Money (VfM)

We have a strong record in delivering value for money, exceeding our annual target for each year of the Fourth Assembly to date. We have delivered significant savings through procurement and robust contract management, found areas to maximise our service delivery effectiveness and continued our improvement of management information. So far, most of our savings have been achieved through staff vacancy management, though with a growing percentage of non-staff savings (20% in 2013-14). In the coming years we expect this to continue to be a challenge and we need to further develop our management information to help drive this forward.

## Our achievements and priorities

Progress was made this year across all of our strategic goals and the Commission is clear about its priorities for building on these achievements in the remainder of the Fourth Assembly, specifically:

- Considerable progress has been made to strengthen the Assembly as a parliament. Since 1999, confidence in the work of the Assembly has grown tremendously. We should be proud of our approach to parliamentary support, and we are an exemplar for others to follow in many areas. The most recent examples of which include our pioneering programme to support Assembly Members' Continuous Professional Development and tailoring of research services such as briefings. That said, there is considerably more to do and some big challenges for us over the next two years to provide consistently strong support that fully meets the needs of individual Assembly Members and committees, in order to enable them to operate as an outstanding Parliament for Wales.
- The ability to engage freely in either language in a truly bilingual institution is an important aspiration for the Commission. People should be able to choose whether to use Welsh or English in every element of their work. We are on the right track and progress in the last year has been significant. By the end of this Assembly, we will have transformed our operation as a truly bilingual organisation through our use of technology; by putting in place and implementing our Bilingual Skills Strategy; refocussing our staffing resources, and the commitment of all Commission staff to the delivery of the highest standards of parliamentary support for Members and the public in both languages.
- There has been great progress in specific aspects of our work on engagement this year. Work to further engage young people and the Women in Public Life campaign are really positive examples. However, the Commission wants to achieve further engagement with the general public beyond specific groups. Across Wales and for all groups, the Commission would like us to establish the Assembly's purpose in the hearts and minds of the people of Wales.
- Tremendous achievements have been delivered across the Assembly estate, which now presents an enhanced, professional image. Key challenges going forward will be on sustainability and ensuring that Assembly Member and Assembly Member Support Staff office accommodation is of a consistently high standard.

# Providing outstanding Parliamentary support

Assembly committees will:

- have a clear, agreed, strategic plan for their work that prioritises their activities and focuses their use of time and resource;
- be a top priority for the Members who serve on them;
- be guided by chairs who fulfil all of the expectations set for them by the Assembly;
- be respected and listened to by the Welsh Government because of the quality of their inquiries and scrutiny, the rigour of their questioning, the depth of their analysis and the value of their legislative amendment. The Government will be mindful of the reaction of committees as it formulates its policy, spending and legislative plans;
- scrutinise policy, spending and legislation within their portfolio in the round, not as isolated aspects of their responsibilities;
- offer and expect constructive engagement with the Welsh Government but retain their detachment and ability to offer objective criticism;
- not be limited by constraints on access to Ministers, information or witnesses and will be able to draw on the expert advice and support they require;
- engage with a wide diversity of people, be seen by stakeholder groups as important, influential players and as the natural place to go to with concerns and ideas, and undertake work that enhances the public reputation of the Assembly. Their outputs will be accessible to as wide an audience as possible;
- ensure that those who contribute to their work see the value of their participation; and
- seek critical analysis and evaluation to improve their performance.



## Providing outstanding Parliamentary support

Continually improving the high quality parliamentary services we provide to Assembly Members is a priority for the Commission. This year we have seen significant progress against this strategic goal:

- the Commission agreeing its vision for world class committee support;
- more focus on individual tailoring of support to Members following the restructure of the Assembly Business services;
- Assembly Members' increasing use of Continuous Professional Development (CPD) opportunities;
- the implementation of our Official Languages Scheme; and
- the launch of the Microsoft Translation system.

The Assembly also continues to develop its capacity and experience when it comes to making new laws.

### Parliamentary business

The Assembly's committees are at the heart of the democratic process, holding the Government to account and playing a vital role in making laws for Wales. The Commission is responsible for ensuring the committees are adequately resourced so that they can perform their key function effectively. The services and resources in place to support committees include procedural and legal advice, detailed research expertise, translation and reporting facilities, outreach and external engagement and capacity-enhancing support such as access to Continuous Professional Development and external advisors.

In 2013 the Commission carried out a review of this to make sure the services provided are directed to have the most effect, to be of the highest possible quality and to give Members what they need to carry out their duties effectively. Our review describes the kind of highly effective parliamentary committee system to which the Commission aspires in order to ensure that the Assembly's committees are world class, and key areas where resources should be focused.

This review has allowed us to gain a better understanding of how chairs, individual members and committees as a whole want to be supported so that they become the best they can possibly be. We are now working to tighten the alignment between the support we provide and the priorities identified by Members. We will be providing more flexible, tailored services and delivery that reflects the demands on Members and enables them to make the most efficient and effective use of their time.

In practice this means developing more varied and flexible ways of briefing Members and their staff. We need to deliver bilingual services, including the provision of written briefing material in English and Welsh, according to the needs of Members so that they can operate in the language of their choice, and develop increasingly innovative ways of engaging with external stakeholders. We also need to provide expanded Continuous Professional Development support for committees and for their chairs.

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### Vision for world class committees

Committees of the Assembly should demonstrably improve the quality of policy outcomes, legislation and public services for society as a whole in Wales. They should be respected, influential and accessible, acting with integrity and independence. Their work should be strategic and rigorous.

## Engaging stakeholders and gathering evidence

The Review of Committee Support highlighted our work in respect of committee outreach as one of our strengths. The Assembly's committees are pioneering new ways of gathering evidence, engaging with stakeholders and presenting their work. All committees regularly contribute to the Assembly's presence on social networks, and their reports generate mainstream media coverage on a regular basis.

grfrancis:

**Enjoyed opportunity to give evidence on fuel poverty to @AssemblyWales Environment Cmte. Vital to increase pace on energy efficiency**

Twitter

letdowncardiff:

**Excellent session @SeneddEnv on fuel poverty today - all witnesses saying that private rented sector energy standards are far too low**

Twitter

NTWales:

**RT @SeneddEnv: Our committee room this morning at Llyndu Isaf with @NTWales #Snowdonia [pic.twitter.com/O6s3R3nEWF](https://pic.twitter.com/O6s3R3nEWF)**

Twitter

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## Innovation at the station

In the summer of 2013, the Enterprise and Business Committee launched an inquiry into The Future of the Wales and Borders Rail Franchise. The inquiry began with the Committee hearing from rail user groups at the Pierhead in Cardiff Bay. Committee members facilitated round-table discussions and fed back the summary of those discussions to the whole meeting. The Committee also gathered written and oral evidence from a range of other stakeholders. The report's recommendations were in the form of a Charter for the next franchise. The Committee launched the report on a train to Hereford to emphasise the importance of cross-border services to the whole franchise network. The unusual setting provided excellent images for TV, and helped secure strong media coverage and feedback from stakeholders on both sides of the border.

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## Student participation

The Finance Committee's inquiry into Higher Education Funding sought to take evidence from a wide range of students – first and second year undergraduates, and A-level (or equivalent) students considering whether or not to attend university. In addition to traditional evidence gathering from HE providers and the sector, the Committee conducted a survey of more than 1,300 students. They followed this up with web-chats featuring Welsh-domiciled students who had chosen to study in Wales and a second session with a group who were studying at a variety of institutions in England.

As well as their report, the Committee developed an infographic that provided an easily accessible way of sharing how they had conducted their work.

# COMMITTEES: APRIL 2013 - MARCH 2014

**10** LEGISLATIVE CONSENT  
MOTIONS REFERRED TO  
BUSINESS COMMITTEE

**280**  
COMMITTEE  
MEETINGS

**6** LCM  
REPORTS

**36**  
COMMITTEE  
INQUIRIES

**10** BILL  
REPORTS

**39** INQUIRY  
REPORTS

 **55** COMMITTEE  
REPORTS  
IN TOTAL

## Responding to petitions

The Assembly's Petitions Committee continues to engage with the concerns of citizens from all corners of Wales. Some 90 new petitions, gathering collectively over 65,000 signatures, were considered by the Committee between March 2013 and April 2014. The value of this process, as highlighted by many who have interacted with it, is the chance to be heard. For example, a petition to consider a Wales Peace Institute (P-03-262) was considered by the Petitions Committee and, following calls for evidence and a subsequent report laid on 24 October 2013, the matter was debated in Plenary on 5 February 2014. This process led to the consideration of the issue at the highest level in Wales.

## Integrating support for Committee work

The Commission's clerks, researchers, lawyers, translators and outreach staff work together to plan and deliver committee support as an 'integrated team'. The feedback we receive from other parliaments when they visit is that this degree of integration is ground-breaking and something they aspire to. Nonetheless, we continue to engage with Members and review processes to identify further improvements.

The Assembly Business Directorate has been restructured during the year. Clerking teams have been reorganised to ensure that all committees now have the capacity and expertise to support both policy and legislative work.

The integrated committee teams have been working with our business analysts to map out committee processes in order to find and implement more streamlined ways of delivering better services to Members. We will continue to work on this over the coming year.

An important part of the new structure was to create a small new service focussed on the longer term strategic transformation of the Assembly. The team is responsible for driving the delivery of key Commission priorities, such as youth engagement and machine translation through a Programme Board approach. The Programme Board aims to provide a forum for project proposals to be introduced at an early stage, to enable these to be considered and prioritised in the context of the Programme's ambitions, as well as balanced with other project requirements and finite resources. The Strategic Transformation service also leads work relating to the future evolution of the Assembly, ensuring that we are prepared to respond to constitutional developments and other external drivers for change.

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## Petitioners win new limit

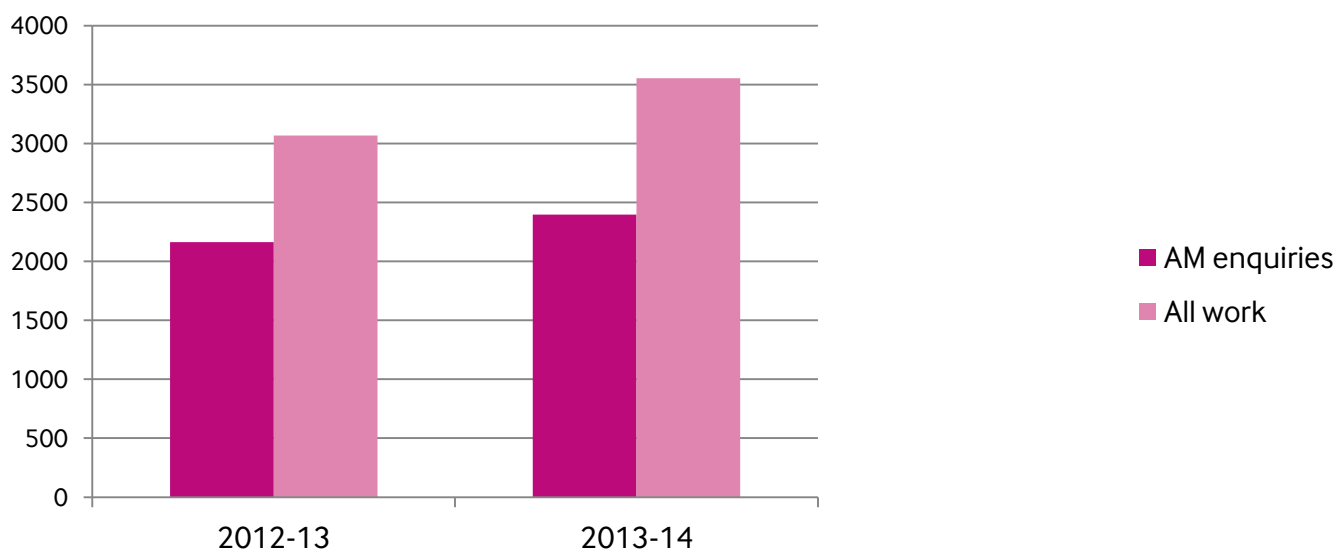
In August 2013 a petition calling to 'Introduce a mandatory 40mph speed limit on the A487 at Blaenporth Ceredigion' achieved a successful outcome when the Minister for Economy, Science and Transport announced that, following a speed limit review, she had decided to implement a 40mph speed limit.

## Increased demand for the Assembly's Research Service

The Research Service saw an increase in demand for their services from Assembly Members and their staff. Researchers and Library staff answered more individual confidential enquiries relating to constituency matters and to Assembly business, provided briefings and advice to support Members in committee and published a wide range of publically available topical blog posts, research papers and constituency factsheets to inform debate.

For 2013-14, enquiries were received from 58 individual Assembly Members (97%); 56 Assembly Members (93%) submitted an enquiry at least three times and 54 (90%) asked at least four times.

### AM enquiries, and all work (including committee work), from April to March inclusive



### Demand for work from the Research Service is rising

## A more topical Siambr

In the Siambr (debating chamber), the Presiding Officer's focus over the past year has been on increasing opportunities for backbenchers and improving the topicality and relevance of Assembly Business.

In early 2013, the tabling deadlines for Oral Assembly Questions were shortened from ten days before the question is taken in Plenary, to three and five days for the First Minister and Welsh Ministers respectively. The aim was to introduce more topicality into Ministerial Questions. The Business Committee is keeping the operation of the new procedure under review.

The Business Committee has continued to schedule an Individual Member Debate for each half term. These debates provide an opportunity for the Assembly to debate motions tabled by a minimum of three backbench Members representing different parties. Topics covered by such motions over the past year have included energy drinks aimed at children, The Sun's page three, sky lanterns and e-cigarettes.

The Presiding Officer has also continued to hold ballots for backbench legislation and four Member Bills are currently progressing through various stages of the legislative process before the Assembly.

## Improving through Continuous Professional Development

The Assembly has been a pioneer in ensuring that the kind of Continuous Professional Development opportunities, which would routinely be available to senior personnel in any exemplar organisation, are made available to Assembly Members.

41 Assembly Members and 155 of their staff have participated in some form of CPD activity during the year.

Committee based CPD interventions this year have focussed on:

- the legislative process and effective scrutiny of Bills;
- effective questioning and scrutiny skills; and
- developing a programme of CPD for committee chairs.

During this financial year we have delivered a number of CPD sessions as part of the programme we have designed with the Chartered Institute of Public Finance and Accountancy (CIPFA) to develop the Assembly's capacity to carry out effective financial scrutiny. The programme aims to prepare the Assembly for the additional financial powers it will have in the future. It is believed to be the first comprehensive programme developed for financial scrutiny training in a UK parliamentary context.

Assembly Members, their staff and Commission officials have taken part in these sessions, which have been delivered to party groups and on a cross-party basis through the Assembly's committees. 28 Assembly Members have taken part in this financial scrutiny programme, which will continue to be delivered during 2014-15.

## Bilingual Assembly

Our Official Languages Scheme (OLS), agreed by the Assembly in July 2013, clearly sets out what Members, the public and the staff of the National Assembly can expect with respect to the Assembly's official languages.

The Scheme sets out our ambitious plans to be an exemplar within Wales and to work with others across Wales to share our experience and expertise, to enable them to provide a richer range of services.

The Scheme covers bilingual services for Members, for the people of Wales, and for staff. It also sets out our monitoring and reporting arrangements, including how we will deal with complaints, and how we will review and update the scheme.

We now produce bilingual glossaries of unusual terms used in Bills and more briefings are being developed in both languages simultaneously. All Assembly staff are receiving tailored language awareness training to ensure they understand their role in a bilingual institution. We are continuously working with front line staff to ensure that any member of the public who contacts us or visits our estate is greeted bilingually and can access all public information services in their language of choice. We are also working with our contractors to ensure that the services provided by them to Assembly Members and the public meet the high standards the Scheme sets.

This year, we are also publishing our first annual compliance report, detailing where we have been successful, and where more progress is to be made to reach the high aspirations we have set. The report will also set new priorities for the coming year, to ensure that we are continually improving the services we offer to meet the needs of a bilingual nation, and sharing the lessons we learn with others.

As part of our programme of CPD, 16 Assembly Members receive Welsh tuition from our in-house tutor, which is delivered through one-to-one sessions, group classes and drop-ins. We have been reviewing this service so that we can enhance the support that is available and offer even more to those who wish to learn Welsh at the Assembly or improve their Welsh.

One of the four key areas of the Official Languages Scheme is our pledge to

“invest significantly in technology as a way of transforming bilingual service provision whilst also providing value for money”.

Over the course of the year, we have explored the use of machine translation, including consulting with Centres of Expertise, such as Cardiff University and Canolfan Bedwyr, Bangor University. The aim of this work was to enable our Translation Service to deliver a broader range of services by translating more text as quickly and as cost effectively as possible. Its use has significantly increased our capacity to deliver additional services. As part of the Review of Committee Support, we have piloted bilingual briefings for Members to improve their ability to work through their language of choice. The Assembly's in-house staff magazine is also now published fully bilingually.

The Assembly's Translation and Reporting Service presented their experiences of using machine translation to the Association of Welsh Translators and Interpreters in March 2014 and the feedback was positive.





## Launch of Welsh for Microsoft Translator

Our work on machine translation presented the opportunity to work with Microsoft to develop a Welsh language pack for Microsoft Translator that can be used within Microsoft Office and other Microsoft applications. We wanted to provide an easy to use self-service translation tool for Members and staff, to facilitate communication and working practices in the language of their choice, and to make this tool available to Wales and the World.

The launch of the global Welsh model for Microsoft Translator took place in the Senedd on 21 February. It enables Microsoft users across the world to translate into and from Welsh.

The publicity surrounding the launch event had a global reach, promoting not only the Welsh language but also the National Assembly and its partnership with Microsoft. The launch video we produced is the second most popular video in the Assembly's history. The video was most popular in the UK, USA, Germany, Hong Kong and Russia.

We fed the huge volume of bilingual documents we hold across a variety of subject areas into the system. We also invited and are continuing to invite key organisations to provide us with bilingual data to feed into the system. We will continue to work with Microsoft to improve the quality of the Translator so that people all over the world can use it with confidence.

Our objective is not to replace the need for formal communication and documents to be translated by professional translators, but to provide tools to extend and enhance bilingual communication where it might not otherwise have been possible.

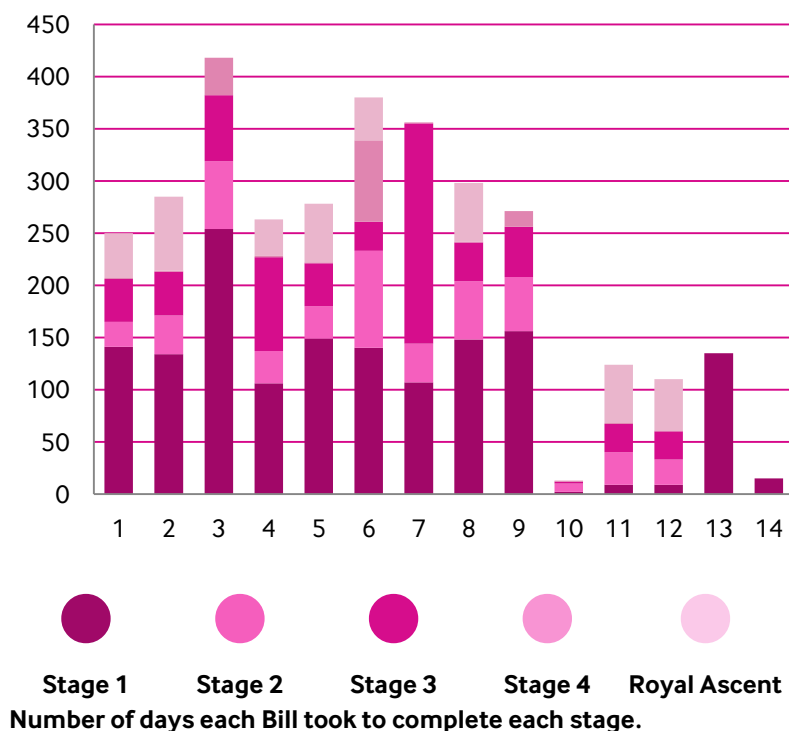
The launch of Welsh for Microsoft Translator is a significant achievement, and a great step forward in bilingual working. Early feedback suggests it has already enhanced bilingual working throughout the Assembly. We have taken steps to ensure it is being used correctly and will continue to promote and monitor the impact of its use.



**Microsoft Translator launch event at the Senedd, from left: Will Lewis (Microsoft), Presiding Officer Dame Rosemary Butler AM, Geraint Wyn Parry (Chief Executive of Cymdeithas Cyfieithwyr Cymru), Rhodri Glyn Thomas, Assembly Commissioner with responsibility for the Assembly's Official Languages.**

## Legislation and Constitutional matters

The Assembly continues to evolve as a legislature, working flexibly to scrutinise a wide range of Bills covering various policy areas.



Since the start of the Fourth Assembly, 13 Acts have received Royal Assent. Among those passed this year was the high profile Human Transplantation (Wales) Act, which had been introduced the previous December and became law in September 2013. The Assembly also passed the Social Services and Well-being Wales Bill, the largest and most complex piece of legislation to be scrutinised to date.

In contrast to the fifteen months required for the passage of the Social Services Bill from introduction to becoming law, the Assembly used a fast-track process to pass the Control of Horses (Wales) Bill in only four months. We also used emergency procedures for the first time to consider the Agricultural Sector (Wales) Bill in only ten days (8 to 17 July).

Two Assembly Bills have been referred to the Supreme Court this year for a ruling on legislative competence: the Agricultural Sector (Wales) Bill and the Recovery of Medical Costs for Asbestos Diseases (Wales) Bill. The former Bill was introduced by the Welsh Government and the latter by an Assembly Member, Mick Antoniw. In both cases, the Presiding Officer expressed the view that the Bill was within competence but that the decision was finely balanced. The Presiding Officer explained to Members the considerations that she had taken into account in reaching her decision on competence. Judgments from the Supreme Court are expected in summer 2014. They will provide further guidance on the Assembly's legislative competence and guide future consideration of Assembly Bills.

On the only previous occasion on which an Assembly Bill was referred to the Supreme Court (*the Local Government Byelaws (Wales) Act 2012*), the Court ruled that the Assembly had the requisite competence.

## Legislation

### April 2013 – March 2014

01. Local Government
02. Human Transplantation
03. Social Services and Well-being
04. Active Travel
05. Further and Higher Education
06. Mobile Homes
07. Recovery of Medical Costs for Asbestos Disease
08. Public Audit
09. Education
10. Agricultural Sector
11. National Health Service Finance
12. Control of Horses
13. Housing
14. Holiday Caravan Sites

The current stage of all Assembly legislation is published to the website: [assemblywales.org/assembly\\_acts](http://assemblywales.org/assembly_acts).

This year has seen the start of a new initiative, approved by Commissioners in June 2013, to build and improve the legislative drafting skills of Commission lawyers. Legislative drafting is a specialist skill, separate from other areas of legal expertise and confined to a very small group of practitioners around the world.

The Commission is fortunate to have secured the expert services of an experienced Parliamentary Counsel, to coach and mentor Commission lawyers in this unique skill. To date, two Assembly Bills have been produced under this initiative, one of which has already been introduced into the Assembly (the Holiday Caravan Sites (Wales) Bill, introduced by Darren Millar AM), and one that is due to be introduced shortly.

The day-to-day operation of the Assembly gives Assembly Members first-hand experience of the effectiveness of Wales's current constitutional arrangements. That experience is crucial in ensuring that future changes create a more effective settlement that is easier for the people of Wales to understand.

Following the publication of the part I report of the Commission on Devolution in Wales (known as The Silk Commission), the UK Government has introduced a Wales Bill, to deliver some of its recommendations.

In January 2014, the Presiding Officer and Finance Committee Chair both provided evidence to the Welsh Affairs Committee on the draft Wales Bill, and subsequently wrote to the Secretary of State. As a result of these representations, when the Wales Bill was introduced it featured reference to the devolution of legislative control over the Assembly's budgetary procedures. This is an important step toward the Assembly being able to scrutinise effectively the way the Welsh Government uses any new tax-varying and borrowing powers in future years.

In March 2014, the Silk Commission published its report, Empowerment and Responsibility: Legislative Powers to Strengthen Wales. The Presiding Officer gave oral and written evidence to the Commission during the course of its work. The Commission recognised the weight of the Presiding Officer's evidence in relation to the following recommendations, in particular:

- that the existing conferred powers model be replaced by a reserved powers model;
- that if the Assembly wishes to change its name to the Welsh Parliament, then this should be respected;
- to address the capacity and size of the Assembly; and
- to remove a number of outmoded restrictions upon the Assembly.

As we wait for the UK Government and Welsh Government to respond, we will continue to explore the implications of the Silk Commission's recommendations with key stakeholders.

EDUCATION: APRIL 2013 - MARCH 2014

**263**

EDUCATION VISITS TO CARDIFF



**7,302**

YOUNG PEOPLE IN ATTENDANCE



**8,669**

STUDENTS IN ATTENDANCE



**256**

EDUCATIONAL OUTREACH PRESENTATIONS



**519**

TOTAL NUMBER OF CARDIFF BAY AND OUTREACH VISITS

TOTAL NUMBER OF YOUNG PEOPLE WHO VISITED US



**445**

SCHOOLS

**17,424**

YOUNG PEOPLE



## Engaging with the people of Wales and promoting Wales

The Commission's aim is to create an environment that encourages interest in the work of the Assembly and facilitates engagement. This area has seen considerable innovation throughout the year. Our Youth Engagement project has sought to find new ways to ensure young voices are heard in our democracy. We have put a new emphasis on social media to tailor the information people are interested in, in a format they can access. We have continued our programme of visiting schools around Wales together with a wide range of summer shows informing people about how their democracy works.

The Assembly has hosted an extensive range of guests, and taken part in our own international visits. We are proud to learn from other nations and parliaments about how we could improve what we do – and to share with them so that they might learn from us.

### Youth Engagement

At the end of last year, the Presiding Officer asked Assembly staff to run a consultation to ask young people in Wales how they think we can better engage them in the work of the Assembly. Staff reached out to 11 - 18 year olds across Wales to find out what the Assembly can do to enable young people to join in with political debate and have their views heard.

Nearly 3,000 young people completed a questionnaire. The three main themes arising from the analysis of the results were:

- Reaching out – we need to make sure young people can find out about Assembly business and what it means for them.
- Enabling debate – we need to provide a range of easy and jargon-free ways for young people to be involved.
- Feedback – we must ensure that young people are told as much as possible, as early and regularly as possible, about the outcomes of their participation.

Following the consultation period, we looked at what young people told us and how we could change the way we work to enable more young people to engage with the work of the Assembly. Work is now under way to deliver a number of outputs, such as:

- augmenting the Assembly's existing Education Service with the addition of youth worker skills to improve engagement outside of the school setting;
- developing the [www.yourassembly.org](http://www.yourassembly.org) website so that it becomes an online hub for youth engagement with the Assembly;
- developing and publishing an Engagement Charter which sets out clearly what young people can expect from us, and what we expect from them.

A youth-centred launch event will be held in July to promote these changes and encourage young people to get involved. This youth engagement work has been designed to complement our existing engagement work with young people.

## Politics and Government Conference



**Presiding Officer, Dame Rosemary Butler AM addressing attendees of the Politics and Government Conference**

The Education team held a well-received Politics and Government Conference for A and AS level students on 19-20 February 2014. The conference included contributions from the First Minister and Paul Silk, the chair of the Commission on Devolution in Wales, and interactive workshops led by Assembly staff.

### Events and outreach Work

The Commission's Outreach team works to inform people about the ways they can influence and engage with the Assembly.

We held pre-legislative workshops across Wales in advance of the Housing (Wales) Bill and the Ending Violence Against Women Bill. These sessions were designed to increase people's understanding of the legislative process, to explain how they can help a committee scrutinise a Bill, and to share advice on what makes a good submission of evidence.

The experience of two members of the public, who are starting out as private landlords and attended one of the workshops, can be found at the link below:

[www.youtube.com/watch?v=cUZrgpX0m2U](http://www.youtube.com/watch?v=cUZrgpX0m2U)

In addition to this, the team has engaged with a number of the biggest employers in Wales such as RWE, Npower and Airbus. We welcomed them to the Senedd where they found out about the work of the Assembly through talks from committee clerks, researchers and outreach staff.

The team has also worked closely with scout groups over the past year to develop resources for a democracy challenge badge. We recently held events with scout leaders to talk them through the resources and how they can be used.

Our Events team has been travelling the length and breadth of Wales and hosting events on the Assembly estate to engage people in the work of the Assembly. During the summer of 2013, the Assembly bus visited 13 national and regional events across Wales and staff spoke to nearly 10,000 people, encouraging them to learn more about the Assembly, its Members and their work.

We also held a free family event in the Senedd to mark St David's Day 2014. There were activities for children, food stalls, cooking demonstrations, talks from the Siambr floor and guests were provided with musical entertainment. More than 1,000 people came through the doors of the Senedd, making it one of the busiest days in the building's history.



## Women in Public Life campaign #POWiPL

In January, the Presiding Officer launched a Development Scheme aimed at women from across Wales, as part of her Women in Public Life campaign. The scheme will provide intensive personal development and skills training, one to one mentoring support and role shadowing opportunities at the highest levels. It is intended to motivate and encourage participants across Wales to successfully apply for public appointments at all levels locally, regionally and nationally. The Assembly is delivering the scheme in co-operation with Chwarae Teg and Cardiff Business School.

To further the Women in Public Life campaign, the Presiding Officer set up The Assembly Women in Democracy Caucus. The aim of the Caucus is to look at best practice, particularly from other parliaments around the world, to increase women's parliamentary representation. It will also learn about measures parliaments and parties put in place to ensure female representation at varying levels. The Caucus aims to report findings and recommendations by the end of 2014.

The Presiding Officer's Women in Public Life Portal was launched in September 2013 to encourage more women to put their names forward for roles in public life. It includes inspirational profiles of women, informative blog entries and details of upcoming events.



In recognition of this work and her years of service, the Presiding Officer became a Dame in the New Year's Honours list for 2014. She was awarded the honour for Political and Public Services to Women and Democracy.

**Dame Rosemary launching the Development Scheme to encourage more women to take up public appointments**



# PUBLIC LIFE • MENUWOD MEWN

THIS YEAR...  
I.W.D. 2014

WOMEN IN  
BUSINESS

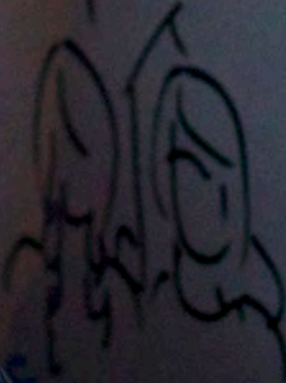
CREATE  
SUSTAINABLE

CHANGE



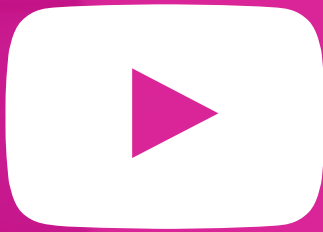
WOMEN  
EMPOWERING  
TALENTS

WORKING  
WITH  
CHWARAE  
TEG



EU  
read  
S IN EVER

# SOCIAL MEDIA: APRIL 2013 - MARCH 2014



THE NUMBER OF VIEWS  
ON OUR YOUTUBE CHANNEL  
HAS INCREASED BY

**124%**



**62%**

OF OUR YOUTUBE  
VIDEOS ARE NOW  
VIEWED ON  
MOBILE DEVICES



**27**

ACTIVE TWITTER ACCOUNTS



@CynulliadCymru  
@AssemblyWales  
ARE NOW TWITTER  
**VERIFIED  
ACCOUNTS**

OUR TWITTER FOLLOWER  
COUNT HAS INCREASED BY OVER

**54%**

IN JUST 12 MONTHS



OUR FACEBOOK  
LIKES HAVE  
INCREASED BY

**43%**

## Increased use of social media

One of the ways we have tried to make the work of the Assembly more accessible is by embracing the opportunities available through new technology and social media.

Our social media activity has increased significantly during the year as we seek new ways to package information.

We have increased the number of our Twitter channels from nine to 27 channels, allowing for greater specialisation. This means that people who are interested in a particular subject can receive information tailored to their interests. As a consequence, our follower count has increased substantially by over 54% in just twelve months.

Our Facebook pages have increased from three to five with the introduction of the Your Assembly Facebook pages as part of our work on youth engagement. These, together with our existing pages, have increased the number of 'Likes' by over 43%.

2014 has also seen a tremendous growth in the consumption of video on the Assembly's YouTube channel (395% growth in 2013). We have also found that more people are choosing to view our YouTube content on a mobile device.

Our work on social media over the last year has not just been about sharing our content more widely and making it more accessible. It has been heavily focussed on harnessing the power of social media to find new contributors to Assembly business. As well as hosting web-chats so that people can contribute to committee inquiries from their location of choice, we have also been using social media to find participants for committee inquiries and Assembly business, using dedicated hashtags. For example, we gave the people of Wales a unique opportunity to contribute to the scrutiny process in 2013 when we asked them to submit questions for the First Minister using the hashtag #askfirstmin.

An extensive social media programme, including Facebook videos to promote the Assembly's new Apprenticeship Scheme, resulted in a 70% increase in applications.

These initiatives have allowed us to complement our existing engagement activity and reach new audiences.

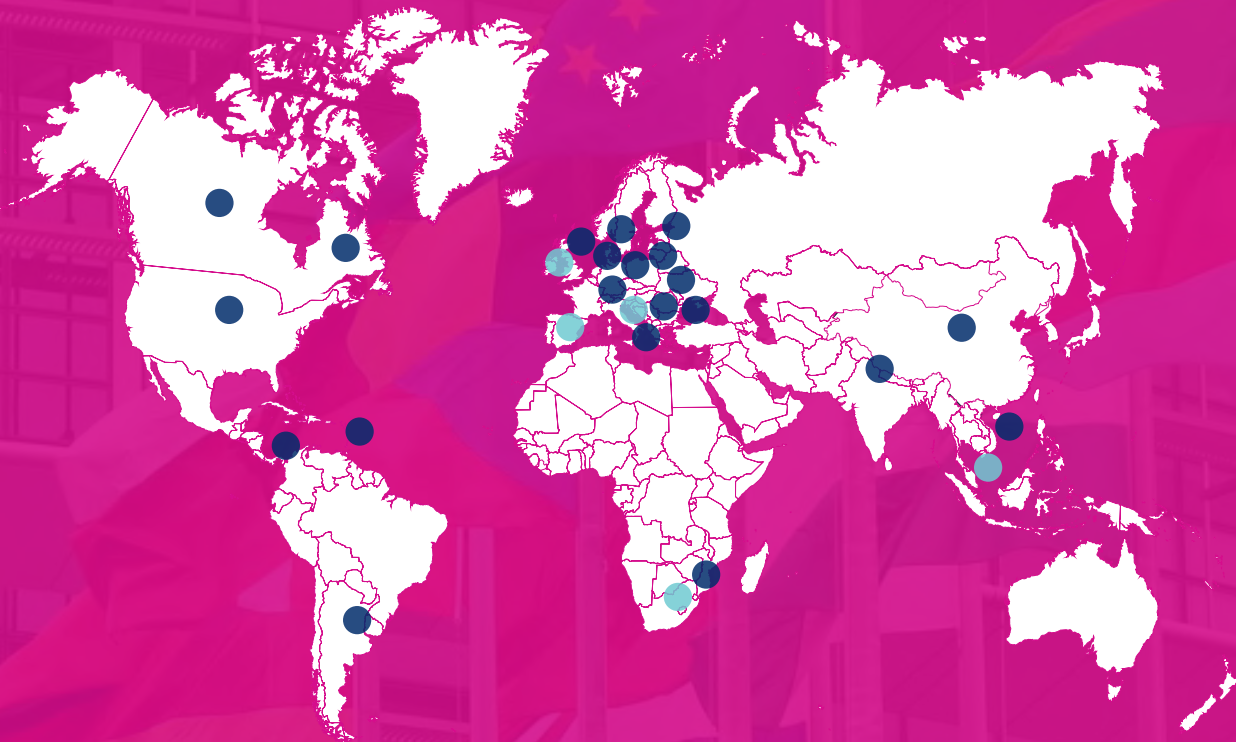
In addition to extending the channels for broadcasting Assembly news, we have also developed new platforms to make content accessible to the people of Wales. The Research Service launched their blog 'In Brief/Pigion' in October 2013, following the example of the Australian Parliament. The blog re-packages the information accumulated in the course of work for Members and their staff to present a diverse collection of short, accessible research articles on topical issues. This includes policy summaries, legal definitions, FAQs and statistical analyses. Articles are categorised by subject area, so directly relevant information can be found as quickly as possible. Research papers, quick guides and research notes are also published on the site: <http://assemblyinsight.wordpress.com>.

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## Highlights from our social media activity include:

- official verification of our main corporate Twitter accounts – a mark to prove that these are authentic;
- 27 Twitter Channels live as of 31 March 2014 (and set to increase);
- richer content posted including images, links and other calls to action;
- introduction of better measuring tools.

# PROMOTING WALES AROUND THE WORLD



## Internal Visits

**Montenegro**  
11 April

**Latvia**  
12 September

**Malta**  
16 May

**Panama**  
10 June

**Bavaria**  
11 June

**Netherlands**  
17 June

**Quebec**  
09 July

**Vietnam**  
06 September

**China**  
06 September

**Lithuania**  
01 October

**Bulgaria**  
08 October

**Macedonia**  
10 October

**London**  
24 October

**Switzerland**  
25 October

**USA**  
06 November

**Argentina**  
05 December

## External Visits

**Venice**  
15 April

**Singapore**  
27 May

**Seville**  
28 May

**Dublin**  
17 June

**Dublin**  
24 June

**South Africa**  
31 August

**London**  
20 October

**Dublin**  
30 March

## Promoting Wales around the world

Part of the Assembly's work is to promote Wales on an international as well as national stage. This work takes place across the Assembly and is often led by individual Members.

Work at a European level has seen the Assembly continue to play a positive role in engaging with the EU policy and law-making process on key areas of interest to Wales. There is clear evidence from Brussels that the Assembly is one of the most active legislatures when it comes to discussing EU affairs and in its positive engagement with the EU institutions. Members and committees receive support for this work from across the organisation and we have seen considerable engagement in EU activities and close working with partners across Wales and in Brussels.

Members from across the Assembly have represented the institution at an international level through extensive networks, including the British-Irish Parliamentary Association (BIPA), the Commonwealth Parliamentary Association (CPA) and the British-Irish Council.

The Assembly's two representatives on the Committee of the Regions (CoR) have actively engaged in and influenced discussions on matters affecting Wales. During 2013 Rhodri Glyn Thomas was rapporteur on an unprecedented three opinions adopted by the CoR, two concerning budget synergies and private/public finance, while Mick Antoniw was rapporteur on one report – being appointed within weeks of starting in the CoR, a remarkable achievement. Mick Antoniw AM has also become one of the leading figures in the CoR during the Ukrainian crisis, participating in two high level political delegations to Ukraine, meeting the Ukrainian Prime Minister and other senior figures in the Ukrainian government and civic society. Through this work both members have spoken and chaired sessions at a number of conferences in Brussels, while Deputy Presiding Officer David Melding AM has also been a panellist and Chair at two EU conferences on subsidiarity and regional parliaments.

The Presiding Officer has actively participated in and hosted a meeting of CALRE (the EU network of regional parliaments and assemblies) and the Deputy Presiding Officer is a member of the EC-UK Forum, an informal biannual meeting of the Chairs of the European Committees (or equivalent) in the UK and devolved legislatures. Committees have engaged with a range of EU issues that impact on Wales and Members have had regular meetings with Welsh MEPs, representatives from the European Commission and other key decision makers in Europe.

The EU Office and the Research Service have produced a range of publications to support Members' work on EU issues, including the EU Weekly Update, Research Papers, Research Notes, EU Policy Updates and blog posts, as well as launching a new twitter feed @SeneddEurope. Many of these documents are aimed at the wider public in Wales, to raise awareness of key priorities to Wales, explaining their relevance and potential impact, as well as tracking dossiers through the EU decision-making process.



## Using resources wisely

Providing high quality services in a way that delivers value for money is a priority for the Assembly.

This year we introduced new regular corporate performance reports to enable Members and the public to see at a glance how we are doing. We have retained and won new accolades that reinforce our reputation as one of the best places to work in Wales. We have also invested in improving the accessibility and sustainability of the Assembly estate.

Significantly, we have made a major change to the way we deliver and manage ICT services, improving services and reducing costs. The Assembly's approach to governance is covered in the Governance Statement (page 71). This year's statement notes progress in many areas and includes a handful of areas for improvement in the coming year.

### Budget and Performance

Building on our success in delivering the 2012-13 financial position, we revised our corporate target to aim to deliver this year's outturn within 1% of the Commission's £49.9m budget (the target was 2% in 2012-13 and we achieved 0.7%). With improvements in our planning, expanding the planning horizon to look into the next Assembly, coupled with a more robust and challenging approach to investment decisions and improved financial management information, we delivered a superb result of just £34k of our 2013-14 budget unspent (the target was 1% and we achieved 0.07%).

Within the year, we were able to respond quickly to the changing funding needs of our priority ICT projects, including the ICT Futures Project that released budget funds no longer required. Changes in project funding needs enabled us to accelerate our plans for broadcasting upgrades, add further project support resource to the HR Payroll project and implement further phases of the WiFi installation across the Cardiff Bay estate.

Early confirmation of reduced funding needed for Assembly Members' office allowances and support staff costs, together with the growing Value for Money (VfM) savings, enabled us to complete office refurbishments costs identified in the Estate Space Utilisation Review and meet unexpected costs such as fixing the Tŷ Hywel leaking roof. We could also provide additional professional development opportunities for Assembly Members as the programme gained in popularity and meet the needs for more translation funds arising from increased legislation and committee activity.

Specifically on the Value for Money Programme, we exceeded our target for the third year in a row. Since the start of the Fourth Assembly, we have delivered a cumulative VfM saving in excess of £3m with several changes, such as those to bring the ICT service in-house, reducing baseline costs in future years.

The skills of the Procurement team are also making significant contributions. In 2013-14, 22% of the savings were a direct result of the professional skills and processes that the Procurement team has introduced. This is an area of improvement for us and, while we are seeking to maintain the £500k VfM target in 2014-15, we are expecting to increase the contribution from non-staff expenditure areas. In 2013-14 the Procurement team dealt with contracts with a total value of £1million and delivered savings of £0.3million over the contract lives. They look set to continue this trend in 2014-15 with the first contract of the year delivering 28% savings.

During their scrutiny of the Commission's budget, the Finance Committee recommended that we should publish annual performance indicators so that they can be assured that our budget is used wisely and effectively. This year, the Commission published a Corporate Performance Report

following the end of every term, covering the periods: April-June, April-December and April-March. This provides a picture of delivery over time, with the same pattern of reporting to be followed in future years.

Across the year as a whole, the reports show that positive progress had been made in most areas. The indicators for the Value for Money programme, budgetary performance and governance structures were consistently strong throughout the year. The ICT transition and Machine Translation projects were also areas where there were significant achievements. Some indicators will be adjusted for the coming year to ensure they remain relevant and provide useful information for monitoring purposes.

The reports are shared with the Assembly's Finance Committee and published on the Commission's website.

### **An exemplary employer**

During the year, the Assembly received its second Investors in People (IIP) Gold award. The assessors noted that the Assembly is 'exemplary' in its approach to management, development and support of its staff.

We were also pleased to achieve 11th place among UK companies in the Stonewall Workplace Equality Index of top employers and to be named the best public sector employer in Wales. For the first time, we were also named in The Times' list of the top 50 employers for Women 2014.

One area where we have identified room for improvement is in our recruitment and advancement of Black and Minority Ethnic staff. The Assembly Commission has invested in a new, fixed-term post to co-ordinate the implementation of a BME improvement action plan to support our existing BME staff and increase BME representation in the Assembly's workforce.

The secondments programme continues to be an active means of developing staff, building networks, sharing best practice and redistributing our resources appropriately. External placements have included Dyfed Powys Police, Gwynedd County Council, Sport Wales, Scottish Parliament, the House of Lords, London Assembly and the Brussels Office.

In October 2013, the Assembly launched a new Apprenticeship Scheme after the previous year's pilot scheme proved a success. All four young people involved in the pilot scheme passed their NVQ in Business Administration and secured employment in the Assembly.

The Apprenticeship Scheme offers a learning-based training programme over a fixed term (15 months) with candidates gaining an NQF qualification, provided by Cardiff and Vale College, specific work-based competencies and general administrative skills. Coaching and mentoring is provided to help the apprentices settle into a working environment.

Six new apprentices (aged between 16 and 24) joined the Assembly on 3 February 2014. All will receive Living Wage salaries.

Sickness absence was 2.49%, or 5.48 average working days per employee. This compares favourably against a national average of 7.6 days per year (CIPD annual absence report published October 2013).

---

"The organisation has very many strengths, which are highlighted throughout this report..."

"Interviewees remain very positive about the organisation, and the ways in which it seeks to manage, develop and support all employees."

"In considering the organisation when compared to the Investors in People framework, The National Assembly for Wales is clearly performing in an exemplary manner and can be very proud of its approach to the management, development and support of its people."

**Extract from Investors in People letter**





INVESTORS  
IN PEOPLE | Gold



we're supporting

**AGE POSITIVE**



**Top Employers**  
for Working Families



**LOUDER  
THAN  
WORDS**

THE TIMES  
**TOP 50  
EMPLOYERS FOR  
WOMEN  
2014**

in partnership with



**Stonewall  
STAR PERFORMER  
NETWORK GROUP  
2014  
PERFFORMIWR ARBENNIG  
GRŴP RHWYDWAITH**

**Stonewall  
TOP 100  
EMPLOYERS  
2014  
100 CYFLOGWR  
GORAU**

## Enhancements to the estate

We have made a series of enhancements to the fabric of the Assembly estate. Some of these were overdue refurbishment, others more proactive, but all have been undertaken with a view to enhancing accessibility, the experience of visitors and reducing the Assembly's impact on the environment.

The Tŷ Hywel entrance and reception, which provides the 'first impression' for the 30,000 visitors and 100,000 people who pass through this area, were refurbished for the first time since 2003.

The project has:

- improved reception facilities for visitors;
- improved and increased private security screening facilities;
- improved sustainability by retaining heat within the entrance of the building, reducing energy use and carbon emissions; and,
- created additional interview rooms for Assembly Members to meet their constituents.



**The improved reception at Tŷ Hywel ensures large groups of visitors no longer have to queue outside in all weathers.**



**Petitions Committee members receive a petition in front of new signage.**

To improve accessibility and awareness we have also undertaken projects to introduce more visitor friendly security measures and signage to explain the work that goes on in the Senedd. Early feedback is positive with a number of visitors posing for photographs in front of the sign to mark their visit to the Assembly.

Using the space vacated by the NHS and modifying space occupied by Commission staff, we were able to co-locate teams and services, make staff more accessible to Members and accommodate the additional staff growth arising from the Commission's decision to bring ICT services in-house.

These improvements have enabled us to increase our workspace by 15%.

## ICT Service Transition and Strategy Development

In March 2014, responsibility for the delivery and management of ICT services was transferred from the outsourced arrangements via the Welsh Government, which had been in place since the First Assembly, to a new in-house service. This was a significant decision for the Commissioners to take as it moved the responsibility and risks for service delivery to the Commission. However, the 16-month transition programme has been delivered ahead of plan and under budget and the transition itself has been achieved without incident. The new arrangements are already delivering benefits, including significant financial savings of some £500k per year, arising from changes to some core services and service improvements, such as the new ICT Support Desk.

While the focus of much of 2013-14 has been on achieving the successful service transition, as the in-house service has established itself the new capacity and capability has enabled us to make some good progress against the ICT Strategy. Notable achievements include:

- launching the website replacement project, which will significantly improve the usability and effectiveness of the Assembly's websites;
- bringing forward some significant ICT infrastructure improvements to increase resilience, reduce complexity and provide the Commission with a more flexible ICT platform on which to build for the future. This has been facilitated by the fact that the Transition Programme was completed ahead of plan and budget;
- making good progress with our Applications Strategy; the first deliverable as a result of this is the website replacement project. Over the next three years, this Strategy will see a significant change in how we select, deploy and use software applications. We will move to integrated information systems that model business processes and can be tailored to our changing needs; and,
- upgrading Senedd TV. This will allow live broadcasts from the Senedd to be watched on any device and the user will be able to pause, re-wind and play back the broadcast. Other features include live captioning, links to Agenda items and the ability to search the written Record and play the related video.

During the year we have also introduced:

- an upgrade to video conferencing facilities in the committee and video-conferencing rooms;
- a trial of British Sign Language interpretation of First Minister's questions in conjunction with S4C;
- providing private committee papers to Members on iPads;
- upgrades to the Siambur audio system, which has improved the live and broadcast sound from the Ministerial seats in particular; and,
- replacement of the public gallery sound system.

The ICT Strategy will remain a significant enabler for change and innovation in the delivery of the Commission's goals for the remainder of this Assembly. Looking forward, work is getting underway to understand Members' needs for ICT in the Siambur for this and the next Assembly. Considerable attention will be paid to improving ICT services to constituency offices. In September 2014, the Assembly will move to its own internet domain name: [www.cynulliad.cymru/](http://www.cynulliad.cymru/) / [www.assembly.wales](http://www.assembly.wales) and early in 2015, a new telephone system will be introduced.



15:27

# Sustainability Report

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.

As a leading public sector organisation, we also have a role to play in promoting sustainable development and minimising the environmental impacts of our operations. In 2009, the Assembly started working towards becoming a low carbon organisation by 2015. Our vision identifies our key ambitions for operational sustainability based on our significant impacts: 40 per cent reduction in energy emissions, 15 per cent reduction in business travel emissions, efficient buildings and a responsible work culture. In 2013-14, 90 per cent of our total emissions were attributable to the use of electricity and gas, therefore energy reduction continues to form the cornerstone of our sustainability strategy.

The Assembly is committed to being an open and transparent organisation and we have been publically reporting sustainability performance data since 2007-08. We measure and report our emissions of greenhouse gases through an Annual Environmental Report.

## Summary of Performance

Over the past year, we have continued to implement measures to reduce the greenhouse gas emissions from our estate and have been successful in achieving a further 7 per cent reduction in our overall carbon footprint. A proportion of this reduction is due to the largely temperate weather conditions we have experienced throughout the year, reducing the need for mechanical cooling and heating demand across our buildings. Continued investment and upgrades to the building fabric, projects and refurbishments with energy efficiency credentials, vastly reduced waste to landfill and a drop in water emissions have also contributed. Since 2008-09 we have been successful in achieving a 29 per cent reduction in net greenhouse gas emissions.

## Environmental management certification

We were successful in retaining Level 5 (the highest level attainable) of the Green Dragon Environmental Management Standard for the sixth year running. Continued commitment to ensuring the maintenance of this certification provides a system of assurance for ensuring we are compliant with relevant environmental legislation. It is also pivotal to identifying, monitoring and managing our environmental impacts to enable informed decision-making, policy development and risk management. The EMS acts as a vehicle for driving environmental improvement and the consideration of sustainable development principles across the Assembly.

## Energy

We have achieved estate wide electricity emissions reductions of 6.5 per cent and a reduction of 18 per cent in gas emissions compared to last year. This amounts to a cumulative reduction of 8.7 per cent for the year. This arises largely from two key factors: reduced demand in both gas and electricity from a mild seasonal trend throughout the year and a change to the grid electricity emission factor following a significant revision to the carbon conversion factors by Defra. Correspondingly, we have also carried out further energy saving interventions across our offices, such as improved heating controls, motion sensor lighting, installation of LEDs, improved insulation and energy efficiency in our office entrance and the application of high performance solar film on exposed facades of the office block. Cumulative reductions in energy emissions amount to 34 per cent over the last six years against the base line year of 2008-09 and plans are in place to help us achieve the 40 per cent reduction target.

## Travel

Business travel emissions have increased by 4.7 per cent compared to 2012-13. This is almost exclusively attributable to a rise of 17 per cent in private car related mileage from 442,017 miles in 2012-13 compared to 516,440 miles in 2013-14. Private car use continues to represent the greatest source of emissions associated with business travel with a 72 per cent share of total travel emissions. Despite this increase, we have still achieved a 13.4 per cent reduction in overall business travel emissions since the baseline year of 2008-09, ensuring we may still be able to achieve our goal of 15 per cent emissions reduction by 2015.

A quarter of all business travel is now by bus or train and we have increased our use of rail travel for business by 15 per cent since 2008-09.

We have progressively increased the use of the low emission pool car by 9.5 per cent over the last four years.

We reduced the average emissions rating of our hire cars to 103g/CO<sub>2</sub>, a reduction of 21 per cent compared to 2011-12.

## Waste

The quantity of waste we dispose of is comparable in volume to 2012-13; however, there has been a further 62 per cent reduction in the volume of waste sent to landfill - that now consists of just 6.5 tonnes of a total waste volume of 120 tonnes. This brings us within reach of our zero waste to landfill target. This reduction in landfill has also had a direct positive impact on our waste footprint with a further reduction of 57 per cent in waste emissions compared to the previous year.

We have continued to enhance the facilities and arrangements for segregating waste disposal across our estate particularly where opportunities allow, such as office refurbishments. This has helped increase the volume of mixed recycling waste (card, paper, plastics) at source by 10 per cent compared to 2012-13.

We have worked hard to broaden the scope and improve the quality of the waste data we collect to ensure we understand and can reduce our waste footprint.

## Water

We have achieved a marginal reduction of 1.8 per cent in mains water consumption compared to the baseline year of 2010-11, meaning that we are unlikely to meet our 10 per cent reduction target by 2015. However, mains water consumption in our two largest buildings, Tŷ Hywel and the Senedd, has dropped by 12 per cent and 9 per cent respectively over the same period. Water emissions have increased marginally by 2.5 per cent as a result of the treatment of the increased volumes of grey water consumed in the Senedd over the year from sustained periods of heavy rainfall.

We successfully harvested rainwater for sanitary use and building washing, which accounted for approximately 74 per cent of the water requirements of the Senedd.

We have successfully reduced our water consumption in Tŷ Hywel by 25 per cent since 2009-10 as a result of installing water saving devices and more efficient use of water across the building.

## Continual improvement

Each year, we strive to improve the quality and credibility of our sustainability performance data through the development of robust data collection mechanisms to demonstrate our commitment to transparent reporting of all our environmental impacts. This is supported by ongoing reviews, internal and external audits and, where possible, basic verification assessments by the Wales Audit Office.

## About our data

The emissions figures contained in this report are calculated based on the Department for Environment, Food and Rural Affairs (Defra) 2014 Conversion Factors, which are specific to the UK. This year, Defra undertook an extensive overhaul of the conversion factors for the current and previous years. Therefore, for consistency the current and all preceding years' data has been updated in accordance with the 2014 conversion factors (and historic emissions factors where applicable) to allow for accurate comparisons of performance. In accordance with Defra guidance, reported Greenhouse Gas (GHG) Emissions are not weather corrected.

## Greenhouse Gas Emissions

		2010/11	2011/12	2012/13	2013/14
<b>Non-financial indicators (tCO2e)</b>	Total gross emissions scope <sup>1</sup>	299	295	390	330
	Total gross emissions scope <sup>2</sup>	1,765	1,517	1,487	1,382
	Total gross emissions scope <sup>3</sup>	362	439	435	431
	Total outside of scopes emissions	170	313	298	167
	Total gross emissions	2,597	2,565	2,611	2,319
	<b>Total net emissions</b>	2,427	2,252	2,314	2,143
	Expenditure on accredited offsets (eg Government Offsetting Fund)	£0	£0	£0	£0
<b>Financial Indicators (£)</b>	CRC Gross Expenditure	N/A	N/A	N/A	N/A

## Energy Consumption<sup>1,6</sup>

		2010/11	2011/12	2012/13	2013/14
<b>Non-financial indicators (kwh)</b>	Electricity (non-renewable)	3,633,186	3,352,734	3,229,581	3,099,520
	Gas	1,558,955	1,213,886	1,753,785	1,438,900
	Biomass (renewable)	480,480	885,500	840,438	470,750
<b>Non-financial indicators (tCO2e)</b>	Total energy emissions	2,235	1,901	1,974	1,802
<b>Financial Indicators (£)</b>	Total energy expenditure <sup>2</sup>	398,823	450,319	464,535	464,414



## Official Travel<sup>3,7</sup>

		2010/11	2011/12	2012/13	2013/14
<b>Non-financial indicators (miles)</b>	Business travel	471,800	811,842	858,809	884,357
	Owned and leased vehicles	33,454	36,434	25,707	31,949
<b>Financial Indicators (£) indicators (tCO2e)</b>	Expenditure on official business travel	164,537	265,217	266,576	349,775

## Waste<sup>4</sup>

		2010/11	2011/12	2012/13	2013/14
<b>Non-financial indicators (tonnes)</b>	Total waste arising	133.48	152.88	120.4	119.6
	Recycled/Reused	90.92	113.54	102.92	113
	Landfill	42.6	39.1	17.2	6.4
	Waste composted	8.6	14.2	11.3	5.5
	Hazardous waste	0.10	0.05	0.29	0.5
	Paper purchased (A4 and A5) (per million sheets)	4.24	2.17	2.77	2.7
<b>Financial indicators (£)</b>	Expenditure on all waste disposal	15,511	26,689	24,000	26,564

## Water consumption<sup>5</sup>

		2010/11	2011/12	2012/13	2013/14
<b>Non-financial indicators (m3)</b>	Water consumption:				
	Supplied (direct)	7,446	7,669	9,449	7,315
	Collected (indirect)	737	747	2,407	1,301
	Abstracted (indirect)	0	0	0	0
<b>Financial indicators (£)</b>	Expenditure on supply and sewerage	20,781	22,777	24,246	23,370

## Footnotes

The information contained above has been developed for our Annual Report and Accounts in accordance with HM Treasury's Sustainability Reporting Guidance for the 2013-14 financial year. Emissions are reported based on a financial control approach for the core administrative estate only and, where available, include the Colwyn Bay office.

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

All activity data is converted into tonnes of carbon dioxide equivalent (tCO2e) for reporting purposes. CO2e is a universal unit of measurement that allows the global warming potential of different GHGs to be compared.

1. Includes estimated costs and consumption for gas and electricity from the Colwyn Bay office based on metered bills split equally between the tenants.
2. Includes costs for electricity and air conditioning in offsite server farm from 2010 onwards.
3. Includes AMSS travel from 2011/12 onwards and improved data collection in 2013-14 for travel purchased through the corporate credit card.
4. Total waste figures for 2009/10 only represent six months of available data. Waste data is applicable to the Cardiff Bay estate only.
5. Water and waste data is applicable to the Cardiff Bay estate only.
6. All energy data now contains current and retrospective transmission and distribution emissions and well to tank emissions where applicable.
7. All travel data now contains current and retrospective well to tank emissions for fuel use.



## Priorities for the year ahead

Commissioners met in April 2014 to review progress against the Commission's strategic goals and priorities for change, innovation and investment since 2011. They also shared their thoughts on what more needs to be done before the 2016 election, to ensure that the Commission for the Fourth Assembly leaves a strong, clear legacy. This review has resulted in a revised strategic plan for the remainder of this Assembly, with five priorities:

- Enabling the Assembly to be as effective as possible through the support we provide, including through the impact of the next stages of our ICT Strategy;
- Enhanced bilingual services;
- Better engagement with people in Wales;
- Making the most of our estate;
- Complete readiness for the transition to, and new challenges of, the Fifth Assembly.

In the final two years of this Assembly, the Commission will continue to deliver strong, cost effective services for Assembly Members, within a tighter budget and by maximising the use of our existing resources.

Engagement with and understanding of the Assembly and its role in the life of Wales will be a significant focus for us, through initiatives such as Youth Engagement and the Presiding Officer's campaigns, but more particularly in local engagement, taking opportunities as they arise. We will continue to enhance bilingual services, producing our first compliance report on the Official Languages Scheme in July.

Work will get underway in earnest this year to prepare for the transition to the Fifth Assembly. We will start by reviewing the preparations and arrangements for the transition to the Fourth Assembly and use this to define the scope for the transition to the Fifth. We aim to be thoroughly prepared, well in advance and ready to support Members and their staff through this process.

We will continue to take a proactive approach to constitutional changes – ensuring that the Assembly has the expertise and capacity to deal with changing powers and responsibilities.

Finally, to help in achieving these strategic goals and to deliver our ambitious programme of change as effectively and efficiently as possible, we have established a Strategic Transformation Programme to enable us to plan and prioritize our work and to deliver with pace, while taking account of our day-to-day business priorities and other key projects.

The second part of this report presents our financial performance and accounts, prepared in accordance with HM Treasury's accounts direction and audited by the Wales Audit Office.



# Statement of accounts

## The Commission – its statutory background and principal activities

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

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, one of whom is the Presiding Officer, who chairs the Commission and four other Assembly Members appointed by the Assembly.

### The Commissioners during 2013-14 were:

### Term of office

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**Rosemary Butler AM**

Elected 11 May 2011

Presiding Officer from May 2011

*Rosemary Butler has attended 16 out of 17 Commission meetings.*

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**Peter Black AM**

Reappointed 25 May 2011

*Peter Black has attended 16 out of 17 Commission meetings*

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**Angela Burns AM**

Appointed 25 May 2011

*Angela Burns has attended 16 out of 17 Commission meetings and 3 out of 5 Audit and Risk Assurance Committee meetings*

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**Rhodri Glyn Thomas AM**

Appointed 25 May 2011

*Rhodri Glyn Thomas has attended 15 out of 17 Commission meetings*

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**Sandy Mewies AM**

Appointed 25 May 2011

*Sandy Mewies has attended 17 out of 17 Commission meetings*

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Commissioners have other Assembly responsibilities which prevent them from attending Commission meeting from time to time.

The Commission has portfolio arrangements whereby Commissioners take a lead interest in specific issues. These are explained in full in the Annual Report.

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, appointed under paragraph 3 of Schedule 2 to the 2006 Act, are referred to as Assembly staff. The Commission is independent of Ministers of the Welsh Government (“Welsh Ministers”).

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.

## Strategic context and report

Building on the work of the previous three Assemblies, the Commissioners' agreed strategy for the Fourth Assembly 2011-2016 set the following goals:

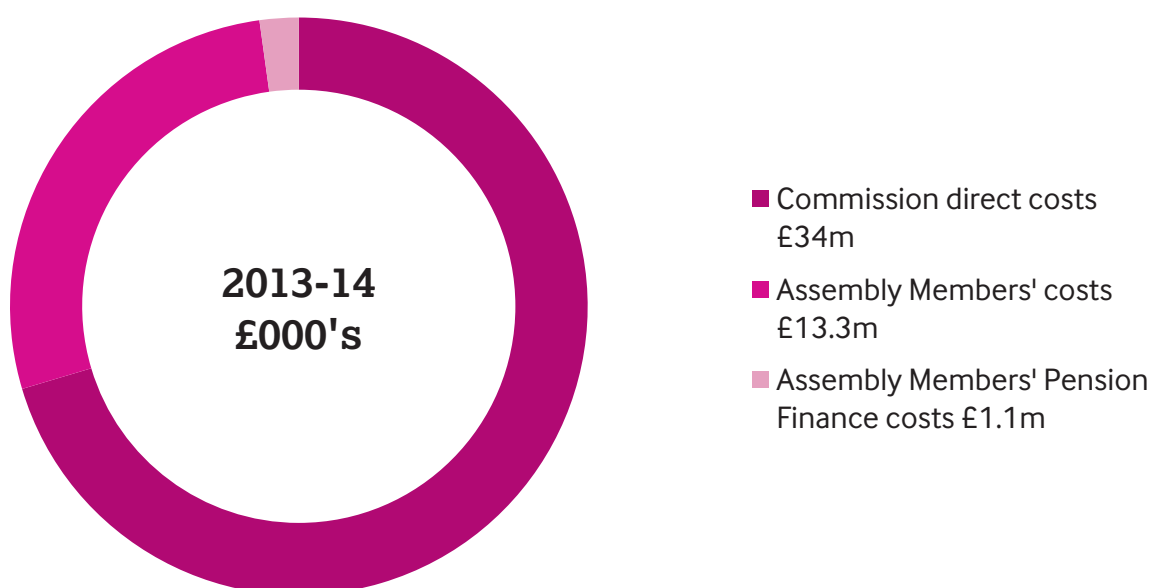
- Provide outstanding parliamentary support;
- Engage with the people of Wales and Promote Wales;
- Use resources wisely.

In support of the Commission's goals, a **delivery plan** identified five priority areas for change, innovation and investment along with an investment strategy to provide the necessary resources to deliver for the Assembly without compromising the values and the quality which is important to Members. The Commission ensures sufficient financial resource is available through its robust Annual Budget process which presents a final budget to Assembly Members every Autumn following scrutiny by the Assembly's Finance Committee.

The Commission's investment strategy, set against the continuing backdrop of public sector spending restraint, presented a three year budget to deliver real-term reductions in spend balanced with providing sufficient resource to deliver outstanding parliamentary support. In this middle year of the investment programme, the Commission's budget continued to represent 0.3% of the Welsh Block and delivered the required standard of parliamentary support with the same amount of money in real terms as allocated to the Commission three years earlier<sup>1</sup>.

Specifically for 2013-14, the Budget was approved in Plenary on 14 November 2012. It identified the three separate funding streams for which the Chief Executive and Clerk of the Assembly is accountable. These funding streams cover expenditure under the Commission's direct control, expenditure determined by the Remuneration Board and the accounting provision for the Members' Pension Scheme under the HM Treasury's Annually Managed Expenditure heading.

### Principal Accounting Officer - areas of accountable expenditure



<sup>1</sup> National Assembly for Wales, GEN-LD9090, National Assembly for Wales Commission Budget 2013-14, 7 November 2012 [accessed 28 May 2014], Annex 1 page 20.

Resources from this £49.450million budget were targeted on delivering services and the following five priority areas for change from the Delivery Plan.:

- Future ICT Strategy, 2014 and beyond
- Excellence and integration of services to support Assembly business through restructure of Business Directorate and creation of the Strategic Transformation Service to deliver programme change
- Enhanced bilingual services with the launch of the Microsoft Machine Translation software and Official Languages Scheme
- Increased engagement of people in Wales with the work of the Assembly, including Youth Engagement Review and increased use of social media
- Making the most of our estate as the prime venue for Welsh public life.

The Commission met in April 2014 to **review progress against the strategic goals** and priorities for change, innovation and investment. It identified what more needs to be done before the 2016 elections to ensure it leaves a strong, clear legacy as the Commission for the Fourth Assembly. This included building on service delivery through maximising the use of ICT as an enabling strategy and completing plans in readiness for the transition to, and new challenges of, the Fifth Assembly. Following the setting, implementation and progress reporting against **key performance indicators (KPI)**, the Commission will align the indicators with the Commission's revised strategic plan, and assess areas where the targets might be made more stretching.

### **Review of the financial year's performance**

During the year, the Commission published three updates on its corporate performance progress as monitored through the KPIs. The full year report highlights specific progress against the strategic goals particularly improved or maintained levels of service performance for committee and plenary meetings; an increase in visitor numbers; a rising number of international engagements; more events organised on the estate; new ways of working through Machine Translation and social media channels; as well as enhancing youth engagement activity.

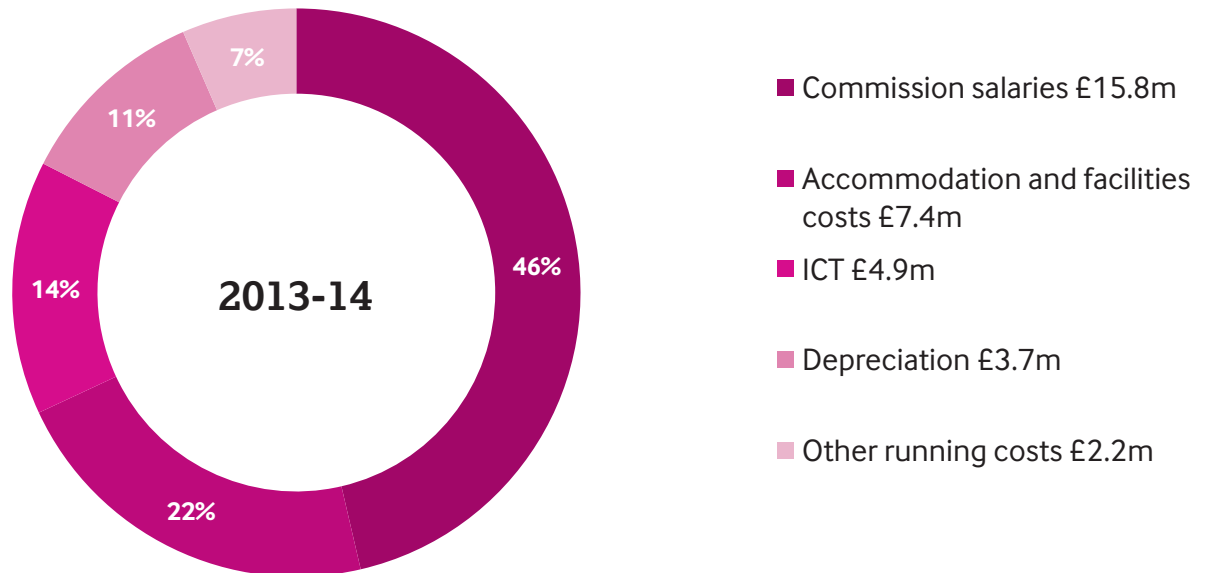
Targets for Using Resources Wisely continue to demonstrate continuous improvement. The net resource outturn for 2013-14 in total was £49.8million (£47.1million 2012-13) compared with the budget of £49.9million (£47.4million for 2012-13). The Commission delivered its corporate performance target for 2013-14 with an underspend position less than 1% of the budget. Specifically, the Commission's resource outturn position was an under spend of just £0.034million or 0.07%.

During the year, the Commission laid an **Explanatory Memorandum** in support of changes to the Commission's 2013-14 Budget via the Supplementary Budget Motion. This Memorandum explained the need for a decrease to the Commission's Resource Budget of £0.700million and an increase to the Annually Managed Expenditure Budget of £0.700million. The figures were coincidentally the same value but are not linked. The returned Resource Budget was due to an unexpected and significant backdated estate rebate. As the Commission is unable to carry-forward any underspend into future financial years, it considered it appropriate, and effective stewardship, to make the funds available to the Welsh block through a supplementary budget proposal. The Annually Managed Expenditure budget, used for the non-cash accounting adjustment in respect of the Assembly Members' Pension Scheme, had an actuarial pension estimate forecasting a budget requirement of £0.700million higher than the original November 2012 approved Budget.



The salary and related costs of staff employed by the Commission cost £15.8million (£14.7million 2012-13); accommodation, ICT and other running costs amounted to £18.2million (£17.8million 2012-13) inclusive of £0.28million income (£0.2million in 2012-13) arising from rent, car parking receipts and merchandise sales from the Assembly Shop. Of the 2013-14 income, £0.03million in excess of the budget ambit was surrendered to Treasury (nil 2012-13).

### Commission direct costs



Detail of actual expenditure and variances compared with budget plans at the start of the financial year can be found in note SOS.02.

The independent Remuneration Board makes decisions on all aspects of financial support for Assembly Members, taking account of changing responsibilities in the work of Assembly Members and reviewing the effectiveness and impact of the overall system of financial support. From now until the publication of the Determination relating to the Fifth Assembly in May 2015, the Remuneration Board is consulting Assembly Members on all aspects of their remuneration, including the design of a modern pension scheme that is in line with best practice.

In 2013-14 the salaries and allowances of Assembly Members, which included allowances for securing staff and constituency/area based accommodation to assist them in the discharge of their duties, cost £13.3million (£12.9million 2012-13).

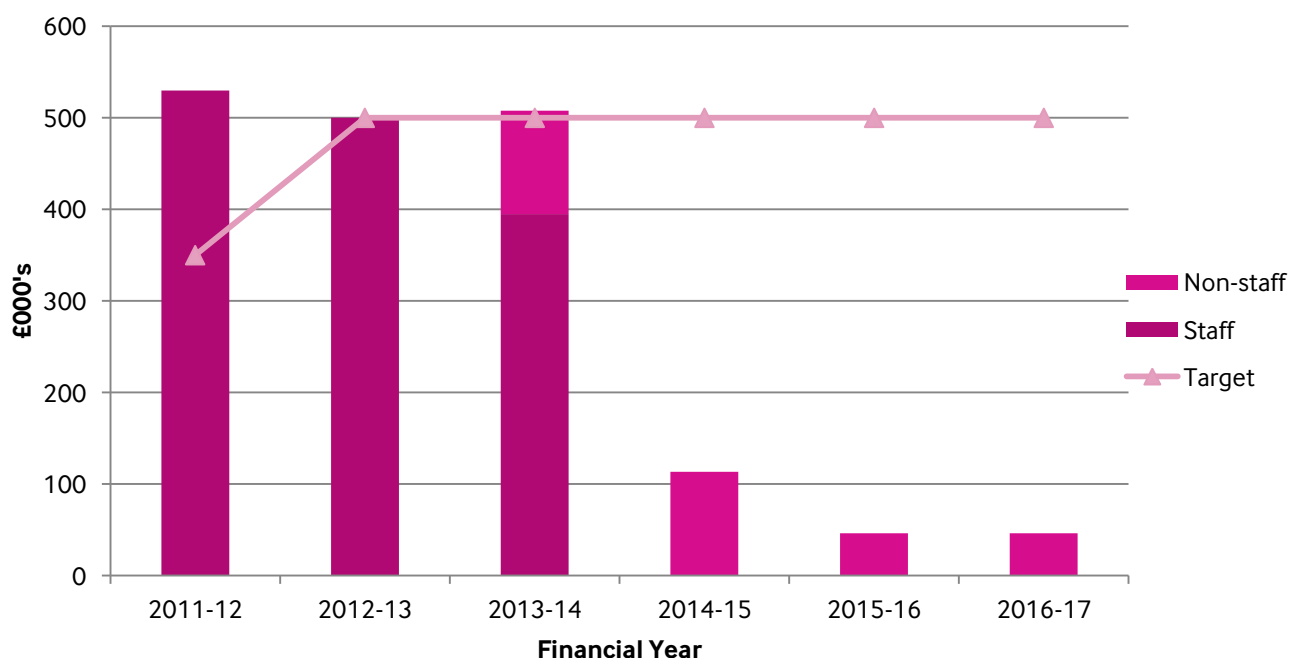
The above figures exclude the salary related costs of the Presiding Officer and the Deputy Presiding Officer, Auditor General for Wales, Commissioner for Standards, Public Services the Ombudsman for Wales and the Chair of the Wales Audit Office. These salaries are paid by the Commission but, by statute, are a direct charge on the Welsh Consolidated Fund. Consequently, they are excluded from the net resource outturn of the Commission. In 2013-14, the total cost for these was £0.6million (£0.6million 2012-13).

The Commission's expenditure is financed from the Welsh Consolidated Fund. At 31 March 2014, the Commission's net assets amounted to £63.8million (£60.0million at 31 March 2013).

## Value for money

The Value for Money key performance target was set at £500k, higher than in previous years (£300k in 2012-13). This was done in order to further encourage the concept of Value for Money as an underlying principle of all Commission expenditure. In addition, the achievement of savings against the target is now an integral part of the monthly finance report which goes to Management Board.

The achievement for the year was £508k, the majority of which was achieved by vacancy management (£395k, 78%). The remainder (£113k, 22%) was achieved via procurement and the awarding of contracts which provided the same or an enhanced level of service at a reduced cost. The permanent appointment to the Head of Procurement means we are seeing an increased level of non-staff savings being achieved and captured. This is a big step change from previous years. Some of the procurement decisions made in 2013-14 will continue to deliver savings against the baseline costs in future financial years. For example, the contract for mobile devices was successfully negotiated during the year which delivered a saving of £43k in 2013-14 and will deliver the same in 2014-15. The impact of 2013-14 decisions on future years is shown below.



The Commission also benefitted from a substantial saving in 2013-14 when the estate was assessed by the Valuation Officer. This exercise resulted in a reduction in the Commission's rates with effect from 2010-11. The total benefit to the Commission of this change will be £1.25million, £682k of which was received in 2013-14 (backdated to 2010-11) and the remainder over the next 3 financial years via a reduction in charges.

Two key changes to the staffing structure saw the Business Analyst team become fully staffed and the Strategic Transformation Unit established. The Business Analysts are now working with service heads, project teams and wider service staff to help improve processes, drive change and increase efficiency in line with corporate priorities. The Strategic Transformation Unit is taking the corporate lead for change and implementing more effective ways of working.

The Commission's savings target for 2014-15 will remain at £500k with all savings being reinvested in Commission services. The main initiatives to facilitate delivery of savings in future years are:

- Contract Management – continued use of procurement to reduce contract costs whilst ensuring maximum value for money.
- Vacancy Management – regular review of vacant posts and recruitment decisions based on consistency with Commission goals and priorities.
- Budget review – with budget managers to identify areas within their delegated budgets that can be targeted to reduce costs whilst not impacting on service quality.

In terms of the achievement for 2013-14, the following are examples against the key themes

VfM Theme	Initiative	Impact	Financial Year of Impact
<b>Improving Management information &amp; simplifying processes</b>	Re-design of the financial budget reports delivering information to the budget managers on a timelier basis has produced a 12.5% saving in staff time.	The time taken to produce this information has reduced to half a day enabling the reports to be delivered on the first working day of each month.	2013-14 onwards
<b>Simplifying processes</b>	ICT successfully reduced the number of servers required by undertaking an equipment review.	This led to a more streamlined support service and reduced the number of servers and network devices we pay for	2013-14 onwards
<b>Maximising benefits from contract management</b>	Successful contract negotiation of ICT Software Support Licenses.	This will generate savings of £175k over 4 years	2013-14 onwards
	Separating from the WG ICT contract and bringing services in-house has reduced the cost base.	This will release £436k in 2014-15 to invest in providing a high quality ICT function.	2014-15 onwards

As we move into a new financial year, services will be scrutinising their staffing resource to ensure it is being used to maximum benefit. One service has already used a vacancy to trial the provision of services in a different way, aiming to remove external translation costs from one area of the business.

## Environmental matters

The Commission recognises that its activities may have positive and negative environmental impacts in Wales and further afield. With 90% of total emissions attributable to use of electricity and gas, energy reduction forms the cornerstone of the sustainability strategy. In 2008-09 the Commission set a specific target to deliver a 40% reduction in energy emissions by 2015. The Commission is proud to report a cumulative 34% reduction in energy emissions for this key performance target. The Commission has also achieved an overall 13.4% reduction in business travel emissions in comparison with its 15% by 2015 target. Further information on environmental achievements is in the Annual Report.

## Independent Advisers

The Commission has appointed advisers to provide independent, constructive challenge to the Assembly Commission through attendance at its Commission meetings(\*), membership of the Audit Committee(##) and membership of the Remuneration Committee as well as providing input to other areas of the Commission's work.

### **Mair Barnes\***

(Nov 2007 - Nov 2016)

*Mair Barnes has attended 11 Commission meetings*

### **Richard Calvert##**

(Nov 2007 - Nov 2013)

*Richard Calvert has attended 3 out of 3 Audit and Risk Assurance Committee meetings.*

### **Eric Gregory##**

(Nov 2012 – Oct 2015)

*Eric Gregory has attended 5 out of 5 Audit and Risk Assurance Committee meetings and 1 out of 1 Remuneration Committee meetings*

### **Helena Feltham**

(Nov 2012- Oct 2015)

*Helena Feltham has attended 3 Commission meetings*

### **Hugh Widdis #**

(Nov 2013 –Oct 2016)

*Hugh Widdis has attended 3 out of 3 Audit and Risk Assurance Committee meetings*

### **Keith Baldwin##**

(Nov 2012 – Oct 2015)

*Keith Baldwin has attended 5 out of 5 Audit and Risk Assurance Committee meetings and 1 out of 1 Remuneration Committee meetings*

## Senior management and Assembly staff

The senior management team (the Chief Executive and her Directors) employed by the Commission through the financial year were:

<b>Claire Clancy</b>	Chief Executive and Clerk of the Assembly, Principal Accounting Officer
<b>Adrian Crompton</b>	Director of Assembly Business
<b>Dave Tosh</b>	Director of ICT
<b>Elisabeth Jones</b>	Director of Legal Services
<b>Steven O'Donoghue</b>	Head of Assembly Resources with Director of Finance responsibilities until 25 April 2014

The Remuneration Report within these accounts contains information about the salary and pension entitlements of the named individuals, and their travel and subsistence claims for the year. The senior management hold their appointments on a continuing basis.

## Staff numbers

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

	<b>31 March 2014</b>	<b>31 March 2013</b>
<b>Employed staff</b>	388.88	357.3
<b>Seconded staff</b>	1.0	1.0

	<b>Female</b>	<b>Male</b>
<b>Directors</b>	2	3
<b>Staff</b>	211	191
<b>Total</b>	213	194

## Investors in People - Employee relations and communication

The Commission continues to use the Investors in People (IiP) Standard as a framework of best practice against which to benchmark our people policies and practices. In June 2013, the IiP assessors revisited the Commission and for the second time we received IiP Gold Standard status. We first achieved the Gold award in 2010 and we are proud to be reaffirmed at this high standard.

A third staff survey was carried out in summer 2013. A positive indicator was the number of staff who completed the 2013 survey. A total of 284 (77 per cent) members of staff responded to this staff survey compared to 188 (51.9 per cent) in July 2012 which was a pleasing increase. The survey concentrated on the core questions that were asked in the previous survey which allows us to benchmark, make comparisons and take a 'temperature check' of the organisational culture. Work is

underway to address issues raised in order to support increasing staff engagement, morale and motivation.

Good relationships with the Trade Unions continue. During the year a pay agreement was reached that covers the period October 2013 to September 2016.

## Equality and diversity

Our vision is to be a leading organisation in our commitment to promoting equality, valuing diversity and respecting human rights in our capacity as an employer and as an organisation that provides support for Assembly Members and interacts with the public.

In April 2012, we published the **Equality Plan** setting out our vision and strategy for the next four years. One of the successes in delivering our plan will be meeting our obligations under the Equality Act 2010. Our Equality Plan assists this work to promote equality, value, diversity and to identify and remove potential barriers to equality for our staff, Assembly Members, their staff and members of the public. The headline achievements in the financial year include:

- We were named as one of The Times Top 50 Employers of Women in UK. The Assembly has been specifically recognised for the way in which it provides a range of flexible working options and provides excellent support for women who have parent or carer responsibilities.
- The Assembly was ranked at No. 11 in Stonewall’s Workplace Equality Index of Top 100 UK employers for 2014 and was also named this year’s Top Welsh Public Sector Employer. The Workplace Equality Index looks at a range of markers to measure how organisations support lesbian, gay and bisexual staff.
- The Assembly Commission has invested in a new, fixed-term post to co-ordinate the implementation of a BME improvement action plan to support our existing BME staff and increase BME representation in the Assembly’s workforce.
- Improvements to the Assembly estate have enhanced accessibility, for example with the provision of external signage for the Senedd and an accessible reception in Tŷ Hywel.

More detailed information is available from our website where the 2013-14 Equality Annual Report will be published in July 2014.

## Learning and development

The Learning and Development team continues to provide all staff with a wide range of learning solutions to enable them to achieve their personal and team goals. In 2013-14 74 secondments took place and six apprentices started within the Commission including one in the North Wales office.

Following feedback in the last Staff Survey, the team worked hard to raise awareness of the many development opportunities available. Each service area now has a dedicated “Learning Buddy” who works close with teams and Heads of Service to ensure the needs of each service area are met. The Learning and Development team have supported changes to the structure of the organisation, arranging and facilitating team training events and helping to equip them with the skills and knowledge to work effectively and achieve their objectives.

There has been a greater emphasis Management Development with the introduction of a new 26 Steps to Line Management Programme and accredited Management and Leadership qualifications for staff. We have also developed a new Interview and Application Support programme to ensure that individuals have the skills to apply for opportunities within the Assembly.

## Health and safety

Health and Safety covers the practical elements of ensuring the health, safety and well-being of all staff, AMs and their support staff, contractors and visitors to the Assembly estate in Cardiff Bay and Colwyn Bay. This ensures the organisation's statutory compliance with current legislation.

In 2013, increased emphasis was placed on well-being building on the launch of the Health and Well Being Strategy. The strategy's focus is to promote and encourage engagement throughout the Assembly and will be delivered through proactive programmes such as effective management, stress management and the 'Healthy Back' campaign.

## Sickness absence data

The overall sickness absence rate for the year was 5.48 average working days per person, which is 2.49% (6.16 working days, 2.80% 2012-13) against a target for the year of 7 working days per person.

## 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.

## Personal data related incidents

There were no incidents or personal data losses requiring reporting to the Information Commissioners Office in 2013-14. There were 4 incidents where personal data breaches were fully investigated and managed internally in line with the Commission's policy but no further escalation was required.

## Creditor payment policy

Since 2009, the Commission's target has been to pay all creditors (suppliers, Members, and employees) within 10 working days of receipt of invoices not in dispute. Payments performance for the year averaged 98.8% paid within 10 days (98.3% average for 2012-13).

## Audit

The Accounts are audited by the Auditor General for Wales in accordance with Section 137 of the 2006 Act. The agreed cost for the audit of the 2013-14 accounts is £62,540 (£60,250 2012-13).

## Disclosure of relevant audit information

As Principal Accounting Officer, I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also aware of this information.

## Events occurring after year-end

There were no significant events occurring between the year-end and the completion of these accounts.

## Accounts direction

The accounts set out in pages 79 to 111 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 H M 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.assemblywales.org](http://www.assemblywales.org) and [www.cynulliadcymru.org](http://www.cynulliadcymru.org).

**Claire Clancy**

**Chief Executive and Clerk of the Assembly**

**Date:** 09 July 2014



# Remuneration report and policy

## Remuneration Board

The 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. Appointments to the Board are for a five year term. Four members of the Board, Sandy Blair CBE, Mary Carter, Stuart Castledine, and Professor Monojit Chatterji, receive a day rate of £185. During the year, the Rt Hon Sir George Reid stepped down as Chair of the Board from 30 September 2013 and Sandy Blair CBE took up the post as of 1 October 2013. The Chair of the Board receives a day rate of £243.

The Board's report, **Fit for Purpose**, published in March 2011, concluded that the 2010-11 salary of £53,852 should be fixed for four years from the start of the Fourth Assembly. This level of salary has been confirmed in subsequent Determinations on Members' Pay and Allowances, the latest in July 2013. Four Members opted not to draw their full entitlement for the 2013-14 and 2012-13 financial years. The following Members were entitled to additional annual salaries as follows:

	From 1 April 2013	From 1 April 2012
<b>Presiding Officer</b>	£41,949	<b>£41,949</b>
<b>Deputy Presiding Officer</b>	£26,385	<b>£26,385</b>
<b>Assembly Commissioners</b>	£12,420	<b>£12,420</b>
<b>Chairs of committees<sup>2</sup></b>	£12,420	<b>£12,420</b>
<b>Chairs of other committees<sup>3</sup></b>	£8,280	<b>£8,280</b>

This table was subject to audit

From April 2011 the Leader of the political group without an executive role receives an additional office holders allowance calculated using a base level of £12,420 plus an additional £1,000 for every Member of the group to a maximum salary of £41,949. The resulting range of office holders' allowance is £17,420 - £26,420.

The new position of Business Managers for political groups started from April 2011. Business Managers receive an additional office holders' salary calculated using a base level of £6,210 plus an additional £250 for every Member of the group to a maximum salary of £12,420. The resulting range of office holders' allowance is £7,460 - £12,420.

Of the members entitled to additional salaries in 2013-14, 16 did not draw their full entitlement for the full year (in 2012-13 16 Members also did not draw their full entitlement for all or part of the year).

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.assemblywales.org](http://www.assemblywales.org).

<sup>2</sup> Committees were Children and Young People; Environment and Sustainability; Health and Social Care; Communities, Equality and Local Government; Enterprise and Business; Constitutional and Legislative Affairs; Finance Committee; Public Accounts.

<sup>3</sup> Other committees were; Petitions; Standards of Conduct.

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 and Independent Advisers**

The stepping down of Richard Calvert and the appointment of Hugh Widdis in November 2013 returned the number of independent advisers to five. The advisers receive non-pensionable emoluments of £5,000 per annum (£7,000 per annum for the Chair of the Audit and Risk Assurance Committee).

## **Remuneration Committee**

The Commission has a Remuneration Committee up to four independent members to assist the Commission and Chief Executive in ensuring that we meet 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 2014 were:

- Tony Morgan - Chair of the Remuneration Committee (until 31 March 2014) received a non-pensionable emolument of £1,250 per annum.
- Helena Feltham - Chair of the Remuneration Committee (from April 2014) and Independent Adviser.
- Keith Baldwin, Independent Adviser
- Eric Gregory, Independent Adviser

During the year the Committee met once on 17 April 2013, all current members were in attendance.

## **Service contracts**

Appointments of Commission staff, on terms and conditions set by the Commission, are made on merit on the basis of fair and open competition. They also include provision for circumstances when appointments may otherwise be made. 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).

Unless otherwise stated below, Assembly staff 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.

## Salaries and pension entitlements

The following sections provide details of the remuneration and pension interests of office holders and senior staff. These are presented in banding ranges for salary and pension.

The Assembly Commissioners, other than the Presiding Officer, are entitled to an annual salary of £12,420 in addition to their Assembly Member pay. Their pension details are not included below because only part of their remuneration relates to their roles as Commissioners. Their accrued pension and CETV as Commissioners cannot be disaggregated from the total amounts accrued.

Name and title	Salary 2013/14	Salary 2012/13	Real increase in pension and related lump sum at age 65	Total accrued pension at age 65 and related lump sum at 31/3/14	CETV at 31/3/14	Restated CETV at 31/3/13	Restated Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Office holders</b>							
<b>Rosemary Butler AM –Presiding Officer)</b>	95-100	95-100	1.5-2.0	25-30	428	402	18
<b>David Melding AM –Deputy Presiding Officer (service started 12/5/2011)</b>	80-85	80-85	1-1.5	20-25	278	245	11

## Senior Management

Name and title	Salary 2013/14	Salary 2012/13	Real increase in pension and related lump sum at age 60	Total accrued pension at age 60 and related lump sum at 31/3/13	CETV at 31/3/14	CETV at 31/3/13	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Chief Executive and Clerk of the Assembly</b>							
Claire Clancy	140-145	140-145	0.0-0.5 plus lump sum of .05-1.0	60-65 plus lump sum of 190-195	1,305	1,228	-3
<b>Director of Assembly Business</b>							
Adrian Crompton	115-120	110-115	2.0-2.5 plus lump sum of 5-10	35-40 plus lump sum of 110-115	601	536	27
<b>Director of ICT</b>							
Dave Tosh	85-90	80-85	3.0-3.5	35-40	299	254	32
<b>Director of Legal Services</b>							
Elisabeth Jones	90-95	45-50	5.0-5.5	20-24	475	369	68
<b>Head of Assembly Resources nominated Director of Finance</b>							
Steven O'Donoghue	70-75	65-70	1.0-1.5	25-30	328	299	7

This table was subject to audit

Single total figure of remuneration (to nearest £1,000)

Officials	Salary		Pension benefits <sup>1</sup>		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
<b>Chief Executive and Clerk of the Assembly</b>	140,000-145,000	140,000-145,000	64,000	62,000	205,000-210,000	205,000-210,000
<b>Director of Assembly Business</b>	115,000-120,000	110,000-115,000	37,000	34,000	150,000-155,000	145,000-150,000
<b>Director of ICT</b>	85,000-90,000	85,000-90,000	24,000	21,000	110,000-115,000	105,000-110,000
<b>Director of Legal Services</b>	90,000-95,000	90,000-95,000	28,000	23,000	120,000-125,000	115,000-120,000
<b>Head of Assembly Resources nominated Director of Finance</b>	70,000-75,000	65,000-70,000	28,000	26,000	95,000-100,000	95,000-100,000

<sup>1</sup> 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.

The Chief Executive & Clerk of the Assembly and the Directors do not receive any Bonus payments or Benefits in kind.

## Salary

Salaries are the amount earned in the financial year and include all remuneration payable. They do not include Employer's National Insurance or Superannuation contributions. There are no benefits in kind or performance related bonuses payable in 2013-14 (none 2012-13). The salary costs for the Presiding Officer and Deputy Presiding Officer are a direct charge on the Welsh Consolidated Fund.

	2013-2014	2012-2013
	Salary £'000	Salary £'000
<b>Band of highest paid Director</b>	140-145	140-145
	£	£
<b>Median Total Remuneration</b>	26,988	27,897
<b>Ratio</b>	5.3	4.8

The banded remuneration of the highest-paid director in the National Assembly for Wales Commission in the financial year 2013-14 was £140k-£145k (2012-13 £140k-£145k). This was 5.3 times (2012-13 4.8) the median remuneration of the workforce, which was £27k (2012-13 £28k)

In 2013-14, and 2012-13 there was no remuneration paid in excess of the highest-paid director. Remuneration ranged from £6k to £145k (2012-13 £12k to £145k).

## Cash Equivalent Transfer Values (CETV)

This 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 pension benefits they have 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 to the pension scheme, not just their current appointment as a Minister. CETVs are calculated 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 is the element of the increase in accrued pension funded by the Commission. It excludes increases due to inflation, contributions paid by the Member (including the value of any benefits transferred from another pension scheme or arrangement) and is worked out using common market valuation factors for the start and end of the period.

## Travel and subsistence

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:

Name	Title	Travel and Subsistence incurred	Travel and Subsistence incurred
		2013-14	2012-13
		£	£
Claire Clancy	Chief Executive & Clerk	1,112	619
Adrian Crompton	Director of Assembly Business	3,550	2,909
Dave Tosh	Director of ICT	279	1,307
Elisabeth Jones	Director of Legal Services	1,514	1,075
Steven O'Donoghue	Head of Assembly Resources and Director of Finance	1,316	692

This table was subject to audit

A further breakdown of these figures can be found in the notes to the accounts.

## Pensions

Pension benefits for Assembly staff are provided through the Principal Civil Service Pension Scheme (PCSPS) arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (**classic**, **premium** or **classic plus**); or a whole career scheme (**nuvos**). 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** and **nuvos** are increased annually in line with Pensions Increase legislation. 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 initially set at the rate of 1.5% of pensionable earnings for **classic** and 3.5% for **premium**, **classic plus** and **nuvos**. However the contributions from 1 April 2014 have increased and have been set according to salary bands. 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 pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. 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 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in

addition to the employer's basic contribution). Employers also contribute a further 0.8% 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** and 65 for members of **nuvos**.

Further details about the PCSPS arrangements can be found at the website [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)



# Statement of the Commission's and the Principal Accounting Officer's 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 Principal Accounting Officer has prepared the statement of accounts in accordance with the Direction issued by the Treasury and with the accounting principles and disclosure requirements set out in the 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 has:

- complied with the accounts direction issued by the Treasury;
- complied with the relevant accounting and disclosure requirements, and applied suitable accounting policies on a consistent basis;
- made judgements and estimates which 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 the Treasury.

**Claire Clancy**

**Chief Executive and Clerk of the Assembly**

**Date:** 09 July 2014

## 2013-14 Governance Statement

**This Statement sets out the basis on which the National Assembly for Wales Commission has been established; the way in which it is governed and managed; and how it is accountable for what it does.**

### Role of the Commission

01. The National Assembly for Wales Commission was established as a corporate body under Section 27 of the Government of Wales Act 2006. Its primary role is to provide to the Assembly, or to ensure that the Assembly is provided with, the property, staff and services required for the Assembly's purposes. In discharging this overall responsibility, 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.

### Purpose of the governance framework

02. The governance framework comprises the 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 enables the Commission to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

### Governance framework

03. The Commission comprises the Presiding Officer who is its Chair together with four other Assembly Members appointed by the Assembly. The Commissioners are charged with the governance of the organisation and are accountable to the Assembly. They set the organisation's strategic aims, provide the leadership to put them into effect and oversee and report on their delivery.
04. The Commission's Principal Accounting Officer is the Chief Executive and Clerk of the Assembly. She is accountable to the Commission 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 Assembly Commission, including its use of public money and the stewardship of its assets. Assembly staff are employees of the Commission.
05. As part of the organisation's governance framework, the Commission has an Audit and Risk Assurance Committee and a Remuneration Committee. An independent Remuneration Board determines the salaries and other financial support available for Assembly Members.

### Decision taking and business management

06. The Commission meets on a regular basis to provide direction and to oversee delivery. The Commission has delegated many of its day-to-day management functions to the Chief Executive.
07. Delivery of services within the Commission is managed through an organisational structure of Directorates and Service areas reporting through to the Chief Executive. The Directors and Heads of Service make up the **Management Board** which coordinates policy and operational matters. The Management Board regularly meets formally and informally to review and coordinate activity. The Board is required to act corporately in the interest of the Assembly as a whole.

08. An **Investment Board**, consisting of the Chief Executive and Directors of Assembly Business, ICT and Finance provides direction to and governance oversight of major improvement investments across the Commission.
09. **Resource management** is controlled through a governance system of delegated authorities covering finance, staffing and other resource responsibilities, such as procurement. Established review and reporting mechanisms are in place, co-ordinated and supported by central support teams.

## Performance

10. During the third year of the Fourth Assembly the Assembly Commission has had an opportunity to reflect how its corporate goals are being delivered and focus on what is needed to ensure that they are achieved by the end of the Fourth Assembly. Overall, staff have a high level of professionalism and expertise, and familiarity with, and application of, governance practices is high. The relevant Standing Orders and internal deadlines to support the legislative process have been met and feedback from Assembly Members has been positive. Whilst we have made good progress in a number of areas, paragraph 32 highlights areas for further improvement in the coming year.
11. For 2013-14, the Commission has published its first full year of **Key Performance Indicators**, introduced to demonstrate corporate performance across all key areas of activity. Whilst very much an iterative process, the indicators have provided valuable management information about our key areas of performance. They have shown an increase in activity in all areas of our work over the past year, with most indicators recording improvements in performance. The indicators will be reviewed and refined over the coming months to ensure that they give us meaningful information. These indicators, along with **improved management information** from central support services are allowing us to further refine our approach to resource management and delivery against the Commission's goals.
12. In order to ensure that our resources are properly aligned with delivering our corporate goals, there has been a focus on strategic planning and collaborative, cross service working. Our **Strategic Priorities**, which were agreed in February 2013, have formed the basis of our service planning. Although the majority of service plans were in place by 31 March, several service areas were without up to date plans for much of the year. These services were predominantly where business reorganisation had taken place. The setting of strategic priorities has enabled us to understand the interdependencies within the organisation better as well as helping to ensure that we avoid 'silo working'.
13. Our ambition to provide support to the Commission's visions of having **World Class Assembly Committees** has led to changes in the processes and procedures we use to support the Assembly's 13 committees. The review of support for committees, which was started in January 2013, highlighted a number of areas for improvement which have been implemented during this year. We also reorganised our committee support structure to provide more effective and efficient alignment of our resources to meet the needs for both policy and legislative scrutiny for committees in the Fourth Assembly.
14. The establishment of the **Strategic Transformation Service** has enabled us to strengthen the way in which we manage projects and ensure that linkages and dependencies between work being undertaken by the Business Directorate and all other parts of the organisation are identified and understood. Having a service area with a strategic focus has also enabled us to respond

quickly and in an informed way to the challenges emerging from the Commission on Devolution in Wales.

15. We are in the process of **strengthening our approach to project and programme management**. The drivers for this work are the need to respond to a growing number of projects being undertaken in the Assembly and the need to address weaknesses in project management and governance that have been highlighted during the implementation, and subsequent review by Internal Audit, of one project this past year. The increasing number of projects currently in their latter stages, provides us with the opportunity to review our processes by identifying and focusing on the lessons to learn, and capturing and developing good practices. The strengthened approaches will help to ensure that we improve our delivery and governance of projects and are able to take a more strategic view of their resourcing.
16. A key focus for the delivery of our strategic priorities in the past year has been the **transition of our ICT services** from an external provider to in house support. This will not only provide a high level of value for money savings but will also enable us to be more agile in our response to the ICT needs of Members and staff. The project to effect the transition is on course to deliver a smooth, staged transition between April and July 2014.
17. The Commission has undertaken the second **review of its effectiveness**. This work, based on a study by the Assembly Commission's Head of Internal Audit, was informed by discussions with Commissioners and a number of other individuals. The findings were mainly positive and noted the considerable progress made by the Commission since last year. This progress includes the Commission's effective oversight in the successful implementation of major projects, such as ICT Futures and the Commissioners' sharper strategic focus which resulted in the development and launch of the suite of Key Performance Indicators during 2013-14.
18. A number of recommendations were raised to help the Commission continue to develop as a high performing and effective 'governing board'. The recommendations set out some of the key areas where the Commission can make further progress. These include developing its methods of communications with key stakeholders and the importance of maintaining a strategic outlook in the coming year and in particular the development of a legacy statement which can be used by the incoming Commission of the Fifth Assembly.
19. The Assembly Commission's Audit and Risk Committee met five times during the year. The Committee acts in an advisory capacity and has no executive powers. Its activity during the year focused on Internal and External Audit reports, the Assembly Commission's Annual Report and Accounts, reports on risk management, and the governance and internal control arrangements. During the year the Committee was kept up to date with progress in response to recommendations made in audit reports.
20. The past year has seen several changes in the provision of our internal audit. A new Head of Internal Audit took up his post in July 2013 and new internal auditors were appointed in August 2013. The ACARAC agreed a new Internal Audit Charter in November 2013 to ensure compliance with the UK Public Sector Internal Audit Standards. Internal Audit has delivered its risk based plan for 2013-14, which encompassed a series of new reviews and follow up of audit recommendations from prior years. Through a combination of project board attendance and audit reviews the Head of Internal Audit has also continued to provide assurance in relation to two major projects, namely the ICT Futures programme and the new combined HR-Payroll system.

## Compliance

21. The Assembly Commission has complied with the agreed governance principles and supporting provisions.

## Risk identification and management

22. The system of internal control is based on a continuous process designed to identify and prioritise the risks to the achievement of the Assembly's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
23. Key areas of focus for our corporate risks during the year have been around future ICT services, capacity and resources to deliver our corporate priorities, business continuity and key reputational risks. A key risk which has reduced during the year was around information governance due to the strengthening of controls.
24. The Audit and Risk Assurance Committee maintained an overview of the effectiveness of risk management arrangements and considered selected corporate risks in more detail throughout the year.

## Review of effectiveness of risk management arrangements

25. The core of the review of effectiveness of the governance arrangements was a self-review process completed by the Management Board in February 2014. This covered assurances on the governance and planning frameworks, leadership and business management arrangements, and awareness of the control environment and engagement with it. The review was considered by the Audit and Risk Assurance Committee after the end of the financial year, prior to signing the financial statements. This process will be strengthened further through the formal setting out of the Assurance Framework for the Commission. This will involve an assurance mapping exercise which will seek to add clarity and further understanding on how we get assurance that our internal controls are robust and effective.
26. The Commission's continuous improvement ethos has been reflected consistently in **financial management** and performance. Improvements in financial reporting and forecasting have provided flexibility to make best use of our available budget. This enabled the key financial performance indicator to be set at a more challenging target of delivering the outturn within 1% of the budget, compared with 2% in the previous year. The Commission's focus on delivering Value for Money continues and for the third consecutive year we have exceeded our target savings and increased the contribution from operating expenditure other than staff. Recruitment proposals continue to require a business case to be prepared and approved in advance of any recruitment activity.
27. The Governance Statement for 2012-13 noted that there was scope to strengthen governance further within the Commission and identified a number of **areas in which specific action would be needed in 2013-14**.
28. Further progress has been made this year in strengthening **information governance arrangements** at the Assembly. Now, a year into the new process, we are assessing progress by way of self-assessments of Information Asset Owners and a review with internal audit. Information Asset Registers have been effective in improving how and what information is held, and a new process for assessing, managing and escalating information risks has been introduced. The Information Governance Manager has continued to raise awareness, visiting and presenting at team and service meetings, meeting with Information Asset Owners, and overseeing the

Information Officers' Group. She has assisted Assembly Members in their roles as data controllers, and continued the work of last years' ICOs advisory visits by beginning a programme of visits to Constituency Offices to advise Members and staff on information handling procedures.

29. The role of the **Investment Board** as the strategic decision making body for resourcing in the Assembly has strengthened over the year. Project analysis and decision making has been strengthened by the improvement of the information being provided to the board and the enhancement of the role of the secretariat in advising and 'screening' submissions before they go to the board for a decision. Project management has been enhanced by the development of an 'Assembly approach' which aims to ensure consistency of the governance arrangements across all projects being undertaken by the organisation. This, aligned with a new programme management approach, is enabling the Investment Board to widen its scope to encompass strategic resource planning across the whole of the Assembly.
30. We have made some progress towards finalising the Assembly Commission's **Business Continuity Plan**; several service areas now have draft plans and testing will start in April 2014. Business Continuity has not developed as quickly as we would have liked during the past year due to a number of factors (e.g. the reorganisation of the Assembly Business Directorate). However, the Business Continuity Plan for the organisation is on track to achieve the revised implementation date of December 2014. The Business Continuity Manager and her post have moved to the Governance and Audit team which is providing additional support to the business continuity planning process.
31. **The Official Languages Scheme** was approved by the Assembly during the year and we will be producing our first annual report on progress in the summer 2014. During the year we have made good progress on implementing many areas of the scheme such as the development of machine translation technology which is a leader in its field and the strides taken in the delivery of bilingual briefing to committees. There are areas where we still need to make more progress to ensure that we fully comply with the scheme such as our bilingual skills strategy, consultation with Members and a bilingual service in the Senedd Cafe.
32. During the course of the year we identified a number of **areas that need to be strengthened during the course of 2014-15**:
  - Improving management information e.g. further refining the KPIs and improved information to Investment Board;
  - Increasing the effectiveness of our forward planning, including better sharing of and identification of linkages between service plans;
  - Further enhancing the role of the Investment Board in resource and capacity planning;
  - Continuing to deliver the requirements of the Official Languages Scheme;
  - Improving the Fraud Response Plan;
  - Finalising and testing the Business Continuity Plan; and
  - Enhancing our public engagement strategy.

33. In response to an isolated fraud incident, we are also strengthening our controls around the recording and verification of supplier data. The driver for this work includes the need to stay in front of the constantly evolving ICT capabilities available to all, increasing the possible methods of deception. The strengthened controls will help to ensure the integrity of our payments system and minimise risks from external sources.
34. A plan setting out the actions needed to address these issues will be prepared and progress will be reported to the Assembly Commission's Audit and Risk Assurance Committee.

**Claire Clancy**

**Chief Executive and Clerk of the National Assembly for Wales**

Date: 09 July 2014

# The Certificate and Report of the Auditor General for Wales to the National Assembly for Wales

I certify that I have audited the financial statements of National Assembly for Wales Commission (the Commission) for the year ended 31 March 2014 under the Government of Wales Act 2006. These comprise the Statement of National Assembly for Wales's Supply, Statement of Comprehensive Net Expenditure, Statement of the Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity, and related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for preparing the Annual Report, which includes the Remuneration Report and the financial statements, in accordance with the Government of Wales Act 2006 and HM Treasury directions made there under and for ensuring the regularity of financial transactions.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with applicable law and with International Standards on Auditing (UK and Ireland). These standards require me to comply with the Auditing Practice Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Commission; and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient 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.

In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

## Opinion on Financial Statements

In my opinion the financial statements:

- give a true and fair view of the state of Commission's affairs as at 31 March 2014 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.



## Opinion on Regularity

In my opinion, in all material respects, 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.

## 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; and
- the information which comprises included within the Annual Report is consistent with the financial statements.

## Matters on which I report by exception

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

- the Annual Governance Statement does not reflect compliance with HM Treasury guidance;
- proper accounting records have not been kept;
- 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.

**Huw Vaughan Thomas**  
**Auditor General for Wales**

24 Cathedral Road  
Cardiff  
CF11 9LJ

15 July 2014

The maintenance and integrity of the National Assembly for Wales website is the responsibility of the 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.

# Statement of National Assembly for Wales's Supply

## a) Summary of Outturn 2013-2014

		2013-14 £'000			2013-14 £'000			2013-14 £'000	Outturn 2012-13 £'000
		Budget			Outturn			Net total outturn compared with budget: saving/ (excess)	
Note	Expend	Income	Total	Expend	Income	Total			
Resources for use by the National Assembly for Wales Commission	SOS 02	35,300	(250)	35,050	35,705	(250)	35,455	(405)	33,634
Resources in respect of Remuneration Board decisions	SOS 02	13,700		13,700	13,261	-	13,261	439	12,938
Annually Managed Expenditure	SOS 02	1,200		1,200	1,054	-	1,054	146	573
		50,200	(250)	49,950	50,020	(250)	49,770	180	47,145

Explanations of variances between budget and outturn are provided in SOS 02

## b) Net cash requirement 2013-14

			2013-14 £'000	2012-13 £'000	
	<b>Note</b>	<b>Budget</b>	<b>Outturn</b>	<b>Net total outturn compared with budget: saving/(excess)</b>	<b>Outturn</b>
Net cash requirement	SOS 04	45,850	45,408	442	43,197

Explanations of variances between the approved budget and outturn are given in SOS 02 and in the Management Commentary.

## c) Summary of income payable to the Welsh Consolidated Fund

In 2013-14 the Assembly Commission is due to pay £31,327.67 (nil 2012-13). This money represents the excess income received in year.

# Notes to the Resource Accounts (Statement of National Assembly for Wales' Supply)

## SOS 01.Statement of accounting policies

The Statement of National Assembly for Wales' Supply is given to the National Assembly for Wales' through the Welsh Consolidated Fund agreeing budgets for capital and revenue expenditure as well as retainable income. The Statement and supporting notes have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FRM) suitably adapted for the constitution of the National Assembly for Wales and the Commission as specified by the Government of Wales Act 2006.

### SOS 01.1. Accounting convention

The Statement of Supply and related notes are presented consistently with Treasury budget control and Supply Estimates.

### SOS 01.2. Comparison with IFRS-based accounts

Many transactions are treated in the same way in National Accounts and IFRS-based accounts, but there are a number of differences.

- **Receipts in excess of HM Treasury agreement**
- This applies where HM Treasury has agreed a limit to income retainable by the Commission, with any excess income scoring outside of budgets, and consequently outside of the Statement of National Assembly for Wales' Supply. IFRS-based accounts will record all of the income, regardless of the budgetary limit. This situation may arise in the following areas: (i) profit /loss on disposal of assets; (ii) income generation above department Spending Review settlements; and (iii) income received above netting-off agreements.
- **Provisions**
- Provisions recognised in IFRS-based accounts are not recognised as expenditure until the actual payment of cash (or accrual liability) is recognised. A reconciliation is provided in SOS 03.

## SOS 02. Analysis of net resource outturn 2013-14

	Outturn £'000	Analysis of Approved Budget £'000	Outturn compared with Approved Budget £'000	Analysis of Revised Budget £'000	Outturn compared with Revised Budget £'000	Outturn 2012-13 £'000
<i>Revenue expenditure</i>						
Staff salaries and related costs	15,770	15,269	(501)	15,269	(501)	14,736
Accommodation and facilities costs	7,380	7,642	262	6,942	(438)	7,920
ICT costs	4,971	5,654	683	5,654	683	3,844
Other costs	1,319	1,367	48	1,367	48	1,328
Training and development costs	384	340	(44)	340	(44)	250
Promoting awareness and understanding	217	452	235	452	235	178
Staff travel and subsistence costs	128	173	45	173	45	136
Other HR costs	113	103	(10)	103	(10)	211
Depreciation and amortisation charges	3,734	4,000	266	4,000	266	3,942
<b>Gross Revenue Expenditure</b>	<b>34,016</b>	<b>35,000</b>	<b>984</b>	<b>34,300</b>	<b>284</b>	<b>32,545</b>
<i>Revenue Income</i>						
Sales - the Assembly Shop	(12)	(11)	1	(11)	1	(12)
Accommodation rental income	(116)	(116)	-	(116)	-	(57)
Miscellaneous income	(122)	(123)	(1)	(123)	(1)	(96)
<b>Gross Revenue Income</b>						
<b>Applied</b>	(250)	(250)	-	(250)	-	(165)
<b>NET REVENUE EXPENDITURE</b>	<b>33,766</b>	<b>34,750</b>	<b>984</b>	<b>34,050</b>	<b>284</b>	<b>32,380</b>
<b>CAPITAL EXPENDITURE</b>						
<b>CREATION OF FIXED ASSETS</b>	1,689	1,000	(689)	1,000	(689)	1,254
<b>RESOURCE OUTTURN</b>	<b>35,455</b>	<b>35,750</b>	<b>295</b>	<b>35,050</b>	<b>(405)</b>	<b>33,634</b>
<b>Members' salaries allowances and related costs</b>	13,261	13,700	439	13,700	439	12,938
<b>RESOURCE OUTTURN</b>	<b>48,716</b>	<b>49,450</b>	<b>734</b>	<b>48,750</b>	<b>34</b>	<b>46,572</b>
<b>Members' Pension Finance Costs</b>	1,054	500	(554)	1,200	146	573
<b>Net Resource Outturn</b>	<b>49,770</b>	<b>49,950</b>	<b>180</b>	<b>49,950</b>	<b>180</b>	<b>47,145</b>

## Analysis of net resource outturn – notes

The resource outturn for the year was £0.034million (0.07%) less than the total authorised budget. This is a considerable improvement from previous years and arises from the Commission's improved budgetary processes. These enabled the key performance indicator to be reduced from the <2% target originally set for 2012-13 to <1%. This target is being maintained for 2014-15. .

The underspend on Members' salaries allowances and related costs was £0.439 million (3.2%) and this underspend enabled the Commission to accelerate existing routine and programme plans. The improvements in both planning and financial management processes continue to provide the financing flexibility needed to manage the increasing number of projects managed throughout the period.

Specifically, within the ICT Costs and ICT revenue projects the cumulative impact of ICT projects changes (such as Video Conference, WiFi phase II/III HR Payroll, Finance, Video conferencing, Medialon replacement and Sharepoint ) together with reduction in the funding needs for the ICT Futures project enabled £0.741million to be made available for other priority projects.

This in turn enabled the capital projects covering upgrading broadcasting capabilities, improving Senedd heating capacity and estate security to proceed earlier than planned.

During the year, further under spends materialised from Assembly Members' lower than budgeted expenditure on Support Staff salaries and Assembly Members' office costs & expenses together with the revaluation of the Assembly estate (part of Accommodation and Facilities costs) and promotional costs being less than originally anticipated.

All of these budget changes together with the Commission's sustained drive to deliver Value for Money have similarly released budget in 2013-14 for other priority projects such as the unexpected costs involved in fixing the Tŷ Hwyl office roof, delivering further Assembly business service improvements with the development of the Strategic Transformation Unit as well as the recruitment for ICT staff as the service moves to an in-house service provision.

The Assembly Members' Pension Finance costs have been completely absorbed within the Annually Managed Expenditure Budget. This is the budget set aside solely for this purpose with the costs arising from the accounting treatment set out in International Accounting Standard 19. The £0.146 million underspend arising on this budget cannot be used for any other purpose.

## SOS 03.Reconciliation of resource outturn to net operating cost

	Note	2013-14 £000	2012-13 £'000
Net Resource Outturn	SOS 02	49,770	47,145
Capital expenditure	4 & 5	(1,689)	(1,254)
Direct charges on the Welsh Consolidated Fund		624	642
Income payable to the Welsh Consolidated Fund	SOS 06	(31)	-
<b>Net operating cost</b>		<b>48,674</b>	<b>46,533</b>

The direct charges on the Welsh Consolidated Fund £624,222 (£641,915 for 2012-13) 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.

## SOS 04. Reconciliation of Net Cash Requirement to (decrease)/ increase in cash

	31 March 2014 £'000	31 March 2013 £'000
Net cash requirement	(45,408)	(43,197)
From the Consolidated Fund (Supply) – current year	45,850	43,827
Amounts due from the Consolidated Fund not paid over	(219)	-
Amounts paid to the Consolidated Fund	(630)	(924)
<b>Decrease in cash</b>	<b>(407)</b>	<b>(294)</b>

## SOS 05.Reconciliation of net resources to cash requirement

		<b>Budget</b>	<b>Outturn</b>	<b>Net total outturn compared with budget: saving/ (excess)</b>	<b>Outturn 2012-13</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net Resource Outturn	SOS 02	49,950	49,770	180	47,145
<u>Accruals adjustments</u>					
Non-cash items	See below	(5,200)	(4,788)	(412)	(4,515)
Changes in working capital other than cash		1,100	426	674	567
<b>Net cash requirement</b>		<b>45,850</b>	<b>45,408</b>	<b>442</b>	<b>43,197</b>

		<b>Budget</b>	<b>Outturn</b>	<b>Outturn compared with budget 2013-14</b>	<b>Outturn 2012-13</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Non-cash items</b>					
Depreciation and amortisation	4 & 5	(4,000)	(3,734)	(266)	(3,942)
IAS 19 Pension Finance Cost and other provision movements		(1,200)	(1,054)	(146)	(573)
		(5,200)	(4,788)	(412)	(4,515)

## SOS 06. Analysis of income payable to the Welsh Consolidated Fund

	<b>Budget 2013-14</b>	<b>Outturn 2013-14</b>	<b>Outturn 2012-13</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Retainable operating income	<b>250</b>	<b>281</b>	165
Non-Retainable operating income (bank interest)	-	-	-
Subtotal	250	281	165
Amount retained	250	250	165
Amount payable to the WCF	-	31	-

There has been no other operating income in 2013-14 (nil 2012-13).



# Statement of Comprehensive Net Expenditure

For the year ended 31 March 2014

	Note	2013-14 £'000	2012-13 £'000
<b>Administration Costs</b>			
Members' Office holders and staff salary costs	2a	21,715	20,585
Members' Other Costs	2b	7,940	7,731
Members' Pension Finance Cost	10	1,054	573
Other administration costs	3	18,246	17,809
<b>Gross Administration Costs</b>		48,955	46,698
Operating income	SOS 06	(281)	(165)
<b>Net Operating Costs for the year ended 31 March 2014</b>		<b>48,674</b>	<b>46,533</b>

## Other Comprehensive Expenditure

<b>Net gain on revaluation of Property Plant and Equipment</b>		(4,601)	-
<b>Total Comprehensive Expenditure for the year ended 31 March 2014</b>		<b>44,073</b>	<b>46,533</b>

All activities are continuing.

# Statement of Financial Position

As at 31 March 2014

	Note	31 March 2014 £'000	31 March 2013 £'000
<b>Non-current assets:</b>			
Property, plant and equipment	4	68,969	66,065
Intangible assets	5	1,073	1,421
<b>Total non-current assets</b>		<b>70,042</b>	<b>67,486</b>
<b>Current Assets</b>			
Inventories	6	19	16
Trade and other receivables	7	2,426	1,507
Cash and cash equivalents	8	223	630
<b>Total current assets</b>		<b>2,668</b>	<b>2,153</b>
<b>Total assets</b>		<b>72,710</b>	<b>69,639</b>
<b>Current liabilities</b>			
Trade and other payables	9	(4,520)	(4,398)
Provisions	10	(36)	(33)
<b>Total current liabilities</b>		<b>(4,556)</b>	<b>(4,431)</b>
<b>Non-current assets plus net current assets</b>		<b>68,154</b>	<b>65,208</b>
<b>Non-current liabilities</b>			
Provisions	10	(4,876)	(5,191)
<b>Total non-current liabilities</b>		<b>(4,876)</b>	<b>(5,191)</b>
<b>Assets less liabilities</b>		<b>63,278</b>	<b>60,017</b>
<b>Taxpayers' Equity and other reserves</b>			
General Fund		55,575	57,194
Pension Fund Reserve		(4,772)	(5,051)
Revaluation Reserve		12,475	7,874
		<b>63,278</b>	<b>60,017</b>

**Claire Clancy**

**Chief Executive and Clerk of the Assembly**

Date: 09 July 2014

# Statement of Cash Flows

For the year ended 31 March 2014

	Note	2013-14 £'000	2012-13 £'000
<b>Cash flows from Operating Activities</b>			
Net operating cost	SOS 03	(48,674)	(46,533)
<b>Adjustments for non-cash transactions:</b>			
Depreciation, amortisation and impairment	4 & 5	3,734	3,942
(Increase) in inventories	6	(3)	(6)
(Increase) in trade and other receivables	7	(919)	(157)
<i>Less movements in receivables relating to items not passing through the Operating Cost Statement</i>			294
Increase/(decrease) in trade and other payables	9	(134)	(790)
<i>Less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>		380	-
Utilising of Provision	10	(36)	(33)
Pension Finance Costs	10	1,054	573
<b>Net cash outflow from Operating Activities</b>		<b>(44,342)</b>	<b>(42,710)</b>
<b>Cash flows from Investing Activities</b>			
Purchase of property plant and equipment	4	(1,416)	(748)
Purchase of intangible assets	5	(17)	(381)
<b>Net cash outflow from Investing Activities</b>		<b>(1,433)</b>	<b>(1,129)</b>
<b>Cash flows from Financing Activities</b>			
From the Welsh Consolidated Fund (Supply)		45,630	43,827
From the Welsh Consolidated Fund (direct charges)		624	642
Payments to the Welsh Consolidated Fund		(630)	(924)
<b>Net cash inflow from Financing Activities</b>		<b>45,624</b>	<b>43,545</b>
Net decrease in cash and cash equivalents	SOS 04	(407)	(294)
Cash and cash equivalents at beginning of year	8	630	924
<b>Cash and cash equivalents at end of year</b>	8	<b>223</b>	<b>630</b>

# Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2014

	Note	Restated General Fund £'000	Revaluati on Reserve £'000	Donated Asset Reserve £'000	Pension Reserve £'000	Restated Total Reserves £'000
<b>Balance at 31 March 2012</b>		59,315	7,874	-	(3,686)	63,503
Pension Fund Reserve Movement						
Pension Fund cost		-	-	-	(792)	(792)
<b>Total recognised income and expense for 2012-13</b>		(46,533)	-	-	-	(46,533)
<b>Transfer between reserves Welsh Consolidated fund</b>		573	-	-	(573)	-
-Supply		43,827	-	-	-	43,827
-Direct Charges	SOS 03	642	-	-	-	642
<b>Amount payable to the Welsh Consolidated Fund</b>						
-Supply		(630)	-	-	-	(630)
<b>Balance at 31 March 2013</b>		57,194	7,874	-	(5,051)	60,017
Pension Fund Reserve Movement						
Pension Fund Reserve		-	-	-	-	-
<b>Pension Fund Cost</b>	10	-	-	-	1,333	1,333
<b>Total recognised income and expense for 2013-14</b>		(48,674)	-	-	-	(48,674)
<b>Transfer between reserves Welsh Consolidated fund</b>	10	1,054	4,601	-	(1,054)	4,601
-Supply		45,850	-	-	-	45,850
-Direct Charges	SOS 03	624	-	-	-	624
<b>Amount payable to the Welsh Consolidated Fund</b>						
-Supply		(31)	-	-	-	(31)
<b>CFERs payable to the Consolidated</b>						
-Supply	SOS 05	(442)	-	-	-	(442)
<b>Balance at 31 March 2014</b>		55,575	12,475	-	(4,772)	63,278

# Notes to the Resource Accounts

## 01. Statement of accounting policies

These financial statements have been prepared on an accruals basis in accordance with the 2013–14 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 2013-14 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.

### 01.1. 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).

### 01.2. Property, Plant & Equipment

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

The IT threshold is where the grouped value of related asset purchases exceeds £5,000. Professional valuations are obtained for Land & 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.

### 01.3. 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.

### 01.4. 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 will be included in subsequent revaluations and impairment reviews.

### 01.5. Intangible Assets

Software licences are capitalised as intangible fixed assets and amortised on a straight line basis over the expected life of the asset (3 or 5 years).

## 01.6. 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 decision under the Clear Line of Sight Programme

## 01.7. Depreciation

Freehold land, assets under construction, historic documents and records and works of art 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:

<b>Buildings:</b>	50 years or an alternative period provided by a qualified (RICS) valuer.
<b>Fixed plant:</b>	10 years, or an alternative period provided by the supplier at the time of purchase or valuation.
<b>ICT, Audio Visual &amp; Broadcasting equipment:</b>	4-6 years
<b>ICT Infrastructure:</b>	10 years
<b>Intangible assets (software):</b>	3 or 5 years
<b>Motor Vehicles:</b>	4 years
<b>Donated assets:</b>	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 transferred from the Revaluation Reserve to the General Fund, if material.

## 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 differing 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 & Broadcasting Equipment, ICT Infrastructure and Intangible Assets, the differing parts will be depreciated over their respective useful lives.

## 01.8. 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.

## 01.9. Inventories

Inventories, including goods held for resale, are stated at the lower of cost and net realisable value.

## 01.10. 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.

## 01.11. Pensions

**The Principal Civil Service Pension Scheme (PCSPS)** - Staff employed directly by the Commission and staff seconded to the Commission are eligible for membership of the Principal Civil Service Pension Scheme (PCSPS). It is an unfunded multi-employer defined benefit scheme and the Commission is unable to identify its share of the underlying assets and liabilities. There is currently a valuation of the Principal Civil Service Pension Scheme being undertaken. We expect this will be completed in 2014.

Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (<http://www.civilservice.gov.uk/pensions>).

**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 pension cover 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 will 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. The AMPS prepares its own Annual Accounts, separate to the Commission's Accounts, and these are available on the **Assembly website**.

**The Assembly Members' Support Staff (AMSS) Pension Scheme** – The National Assembly for Wales has a group stakeholder scheme with AVIVA and makes a monthly contribution of 10 per cent of gross salary for support staff. In addition, there is an option to the employee to make a regular monthly contribution by salary sacrifice. The Scheme is compliant with automatic enrolment legislation as the scheme's staging date was 1 January 2014.

## 01.12. Operating Lease Charge

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

## 01.13. 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 is exempt for VAT on the provision of Assembly goods and services. The Commission is standard rated for VAT on its trading activities, such as the Assembly shop.

## 01.14. Cash and Cash equivalents

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

### **01.15. 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.

### **01.16. Segmental Reporting**

We have reviewed our management reports and are satisfied that under the requirements of IFRS 8 we have no additional disclosure to make.

### **01.17. 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. We recognise 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. We use the relevant discount rate as set by HM Treasury.



## 02. A - Members and staff numbers and related costs

Staff costs comprise:

	<b>Staff</b>	<b>Members &amp; Office Holders</b>	<b>Total 2013-14</b>	<b>Total 2012-13</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Salaries				
Staff, Members and Office Holders	12,273	4,430	16,703	15,825
Seconded staff	162		162	139
Social security costs				
Staff, Members and Office Holders	1,000	485	1,485	1,400
Other pension costs				
Staff, Members and Office Holders	2,335	1,030	3,365	3,221
<b>Total Members, Office holders and staff salary costs</b>	<b>15,770</b>	<b>5,945</b>	<b>21,715</b>	<b>20,585</b>

All staff costs are charged to administration costs

The Commission pays the salary and related costs of 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.

The average number of whole-time equivalent persons employed by the Commission across the year (including senior management) was as follows:

	<b>2013-14</b>	<b>2012-13</b>
Permanent Staff	357.21	337.8
Seconded Staff	0.5	1.0
Temporary/Casual Staff	15.63	19.5
Fixed Term Appointments	-	-
<b>Total</b>	<b>373.34</b>	<b>358.3</b>

As at the 31 March 2014 there were 60 serving Assembly Members. At the year-end there were 25 Office Holders (other than Ministers), 1 First Minister, 9 Welsh Ministers, 3 Deputy Ministers and 1 Counsel General.

The Commission consists of the Presiding Officer and four elected Members (see Management Commentary for detail). The role of a Commissioner is remunerable at £12,420 per annum from 1 April 2011. All senior managers and staff are employees of the Commission.

## Principal Civil Service Pension Scheme

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme in which the Assembly Commission is unable to identify its share of the underlying assets and liabilities.

There is currently a valuation of the Principal Civil Service Pension Scheme being undertaken. We expect this will be completed in 2014. The results of the valuation will determine the employer contribution rate our organisation will have to pay from 2015-16. The valuation is being conducted according to a methodology set out in Treasury Directions. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (<http://www.civilservice.gov.uk/pensions>).

For 2013-14, employer's contributions of £2.336million (£2.185million 2012-13) were payable to the PCSPS at one of four rates in the range 16.7% to 24.3% of pensionable pay, based on salary bands (amended from the salary bands in 2008-09). 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.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer's contributions of £32,062 (£17,489 2012-13) were paid to appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% per cent of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £1,929 (£882 2012-13) or 0.8% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the Statement of Financial Position date were £3,375 (£795 2012-13). There were no contributions prepaid at that date.

There were no early retirements on ill-health grounds during the year and there were no additional accrued pension liabilities in the year.

## Assembly Members' Pension Scheme

The pension scheme for Assembly Members provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Assembly Commission and are managed by an appointed Investment Manager. A full actuarial valuation was carried out at 31 March 2008 and updated to 1 April 2011 by a qualified independent actuary. Next full actuarial valuation is to be carried out at 1 April 2014. The scheme is funded.

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

	Note	31 March 2014 £'000	31 March 2013 £'000
Present value of scheme liabilities		(30,258)	(29,011)
Fair value of scheme assets		25,486	23,960
Net liability		(4,772)	(5,051)
Amount in the Statement of Financial Position			
Liabilities		(4,772)	(5,051)
Assets		-	-
Net liability	10	(4,772)	(5,051)

Analysis of amount charged to the Statement of Comprehensive Net Expenditure

	2013-14 £'000	2012-13 £'000
Current service cost	1,802	1,475
Interest on pension liability	1,281	1,212
Interest on scheme assets	(1,046)	(1,149)
	2,037	1,538
Allocated in the account as;		
Other pension costs	983	965
Pension finance costs	1,054	573
Past service costs	-	-
	2,037	1,538

Analysis of the amount recognised in Statement of Change in Taxpayer's Equity (SCITE)

	2013-14 £'000	2012-13 £'000
Actual return less interest on scheme assets	(282)	1,524
Experience gains and losses arising on pension liabilities	720	1,125
Changes in assumptions	895	(3,441)
Net actuarial gains/ (losses) recognised in SCITE	1,333	(792)

## Movement in liabilities during the year

	<b>31 March 2014 £'000</b>	<b>31 March 2013 £'000</b>
Liabilities at 1 April	29,011	23,984
Current service cost (net of member contributions)	1,802	1,475
Member contributions (including net transfers- in)	424	445
Past service cost		-
Benefits paid during the year	(645)	(421)
Interest on pension liability	1,281	1,212
Actuarial (losses)/gains	(1,615)	2,316
Liabilities at 31 March	<u>30,258</u>	<u>29,011</u>

## Movements in assets during the year

	<b>31 March 2014 £'000</b>	<b>31 March 2013 £'000</b>
Assets at 1 April	23,960	20,298
Interest on scheme assets	1,046	1,149
Actual return less interest on scheme assets	(282)	1,524
Contributions by NAFW	983	965
Contributions by Members (including net transfers-in)	424	445
Benefits paid and expenses	(645)	(421)
Closing fair value of scheme assets 31 March	<u>25,486</u>	<u>23,960</u>

The Commission expects to contribute £1,011,971 to the Members' Pension Scheme in 2014-15.

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

	<b>2013-14</b>	<b>2012-13</b>
Equities	45.01%	47.1%
Alternative Investments	21.17%	24.08%
Fixed Interest & Cash	33.82%	28.82%

The scheme assets do not contain any property directly or indirectly. The scheme assets include, indirectly through investment in unitised funds, gilts issued by the UK government with a fair value of £2,277,471 (£2,214,659 2012-13).

The expected rate of return on equities is 3.5% a year higher than the yield on gilts at the reporting date. The expected rate of return on bonds is the redemption yield on the bonds held (indirectly) by

the scheme at the reporting date. The expected rate of return on cash is a long term best estimate cash return, on the assumption that interest rates will be in line with the yield available on gilts.

The actual return on scheme assets in 2013-14 was a gain of £0.761 million (£2.670 million gain in 2012-13).

Principal actuarial assumptions at the Statement of Financial Position date:

	<b>31 March 2014</b>	<b>31 March 2013</b>
Discount rate	4.4%	4.3%
Future salary increases	-0.1%	-0.4%
Future pension increases	1.9%	1.8%
Expected rate of return on equities	-*	6.2%
Expected rate of return on UK Government bonds	-*	2.7%
Expected rate of return on bonds	-*	4.0%
Expected rate of return on cash	-*	2.7%
Expectation of life at age 65 (years)		
Men	25.0	25.0
Women	26.2	26.2

\*Following changes to IAS 19, the expected returns on assets are no longer required.

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

	<b>31 March 2014 £'000</b>	<b>31 March 2013 £'000</b>	<b>31 March 2012 £'000</b>	<b>31 March 2011 £'000</b>	<b>31 March 2010 £'000</b>
Defined benefit obligation	30,258	29,011	23,984	21,095	21,999
Scheme assets	25,486	23,960	20,298	18,785	16,126
Actual return less interest on scheme assets	(4,772)	(5,051)	(3,686)	(2,310)	(5,873)
Experience gains and losses arising on pension liabilities	720	1,125	(436)	617	251
Actual return less interest on scheme assets	(282)	1,524	(497)	618	3,799

Further information on the **Assembly Members' Pension Scheme** can be found in the annual report and accounts for the scheme for the year ending 31 March 2014.

## 02.B - Members' Other Costs

Members' Other Costs of £7.940million (£7.731million 2012-13) in the Statement of Comprehensive Net Expenditure consist of:

	<b>2013-14</b>	<b>2012-13</b>
	<b>£'000</b>	<b>£'000</b>
Office Costs allowances	766	733
Additional Costs allowances	243	230
Members' Staff Costs allowances	6,681	6,503
Travel costs	250	265
<b>Total Members' other costs</b>	<b>7,940</b>	<b>7,731</b>

## 02.C - Reporting of Voluntary Severance Scheme –exit packages

There were no additional severance payments made during the year. The impact of the costs from the 2012-2013 Severance Scheme can be seen in note 10.

In the previous year the Commission met the cost of a special severance payment during the year under the terms set by the Chief Executive in consultation with Assembly Commissioners. The amount was in the band £50k-£100k. The payment was subject to a compromise agreement.

	<b>Total number of exit packages by cost band</b>	<b>Total number of exit packages by cost band</b>
<b>Exit package cost band</b>	<b>2013-14</b>	<b>2012-13</b>
<b>£50,000 - £100,000</b>	-	1
<b>Total number of exit packages by type</b>	-	1

## 02.D - 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.

On 9 November 2010, Gerard Elias QC was appointed as the Commissioner for Standards. More information about Gerard Elias QC and his work is available from

<http://standardscommissionerwales.org/>

During 2013-14, a total of £21,244 (£24,769 2012-13) was incurred in relation to the Commissioner's work.

- 232.75 hours at a cost of £18,424 (288 hours at a cost of £21,179 2012-13) for the Commissioner's cost for 2013-14 was charged to the Welsh Consolidated Fund.
- 88 hours at a cost of £2,820 (120 hours at a cost of £3,490) for Staff Costs incurred in supporting the Commissioner.

### 03. Other Administration Costs

Other administration costs of £18.246 million (£17.809 million 2012-13) in the Statement of Comprehensive Expenditure consist of:

	2013-14 £'000	2012-13 £'000
<b>Accommodation and facilities costs</b>		
Leases – Buildings	2,839	2,812
Maintenance	1,934	1,971
Rates	716	1,356
Security	573	603
Utilities	507	518
Catering	306	305
Leases photocopier	134	161
Car parking	103	115
Furniture and fittings	268	79
<b>ICT costs</b>		
ICT Contracted-Out Services	2,404	2,191
Broadcasting	578	475
Telephone	265	385
Licence and maintenance costs	520	360
IT Projects	795	221
Website	117	122
ICT revenue and consumable purchases	292	90
<b>Other costs</b>		
Other administrative expenses	202	343
Translation	276	204
Printing, Stationery and Postage	242	203
Insurance and Specialist Advice	130	195
Publications	102	110
Accounting and Financial service	77	92
Audit	128	87
Committee Advisors	117	57
Hospitality	45	37
<b>Training and development costs</b>	384	250
<b>Promoting awareness and understanding</b>	217	178
<b>Staff travel and subsistence costs</b>	128	136
<b>Other HR costs</b>	113	211
<b>Depreciation, amortisation and impairment charges</b>	3,734	3,942
	<b>18,246</b>	<b>17,809</b>

The agreed external audit cost for the audit of these statements is £62,540 (2012-13 £60,250). No costs were charged in 2013-14 (nil 2012-13) for additional non-statutory audit work.



## 04. Property, plant and equipment

	Land & Buildings	Information Technology	Furniture and Fittings*	Vehicles	Assets under construction	2013-14 £'000 Total
<b>Cost or valuation</b>						
At 1 April 2013	71,345	12,852	1,483	80	364	86,124
Additions	-	581	293	-	798	1,672
Reclassification	-	203	100	-	(364)	(61)
Disposals	-	-	-	-	-	-
Revaluations	(8,205)	-	-	-	-	(8,205)
At 31 March 2014	63,140	13,636	1,876	80	798	79,530
<b>Depreciation</b>						
At 1 April 2013	(11,172)	(7,908)	(899)	(80)	-	(20,059)
Charged in year	(1,634)	(1,582)	(92)	-	-	(3,308)
Impairment	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluations	12,806	-	-	-	-	12,806
At 31 March 2014	0	(9,490)	(991)	(80)	-	(10,561)
<b>Carrying amount at 31 March 2014</b>	<b>63,140</b>	<b>4,146</b>	<b>885</b>	<b>-</b>	<b>798</b>	<b>68,969</b>
Carrying amount at 1 April 2013	60,173	4,944	584	-	364	66,065

\* Furniture and Fittings Includes 'donated assets', consisting of the Mace donated by the Parliament of New South Wales for the opening of the Senedd.

The latest revaluation of land and buildings was undertaken by DS Gibbon FRICS of GVA Grimley International Property Advisers, as at 31 March 2014. The Senedd and the Pierhead were re-valued at depreciated replacement cost as a proxy for current value.

	<b>Land &amp; Buildings</b>	<b>Information Technology</b>	<b>Furniture and Fittings*</b>	<b>Vehicles</b>	<b>Assets under construction</b>	<b>2012-13 £'000 Total</b>
<b>Cost or valuation</b>						
At 1 April 2012	71,345	12,402	1,228	80	196	85,251
Additions	-	373	136	-	364	873
Reclassification	-	77	119	-	(196)	-
Disposals	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
At 31 March 2013	71,345	12,852	1,483	80	364	86,124
<b>Depreciation</b>						
At 1 April 2012	(9,650)	(6,028)	(729)	(60)	-	(16,467)
Charged in year	(1,522)	(1,853)	(93)	(20)	-	(3,488)
Impairment	-	(27)	(77)	-	-	(104)
Disposals	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
At 31 March 2013	(11,172)	(7,908)	(899)	(80)	-	(20,059)
<b>Carrying amount at</b>						
<b>31 March 2013</b>	<b>60,173</b>	<b>4,944</b>	<b>584</b>	<b>-</b>	<b>364</b>	<b>66,065</b>
Carrying amount at 1 April 2012	<b>61,695</b>	<b>6,374</b>	<b>499</b>	<b>20</b>	<b>196</b>	<b>68,784</b>

## 05. Intangible assets

Intangible assets comprise Software and Software Licences for major systems used by the Commission:

	<b>Software</b>	<b>2014 Total €'000</b>
<b>Cost or valuation</b>		
At 1 April 2013	2,289	2,289
Additions	17	17
Reclassification	61	61
<b>At 31 March 2014</b>	<b>2,367</b>	<b>2,367</b>
<b>Amortisation</b>		
At 1 April 2013	<b>(868)</b>	<b>(868)</b>
Charged in year	(426)	(426)
<b>At 31 March 2014</b>	<b>(1,294)</b>	<b>(1,294)</b>
<b>Carrying amount at 31 March 2014</b>	<b>1,073</b>	<b>1,073</b>
Carrying amount at 1 April 2013	<b>1,421</b>	<b>1,421</b>
<hr/>		
	<b>Software</b>	<b>2013 Total €'000</b>
<b>Cost or valuation</b>		
At 1 April 2012	1,908	1,908
Additions	381	381
Reclassification	-	-
Disposals	-	-
Revaluation	-	-
<b>At 31 March 2013</b>	<b>2,289</b>	<b>2,289</b>
<b>Amortisation</b>		
At 1 April 2012	<b>(518)</b>	<b>(518)</b>
Charged in year	(350)	(350)
<b>At 31 March 2013</b>	<b>(868)</b>	<b>(868)</b>
<b>Carrying amount at 31 March 2013</b>	<b>1,421</b>	<b>1,421</b>
Carrying amount at 1 April 2012	<b>1,390</b>	<b>1,390</b>

## 06. Inventories

	31 March 2014 £'000	31 March 2013 £'000
Inventories for the Commission's Shop	19	16

## 07. Trade receivables financial and other assets

	31 March 2014 £'000	31 March 2013 £'000
<b>Amounts falling due within one year:</b>		
Trade receivables	743	6
Other receivables	7	4
Prepayments	1,200	1,114
Recoverable VAT	476	383
	<b>2,426</b>	<b>1,507</b>

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

## 08. Cash and cash equivalents

	31 March 2014 £'000	31 March 2013 £'000
Balance at 1 April	630	924
Net change in cash and cash equivalent balances	(407)	(294)
Balance at 31 March	223	630
The following balances at 31 March were held at:		
Citibank	50	426
Commercial banks and cash in hand	173	204
<b>Balance at 31 March</b>	<b>223</b>	<b>630</b>

## 09. Trade payables and other current liabilities

	31 March 2014 £'000	31 March 2013 £'000
<b>Amounts falling due within one year</b>		
VAT	12	9
Other taxation and social security	600	582
Trade payables	464	4
Other payables	-	-
Accruals	3,190	3,173
Amounts due to the Welsh Consolidated Fund	254	630
	<b>4,520</b>	<b>4,398</b>
<b>Amounts falling due after more than one year</b>		
Other payables	-	-
	<b>4,520</b>	<b>4,398</b>

Due to system automation improvements, an amount of £458,000 is now showing in 2013-14 Trade payables. In 2012-13 this equivalent creditor was included in the Accruals.

## 10. Provisions for liabilities and charges

Under International Accounting Standard 19, a liability of £4.772 million is recognised for the Assembly Members' Pension Scheme. Further information on this is provided under Note 2.

	AM Pension Scheme £'000	Provision for compensatory payment to staff £'000	2013-14 Total £'000	2012-13 Total £'000
Balance at 1 April	5,051	173	5,224	3,892
(Decrease)/Increase	(279)*	3	(276)	1,365
Utilised in-year		(36)	(36)	(33)
<b>Balance at 31 March</b>	<b>4,772</b>	<b>140</b>	<b>4,912</b>	<b>5,224</b>

\*This includes the pension finance cost £1.054 million (£0.573 million 2012-13) and the net actuarial gain £1.333 million (£0.792 million – 2012-13) Further information is in Note 2a.

From the total £4.912 million provision, £0.036 million for compensatory payment is expected to crystallise within one year

## 11. Capital commitments

There were no contracted capital commitments at 31 March 2014 (nil at 31 March 2013).

## 12. 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 the lease expires.

	31 March 2014 £'000	Re-stated 31 March 2013 £'000
Obligations under operating leases comprise:		
Land and buildings:	-	-
Expiry after 1 year but not more than 5 years	155	21
Expiry thereafter	49,680	52,440
	<u>49,835</u>	<u>52,461</u>
Other – car, printers and copiers:		
Expiry within one year	81	-
Expiry after 1 year but not more than 5 years	28	198
	<u>109</u>	<u>198</u>

The Commission receives income in connection with the Land and building operating leases. This income is disclosed as Accommodation Rental Income within SOS 2.

### (b) Finance leases

There are no obligations under finance leases.

### 13. Other financial commitments

Historically the Commission has held two contracts deemed to be non-cancellable. These are contracts where a cancellation outside the contract terms would incur a charge. Therefore the Commission is considered to have a financial commitment in relation to this type of contract. During the year formal notice of termination of one of the contracts, for the ICT support was concluded.

	<b>2013-14</b>	<b>2012-13</b>
	<b>£'000</b>	<b>£'000</b>
<b>Obligations under non-cancellable contracts comprise:</b>		
Expiry within 1 year	840	-
Expiry after 1 year but not more than 5 years	10	2,974
Expiry thereafter	-	-
	<b>850</b>	<b>2,974</b>

The Commission has other 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.

### 14. 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.

## 15. Contingent liabilities

Assembly Member Support Staff have contractual rights to have the equivalent of 10% of gross annual salary contributed towards a pension, but not all have exercised this right. Liability continues until six years after cessation of employment, and is estimated as follows:

	Amount outstanding 31 March 2014 £'000	Amount outstanding 31 March 2013 £'000	Amount paid out 2013-14 £'000	Comments
Pension contributions for AM Support Staff who:				
Are currently employed but not contributing to a pension scheme	2	29	-	Remote
Have left employment without ever joining a pension scheme	54	61	-	Remote

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

## 16. Losses and special payments

The number and value of losses and special payments made during 2013-14 are as follows:

### (a) Losses Statement

	2013-14		2012-13	
	<i>No. of cases</i>	Value £'000	<i>No. of cases</i>	Value £'000
Total	16	72	19	4
Fruitless Payments and Constructive Loss	13	1	16	3
Claims Waived/Abandoned			1	1
Losses of pay, allowances and superannuation benefits	2	-	1	-
Losses of Accountable Stores	1	71	1	-

### (b) Special Payments

	2013-14		2012-13	
	<i>No. of cases</i>	Value £'000	<i>No. of cases</i>	Value £'000
Total	6	1	18	103
Compensation	6	1	7	103
Ex-gratia	-	-	3	-
Special Severance Payment	-	-	8	-



## 17. 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:

	Claire Clancy <i>Chief Executive &amp; Clerk</i>		Adrian Crompton <i>Director of Assembly Business</i>		Dave Tosh <i>Director of ICT</i>		Elisabeth Jones <i>Director of Legal Services</i>		Steven O'Donoghue <i>Head of Assembly Resources and Director of Finance</i>	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	£	£	£	£	£	£	£	£	£	£
Car mileage	21	-	-	184	-	135	59	38	-	-
Taxi / Car hire / associated costs	24	-	-	13	-	120	54	139	-	45
Air travel / associated costs	371	282	3,091	1,789	227	412	541	236	89	-
Public transport	171	193	144	612	-	-	403	358	478	647
Accommodation	468	120	-	180	52	481	307	268	279	-
Subsistence / expenses	57	24	315	131	-	159	150	36	470	-
<b>Total</b>	<b>1,112</b>	<b>619</b>	<b>3,550</b>	<b>2,909</b>	<b>279</b>	<b>1,307</b>	<b>1,514</b>	<b>1,075</b>	<b>1,316</b>	<b>692</b>

## 18. 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 & Customs. Additionally, regular transactions take place with the Assembly Members' Pension Scheme, see note 7b. 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 Deputy Presiding Officer, David Melding, and Peter Black, one of the Commissioners, are also trustees of the Assembly Members Pension Scheme.

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 Assembly 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.

A Register of Financial and Other Interests of Assembly Members is available at [www.assemblywales.org](http://www.assemblywales.org). and [www.cynulliadcymru.org](http://www.cynulliadcymru.org).











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