

Children's Commissioner for Wales

Budget estimate 2020-21

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1. Estimate submission

I submit this budget estimate to Welsh Ministers as required by paragraph 6 (2) of Schedule 2 of the Care Standards Act 2000. It sets out the resources required to discharge my statutory functions.

I have based my budget estimate for 2020-21– and my draft work plan – on my funding remaining that of the previous year at £1,579,895.

Table 1: Estimate and indicative budget level for the next three financial years

	Estimate 2020-21 (£)	Indicative 2021-22 (£)	Indicative 2022-23 (£)
Salaries (including pension contribution)	1,175,424	1,205,865 (1)	1,215,840
Premises	94,599	95,105	95,621
Office costs	65,000	65,242	65,242
Training and wellbeing	19,000	19,160	19,323
Travel and subsistence	14,550	14,550	14,550
External audit fee	17,643	17,643	17,643
Internal audit fee	12,000	12,000	12,000
Communication	45,800	45,800	45,800
ICT	28,260	28,260	28,260
Project costs	113,000	113,000	118,071
Capital and depreciation	10,000	10,000	7,000
Total Expenditure	1,595,276	1,626,625	1,639,350
Funding from Welsh Government	1,579,895	1,579,895	1,579,895
Over/(Under) Spend	15,381 (2)	46,730	59,455

1. Please note that the increase in 2021-22 relates to the percentage of staff reaching the top of their salary band that year.
2. This is a small, planned over-spend as part of our ongoing successful effort to reduce the general fund inherited by the current post-holder.

2. Role and functions of the Children’s Commissioner for Wales

Established by the Care Standards Act 2000, the Children’s Commissioner for Wales (CCfW) is an independent children’s rights institution. My remit is laid down in the Children’s Commissioner for Wales Act 2001, which amended the Care Standards Act 2000. My principal aim is to safeguard and promote the rights and welfare of children. This must be my overriding objective when undertaking my functions.

A child is defined in the 2000 Act as a person under the age of 18, although I am able to act when a young person is older than this when certain conditions are fulfilled. For example, I can act on behalf of a young person who has been placed in care and for whom the local authority has a continuing duty under the Social Services and Well-being (Wales) Act 2014.

In exercising my functions, I must have regard to the United Nations Convention on the Rights of the Child (UNCRC) – an international charter which sets out the minimum standards for children and young people wherever they live. The UNCRC underpins all of my work. To ensure children’s rights are upheld in Wales, I can review the functions or exercise of functions of various public bodies and of Welsh Government, and review and monitor the arrangements which certain public bodies have in place to safeguard and promote the rights of children in respect of dealing with complaints and representations, ensuring that proper action is taken in response to whistleblowing, representing the views and wishes of children, and providing children with advice and support.

My remit covers all areas of the devolved powers of the National Assembly for Wales insofar as they affect children’s rights and welfare. I can also make representations to the Welsh Ministers about any matter affecting the rights and welfare of children in Wales.

3. Governance arrangements

As a public office in receipt of public funds, I am committed to implementing rigorous and transparent accountability and decision-making systems. My governance framework comprises the systems, processes and values by which the organisation is directed and controlled. In accordance with the Public Sector Internal Audit Standards, corporate governance has been subject to internal audit by our consultants, Deloitte. They have offered substantial assurance for our corporate governance this financial year.

Below is a description of our governance structure. Further details of the membership of each group, attendance and respective terms of reference can be accessed on our website.

Commissioner: as noted previously, is corporation sole and accounting officer.

Management Team: Its primary purpose is to provide the Commissioner with support and advice on the strategic direction of the organisation, including contributing to the development of strategic aims and annual work plans. The Team is also responsible for the strategic leadership of the organisation, managing the operational, day-to-day running of the office in line with the organisation’s values.

Commissioner’s Advisory Panel and Young People’s Panels: These panels provide independent advice support, scrutiny and challenge to the Commissioner and staff, so as to secure the effective delivery of the Commissioner’s statutory responsibilities and her staff regarding policies and proposals, informing the policy and strategic priorities.

Audit and Risk Assurance Committee: Advises the Commissioner on the strategic processes for risk, control and governance, accounting policies, the accounts, and the planned activity and results of

both internal and external audit. Non-executive members also provides challenge with regard to my expenditure and my estimate.

Internal Audit: Currently Deloitte LLP provides internal audit for the office. They operate to Public Sector Internal Audit Standards and submit regular reports, which include the independent opinion on the adequacy and effectiveness of the organisation's system of internal control. In their latest Annual Report to me, Deloitte provided substantial assurance in relation to corporate governance, risk management and key financial controls. They also concluded, based on the work they undertook last year, that we have a sound system of internal control, which should provide substantial assurance regarding the achievement of my objectives.

External Audit: On an annual basis, my organisation's accounts are examined and certified by the Auditor General for Wales, in accordance with paragraph 9 of the Schedule 2 to the Care Standards Act. The Auditor General is responsible for providing an opinion on whether the financial statements give a true and fair view of the financial position of the organisation. They consider a number of matters both qualitative and quantitative relating to the accounts. In 2019, the Auditor General for Wales gave an unqualified opinion on our Annual Report and Accounts 2018-19.

4. Our performance

Our latest Annual Report, available on our website, includes a detailed analysis of our achievements. It includes details of how our project and core (day-to-day) work has delivered against our [ambitious three-year plan](#). Below is a summary of our major achievements between 1 April 2018 and 31 March 2019:

- ✓ Carried out a significant consultation exercise with children and adults and published our work programme 2019-22.
- ✓ Published reports on transitions to adulthood for young people with learning disabilities, on-line bullying, child poverty and children's rights in schools with new data from young people, parents and professionals. We'll be pushing for change in all these areas.
- ✓ Published an authoritative evidence review on the state of children's rights in Wales.
- ✓ Won a Gold award from the Chartered Institute for PR for our Tackling Islamophobia work.
- ✓ Supported major public bodies to adopt a Children's Rights Approach, including South Wales Police.
- ✓ Warmly welcomed the introduction of the Children (Abolition of the Defence of Reasonable Punishment) Bill that will protect children from physical punishment – a Bill the Commissioner has campaigned for since her first day in office.
- ✓ Saw Wales's Senedd Ieuenctid / Youth Parliament elected and starting its important work – a body we've called for and supported all along the way.
- ✓ Saw the Government make strides towards developing a Whole School Approach to Wellbeing – a key call from the Children's Commissioner.
- ✓ The Government accepted the Commissioner's 'three tests' for ensuring that home educated children receive their rights and pledged to introduce new statutory guidance to achieve this.
- ✓ Produced quality resources for schools on a range of topics to support rights, including tackling online bullying and setting up inter-generational projects – with excellent take-up by schools.
- ✓ Worked in collaboration with special schools to make sure that children of all abilities can learn about their rights.
- ✓ Held our first secondary school rights conferences for students and staff.

5. Effect on General Fund and general comments

Our latest Annual Report and Accounts 2018-19 reported that the level of the general fund was £235,000.

The table below estimates the impact on the general fund balance of the movement between the 2019-20 balance and the budget/funding for the next three years:

Table 2: Movement on the General Fund over the financial periods

	2019-20 (£)	2020-21 (£)	2021-22 (£)	2022-23 (£)
General Fund at the beginning of the period	235,176	169,918	154,537	107,807
Over/(Under) Spend	65,258*	15,381	46,730	59,455
General Fund at the end of the period	169,918	154,537	107,807	48,352

*Estimated overspend for the financial year 2019-20

As per my policy on general funds – which has been audited and is scrutinised annually by the Wales Audit Office - I am committed to ensuring that I maintain a positive balance on the general fund to enable me to have in-year flexibility to meet additional costs but importantly, to respond at short notice to any potential inquiry or examination, including the examination of Welsh Ministers' activity. I continue to monitor the underlying assumptions and review the level of the fund with my Management Team on a monthly basis, with my Audit Committee quarterly and, as noted previously, with the Wales Audit Office annually.

Since becoming Commissioner, I have reduced the level of reserves I inherited by approximately 50% and have projected a planned over-spend for the remaining three years of my term as Commissioner in order to fulfil the ambitious goals of my three-year plan

As a prudent accounting officer, I have detailed financial year forecasts, which I discuss with my Management Team on a monthly basis, and my Audit and Risk Assurance Committee on a quarterly basis. These forecasts examine the circumstances within which I need to operate, to deliver my ambitious strategic plan which is based on extensive consultation with children and young people. It should be noted that with a projected static income and rising pay and pension costs, along with general inflation, I may need to request additional funding for 2022-23 (see Table 2 above) but please note that these forecasts are reviewed quarterly and may be subject to change. My budget estimates are formally submitted and laid before the Assembly every year so these figures will be considered and updated for each estimate, to give the most up to date position in considering future financial needs of the organisation. It is also worth noting that this will be my successor's first year in post and they will have no role in any estimate submitted for that year, so will be reliant on my team's forecasting to plan a stable financial footing for the start of their term.

As noted in my 2019-20 Estimate, I secured, at no cost, a staff member from the Civil Service Finance Fast Stream for 6 months (who joined us on 1 October 2018) to undertake the final phase of our accommodation project to identify the most cost effective location of my office following the end of my current lease in 2021. Following this review which included a cost-benefit analysis of all options and involved staff consultation I presented a decision paper to my Audit and Risk Assurance

Committee in February 2019. Work is continuing to take this forward and will be concluded in March 2020.

I also continue to review individual budget lines and my expenditure commitments on a monthly basis with my Management Team, to ensure that my spending is focused on the delivery of my clear strategic objectives, which all aim to drive positive change for children and young people in Wales.

Whilst wholly independent of government, in the spirit of transparency, I discuss on a quarterly basis my current financial situation with Welsh Government officials, including my reserves, and the budget forecasting I am undertaking on a monthly basis with my Management Team.

One pressing, but critical development related to this estimate is the Welsh Government's recent (Summer 2019) consultation exercise on amending the Government of Wales Act 2006 (Budget Motions and Designated Bodies) Order 2018.

As Accounting Officer in receipt of public money, I have no objections with any plans to "simplify systems, improve the consistency and transparency of Welsh Government finance and providing clearer accountability to the Assembly and the public." Nevertheless, the lack of detail within this consultation around any new processes has fuelled my concerns around the implications – or possibly unintended consequences – of these changes on my position's independent status.

The Paris Principles – which establish the minimum standards required for the independence and effective functioning of national human rights institutions - require that a national institution such as the Children's Commissioner for Wales:

"Shall have an infrastructure which is suited to the smooth conduct of its activities, in particular adequate funding. The purpose of this funding should be to enable it to have its own staff and premises, in order to be independent of the Government and not be subject to financial control which might affect its independence."

Since this institution's inception in 2001, as the sole source of revenue, the Welsh Government, including the previous First Minister, has been clear with all post-holders there should be – and has not been, to date – any interference with how we determine our priorities and activities.

There should not be an "appropriate degree of independence from Welsh Ministers" as the consultation suggests, but instead this national human rights institution should be treated as wholly-independent from Government and Welsh Ministers. If not, there's a danger this post-holder could be restricted by the very public bodies they've been set up to oversee and challenge.

In view of my concerns outlined in our response to the consultation I would welcome the possibility of further discussions between my office and the Welsh Government to ensure we can avoid any unintended consequences on one of Wales' longest-standing independent human rights institutions as a result of a process which is attempting to simplify processes, improve consistency and provide clearer accountability.

To note, the above estimate has been submitted on the assumption that no changes will be made to our general fund ahead of the 2020-21 financial year.