

National Assembly for Wales
Investing in the future of Wales

**Annual Report and
Statement of Accounts
2012 – 2013**

July 2013



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

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Introduction

Foreword from the Presiding Officer



I am pleased to write this foreword to an annual report that looks back at an historic year of achievement 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, and everyone across Wales who has welcomed me into their community, visited the Assembly or engaged directly with us over the past year.

I would also like to take this opportunity to pay tribute to Tim Knighton and Professor Robert Pickard for their invaluable advice as independent advisers to the Assembly Commission. They now leave us but have been ably replaced by Helena Feltham, Eric Gregory and Keith Baldwin.

This year the National Assembly for Wales (Official Languages) Act 2012 received Royal Assent, the first law to be made in Wales in several hundred years. It makes me proud that this law was introduced by the National Assembly's Commission because we wanted to recognise formally both the Welsh and English languages as the official languages of Assembly proceedings.

But as I outlined in my submission to the UK Government's Commission on Devolution in Wales - the Silk Commission - it hasn't all been plain sailing.

There have been numerous examples in the past year that illustrate how the boundaries of the Assembly's legislative competence - the policy areas in which the Assembly has the power to legislate – are unclear and uncertain.

I will continue to push this issue to the top of the agenda over the coming year, as I believe addressing it is fundamental to ensuring that the Assembly develops into a mature law-making body which serves the needs and aspirations of the people of Wales.

I also want to address the issue of the 'democratic deficit' that Wales is facing in terms of communicating the work of the Assembly to the Welsh people. The Assembly does a great deal to reach all corners of the country but its work is hampered by large sections of the population accessing their news through a UK media that barely acknowledges the concept of devolution. A series of sessions are being held at the Assembly this year to look at how we can overcome this obstacle.

I will also ensure that the deficit in women's representation in public office continues to be addressed in Wales.

The Assembly has worked hard on this issue over the past year. Fifty-one per cent of the population are women but that is not reflected when you look at the number of women in public office in Wales. I was mandated by a national conference, held at the National Assembly in November 2012, to write to all four party leaders urging them to arrest the decline in the number of women in the Assembly.

We have received positive responses from the party leaders but the Assembly will continue to work on the wider issue of barriers to women by looking to encourage mentoring networks and more role models.

But we are not stopping at barriers to women. The coming year will also see the Assembly move forward in terms of engaging with Wales's young people. Ensuring that children and young people understand and take an active role in the work of the Assembly is key to the successful delivery of the Assembly Commission's goal of engaging with the people of Wales. It's the Commission's aim to increase the opportunities our younger citizens have to inform and participate in Assembly business.

Ultimately, the Assembly's role is to make laws and scrutinise the Welsh Government. This year I introduced further changes to the way we do business. The impetus behind these changes has been a drive to make scrutiny more effective and to create more opportunities for Members to raise matters of relevance to the electorate.

Many legislative bodies from around the world, at a regional and nation-state level, are now looking to the National Assembly to discover how it scrutinises legislation and policy, as well as how it communicates with the public and supports Assembly Members.

We have to build on this success to ensure that we become even better at holding the Welsh Government to account, scrutinising legislation and serving the people of Wales.

A handwritten signature in black ink that reads "Rosemary Butler". The signature is written in a cursive, flowing style.

Rosemary Butler AM
Presiding Officer

Introduction from the Chief Executive and Clerk of the Assembly



Two years ago, from a strengthened constitutional position following the referendum in 2011, the Assembly Commission set us the goal of providing the outstanding parliamentary support necessary to enable Assembly Members to represent the interests of Wales and its people, make laws for Wales and hold the Welsh Government to account.

The Commission also wanted to create an environment that encouraged interest in the work of the Assembly, and inspired more people to engage in that work. It wanted to ensure Wales's standing was raised within the UK and internationally. Finally, it wanted these challenging aspirations to be carried out in a way that demonstrated efficiencies and provided real value for money.

At the end of the second year of the Fourth Assembly I am pleased and proud to report that, over the course of the past year, the Assembly has made further significant progress in achieving the Commission's strategic goals.

This report focuses on the Commission's achievements against the targets outlined in the Commission's Budget Strategy for 2012-13 to allow the reader to evaluate how the Commission has performed against its aims for the year.

There are further ambitious plans that we are committed to delivering by the end of this Assembly in 2016. They range from the implementation of a new ICT strategy, to increasing the opportunities that young people have to interact with and influence the Assembly's work, and making the Senedd and the Pierhead renowned destinations for democratic and civic activity.

The high calibre of the work of Assembly staff is evident across all areas of the organisation. The clear articulation of our priority areas for change, innovation and investment will help ensure that we continue to meet the expectations of Assembly Members, stakeholders and the public.

Our plan also sets out how we as staff undertake our role in supporting Wales's legislature. It sets out our determination that the principle of equality should be at the heart of all we do. We are committed to delivering all aspects of the Commission's responsibilities with pace, professional expertise, a strong service ethos and with an emphasis on transparency and accountability.

I would like to end by saying how enormously proud I am of the achievements of the staff who work for the Commission, and I am delighted that those achievements have been recognised through the number of external awards won by the Assembly over the past year, many of which you can read about in this annual report.

I consider it a privilege to work for the National Assembly for Wales, and I look forward to steering my team to achieve further significant progress in the remaining three years of this Assembly.

A handwritten signature in black ink that reads "Claire Clancy". The signature is written in a cursive style with a large initial 'C'.

Claire Clancy
Chief Executive and Clerk of the Assembly

Commissioners

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.



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 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.



Sandy Mewies AM (Welsh Labour)

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



Rhodri Glyn Thomas AM (Plaid Cymru)

Commissioner with responsibility for the Commission's official language functions and policy, legal services and Freedom of Information.

Deputy Presiding Officer



David Melding AM (Welsh Conservatives)

Standing Order 6.18 states that, "in the absence or at the request of the Presiding Officer, the Deputy must exercise the functions of the Presiding Officer, so far as permitted by the Act"

The Deputy also attends meetings and functions in his own right as well as on behalf of the Presiding Officer in order to raise the profile of the National Assembly for Wales.

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 performance monitoring and in maintaining a critical overview of the Assembly's financial controls and risk management procedures as members of the Commission's Audit Committee.



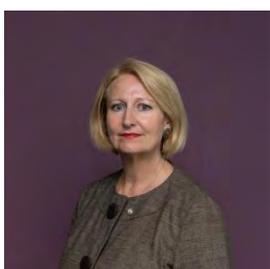
Mair Barnes

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.



Richard Calvert

Richard Calvert rejoined 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's last role in DFID, before moving to the FSA, was as Director of Finance and Corporate Performance. Richard is a qualified Management Accountant, and has held a number of non-executive roles within the public sector.



Helena Feltham (from 1 November 2012)

Helena has had a long career in Retail and Human Resource Leadership, and has held Board appointments as HR Director at Marks & Spencer and at Jack Wills Ltd., and as 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 and is currently a Justice of the Peace.



Eric Gregory (from 1 November 2012)

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.



Keith Baldwin (from 1 November 2012)

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.

Tim Knighton (until 4 November 2012)

Tim Knighton is currently Chief Operating Officer at the Intellectual Property Office, before which he was Business Solutions Delivery Director at Companies House. Before joining Companies House in 2007 as Director of Finance, Tim spent ten years with Tesco plc in a variety of finance roles, latterly being responsible for their UK shared services operation. Prior to this he was an executive director with Goldman Sachs in their Capital Market Division.

Professor Robert Pickard (until 4 November 2012)

Professor Robert Pickard is a scientist by background. He has held a large number of public appointments, many in the field of health and wellbeing. Among his current appointments, he is a Fellow of the Royal Society of Medicine.

The year in review

Wales receives approximately £15 billion annually to provide essential public services for the people of Wales. Known as the 'Welsh block' it is what funds our schools, hospitals, our transport infrastructure – every aspect of our lives that is the responsibility of the Welsh Government. How that money is spent is decided by the policies 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 election of 60 Assembly Members), making laws for Wales and scrutinising the effectiveness of decisions taken by the Welsh Government.

During the past financial year, the Assembly Commission had responsibility for a budget of £47 million. Of this total, £13.5 million was available for our elected representatives and ensuring they had offices within their regions and constituencies, as well as a base in Cardiff Bay, and people of the requisite calibre to staff those offices.

The remainder of the budget is available to ensure our Assembly Members have the correct level of support to undertake their work effectively and efficiently. 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.

A strategy for investing in the future

Following the referendum in 2011 a new constitutional position was conferred on the National Assembly for Wales. This reinforced the need for the Welsh legislature to have outstanding parliamentary support in the execution of its duties. As a result, the Assembly Commission has developed a strategy of investment which is set out in a three-year budget plan. This plan delivers not only value for money, but also meets our constitutional and corporate responsibilities of ensuring Assembly Members are fully equipped to undertake their scrutiny, legislative and representational roles on behalf of their constituents for the next three years and beyond.

Our budget will keep us in a position to resource services properly and to invest in necessary development work. We must now demonstrate that the resources are used wisely to deliver the services Members require.

An important part of using our resources wisely is ensuring that we all pull together to achieve our strategy. Pulling together effectively means collaborative working, decisive leadership, excellent communication, effective prioritisation of effort and a clear focus. This year a new corporate plan has been prepared that identifies priority areas for change, innovation and investment.

These are:

- Implement a future-proof ICT Strategy to take the Assembly into 2014 and beyond
- Continue with a programme of excellence and integration of services to support Assembly Business
- Ensure that the Assembly continues with its commitment to the provision of enhanced bilingual services
- Continue to increase the engagement of people in Wales with the work of the Assembly, particularly young people
- Make the most of the Assembly's estate, including the iconic Pierhead and the Senedd, to make sure they continue as prime venues for Welsh public life.

Our budget is sufficient for us to deliver our plans, but nevertheless we will need to make clear choices about what we can and cannot do within the resources available to us. That means that some things may have to give way in order for the priority areas set out in this strategy to be delivered.

Longer term planning will need to take account of external factors such as the outcomes from the Commission on Devolution in Wales (Silk Commission), the independence referendum in Scotland in 2014, the Westminster General Election in 2015, the economic climate and decisions of the independent Remuneration Board.

This annual report looks at how the Assembly is achieving against its strategic goals for the period.

The Commission's strategic goals for the Fourth Assembly

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

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

Provide outstanding parliamentary support

The 'yes' vote in the referendum in March 2011 granted the Assembly greater law-making powers and placed the legislature on a new constitutional footing. The National Assembly for Wales is now able to make laws in the 20 devolved areas without first needing the agreement of the UK parliament. Following the referendum the Assembly Commission began a review of the level of support available to Assembly Members to allow them to undertake their increased responsibilities to the people of Wales effectively and efficiently.

There were also other drivers for change. The Assembly, at the request of the Presiding Officer, has introduced certain changes to business in Plenary and across committees. In particular, a new, more specialised committee structure was introduced to strengthen scrutiny in the National Assembly for Wales. This change has offered the Assembly an opportunity to review the effectiveness of the resources it has in place to serve the Assembly's committee work. This work has already begun and, although ongoing, immediate changes in response to Members' feedback have been implemented.

For example, Members are now receiving more face-to-face briefings on the subjects they are scrutinising. To support Members' ability to work in the language of their choice, bilingual glossaries of technical and specialist terms are now produced on any Bill before the Assembly. In addition, tablet devices are being piloted to allow Members to work more efficiently and to manage better the considerable volume of paperwork associated with committee work.

These changes were partly identified through a survey of the views of Assembly Members and their staff on the support provided by the Commission.

The results were encouraging, with the average satisfaction rating across the whole of the survey being 7.6 out of 10 for Members and 7.5 out of 10 for support staff. The findings have allowed the Commission to prioritise improvements to those services Members felt most strongly about, such as improved Information and Communications Technology, greater opportunities for professional development for Members and their staff, the timeliness and volume of committee papers, and media coverage of the Assembly.

Over the summer recess and autumn term of 2012, the software system which runs the Information and Communications Technology and the audio visual systems in the Siambr had a

full upgrade. The aim was to give the system greater resilience and reliability and ensure that all elements are supported by the suppliers. Members can now use Microsoft Office 2010 applications in the Siambur instead of Office 2003, and the way that users access these applications has been improved. The PCs in the Siambur – which were seven years old – have all been replaced, as have elements of the voting and sound system.

Legislation

During the Fourth Assembly, there has been a step change in the amount of legislation the Assembly has had before it for consideration. Since the beginning of the Fourth Assembly, eight Bills have been introduced by the Welsh Government, two by Assembly Members, and one by the Assembly Commission. Three of those have received Royal Assent and are now Acts of the Assembly.

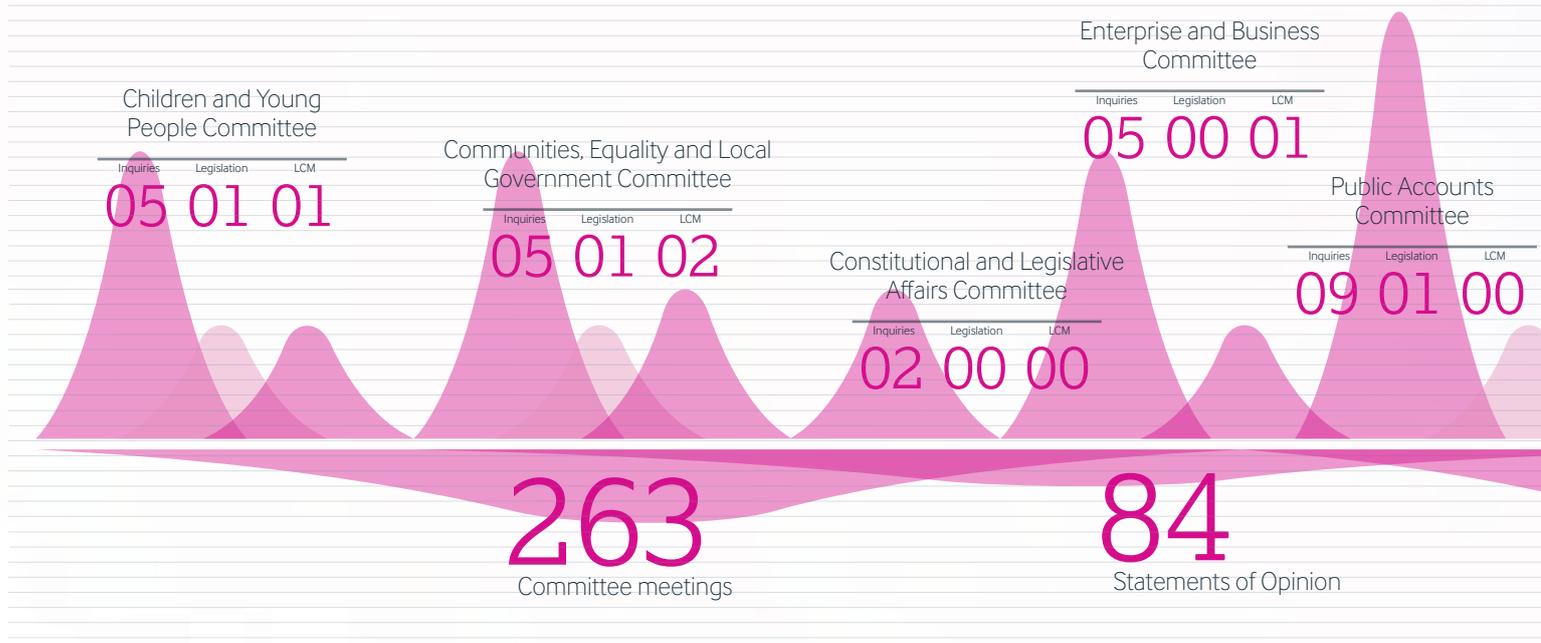
This change of pace in the Government's legislative programme has required us to be flexible in the way we organise support for the Assembly's scrutiny of legislation. Support for committees and individual Assembly Members is delivered by integrated teams who provide specialist advice on policy background, procedural matters and the legal position.

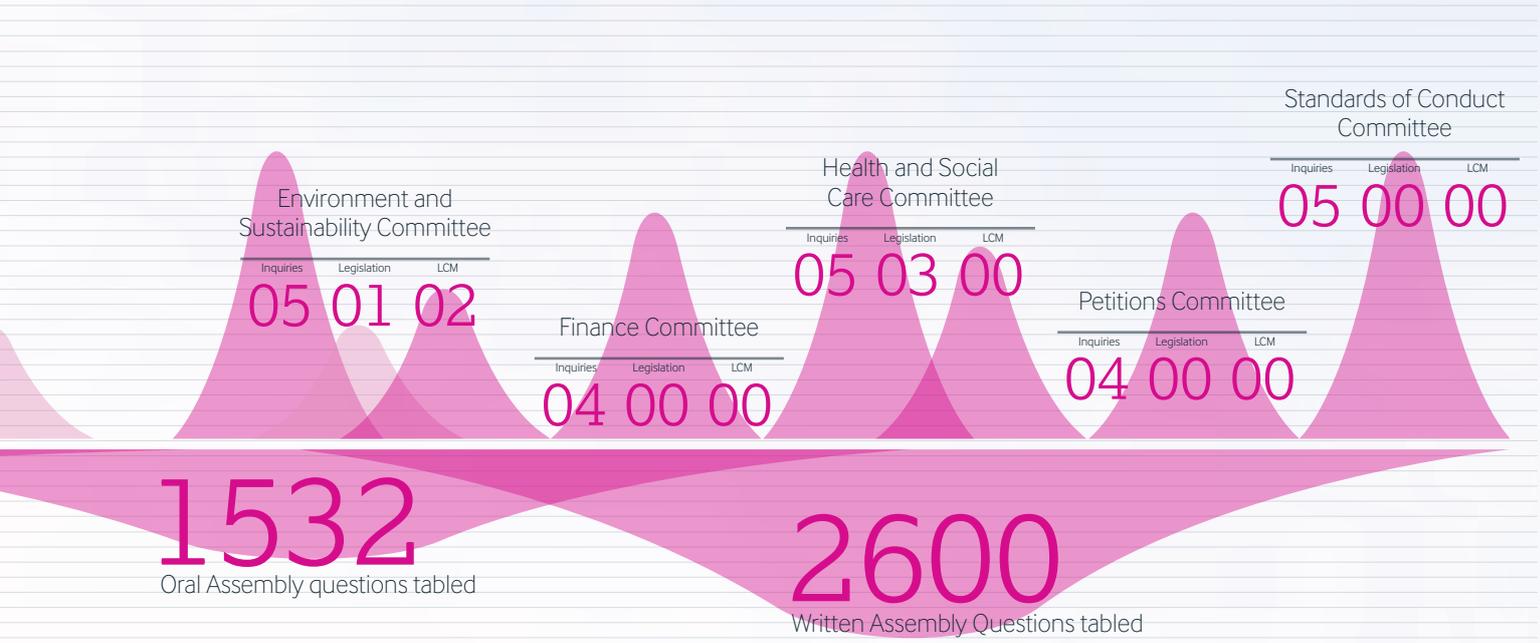
In addition, the Assembly has considered 11 Legislative Consent Memoranda during this financial year alone. These memoranda must be considered when the UK Parliament wishes to legislate on a subject that has already been devolved to the National Assembly for Wales. An inter-governmental agreement between the UK Government and Welsh Government requires the Assembly to give its consent before the UK Parliament may pass the legislation in question. Such consent is given by the Assembly through Legislative Consent Motions (LCMs). Since the beginning of the Fourth Assembly, changes to the Assembly's Standing Orders have meant the opportunity for greater committee scrutiny of LCMs. The Business Committee is currently reviewing the Assembly's legislative consent procedures to strengthen them further, following recommendations made by the Constitutional and Legislative Affairs Committee in March 2012.

Notably, this year saw the first referral of an Assembly Bill (the Local Government Byelaws (Wales) Bill 2012) to the Supreme Court by the Attorney General. It also saw the strong possibility, which was ultimately not realised, of another such referral in relation to the Commission's Official Languages (Wales) Bill (now Act) 2012. The Supreme Court gave judgment in the Local Government Byelaws (Wales) Bill case in November 2012. It found unanimously that the two provisions of the Bill challenged by the Attorney General were within the Assembly's competence.

The Secretary of State referred the Official Languages (Wales) Bill to the Attorney General, for consideration as to whether it should also be referred to the Supreme Court. However, the Attorney General confirmed in October 2012 that he had decided not to make such a reference. The Bill subsequently became the first Act of the Assembly to obtain Royal Assent.

Provide outstanding parliamentary support





Making Assembly business more responsive

Following a Business Committee review of procedures for Plenary Oral Assembly Questions, the Assembly agreed to shorten the notice period for the tabling of Oral Assembly Questions, allowing the introduction of more topicality into Assembly business. Previously, oral questions to the First Minister, other Cabinet Ministers, the Counsel General and the Commission, were tabled two weeks in advance. The Assembly agreed to reduce this to three working days in the case of First Minister's Questions and five working days for other Oral Assembly Question sessions.

The Assembly agreed new Standing Orders to provide a mechanism for the introduction of Private Bills. A Private Bill is a Bill introduced by individuals or organisations outside the Assembly for the purpose of obtaining powers for themselves that are in excess of, or in conflict with, the general law. The National Assembly has had the power to deal with Private Bills within the areas where it has legislative competence since the passing of the Government of Wales Act 2006. However, the Legislative Competence Order (LCO) process that existed prior to May 2011 meant such Bills were highly unlikely to come forward. In the Third Assembly, laws made by the National Assembly for Wales were known as Measures. These Measures could only be passed when the Assembly had the Legislative Competence to do so. In areas where it did not, the Assembly needed to progress a Legislative competence Order (an LCO). The change to Standing Orders means that the National Assembly now has the procedure in place to consider Private Bills. Previously, Private Bills relating to Wales were considered in Westminster.

Enhancing skills

A major objective for the Commission during the Fourth Assembly is ensuring that Assembly Members have the capacity, capability and support to undertake scrutiny and legislative work as effectively as possible, as well as representing their constituents' diverse needs.

As a result, the Commission has a full programme of continuous professional development for Members and their staff. This has provided topical and timely training on issues relevant not only to the Assembly's work but to the daily lives of constituents whose interests Members represent.

The Professional Development team has delivered a number of courses designed to enhance the Assembly's ability to engage with the people of Wales, such as Welsh language, British Sign Language and plain language training. In January, the team helped arrange for Assembly Member Support Staff to attend a Mind Cymru course on mental health first aid. This course gave them the tools they need to be able to help someone in crisis.

The Professional Development team, in conjunction with Welsh Women's Aid, has supported several Assembly Member Support Staff to consider in more depth the issue of domestic abuse, and to learn how best to support constituents who are experiencing it. This will enhance the support that Members and their staff can offer to people in very difficult and often complex circumstances.

Training was developed in conjunction with Save the Children and the Wales Observatory on Human Rights of Children and Young People to help scrutiny committees to consider how their work might impact on children and young people. As a result of the training, consideration of

the rights of children and young people is being mainstreamed by those committees responsible for scrutinising the Bills and policies that affect them.

There was also a briefing session on the European Union's discussions on the Common Agricultural Policy, a policy that has financial relevance to farmers in every region of Wales, and which has been the focus of an ongoing inquiry for the Environment and Sustainability Committee since the autumn of 2011. The briefing was delivered to a live audience in the Senedd and was filmed so that Members and their staff across Wales could watch the briefing without needing to travel to Cardiff. In this instance, technology provided us with a sustainable way of reaching a wider audience.

Also this year, the Finance Committee appointed a technical adviser for the draft budget scrutiny process. The adviser's role is to provide support to all committee Chairs to ensure a more co-ordinated and focused approach. The adviser has also been working with the Research Service and the Members' Liaison and Professional Development team to develop and deliver financial scrutiny training sessions for Members and their staff. These sessions were designed to outline the four general principles of good financial scrutiny (affordability, prioritisation, value for money and process), with a focus on applying this to the draft budget. These sessions were delivered on a Party Group basis and were well received, generating positive feedback and requests for further sessions.

Training was also provided for Assembly Member Support Staff on a broad range of topics. They addressed practical issues such as speech writing and speed reading, but also covered more abstract skills such as dealing with vulnerable constituents and guidance on gaining confidence in difficult and public situations.

In October 2012, the National Assembly for Wales passed the Official Languages (Wales) Bill into law. In recognising Welsh and English as official languages, the law will place a statutory duty on the National Assembly for Wales and the Assembly Commission to treat both languages on the basis of equality.

The Presiding Officer noted that it was a significant day in the history of devolution and Wales, with the Act placing a statutory duty to put both languages on an equal footing in the delivery of the services the Commission provides to the Assembly and the public.

The Commissioner with responsibility for the Welsh Language and the passage of the Bill, Rhodri Glyn Thomas AM, said that it sets an example for organisations working across Wales within both the public and private sectors about how to approach bilingualism.

The Act also places a duty on the Assembly Commission to draw up an Official Languages Scheme to ensure the equal status of both languages. The scheme, due to be launched in July 2013, will outline the practical arrangements to enable the Assembly to operate bilingually and will guarantee the right of anyone who takes part in Assembly proceedings (witnesses, officials and Members) to do so in either of the Assembly's official languages. To achieve the ambitions laid out in this scheme, the Assembly Commission will work to improve the bilingual services it offers Members and the people of Wales and to develop the Welsh language skills and confidence of Assembly staff.

Engage with the people of Wales

The Assembly has engaged with the people of Wales at a number of levels during the past twelve months.

The year saw work begin to encourage more people to visit the Senedd, when the shop and coffee shop were combined, allowing visitors to browse a selection of Welsh products, from the Assembly-commissioned Melin Tregwynt blankets to speciality Welsh food products. The objective, according to Sandy Mewies AM, the Assembly Commissioner with responsibility for Front of House services, was to enhance the Senedd's appeal to casual visitors, while also giving them an opportunity to learn more about the Assembly's role.

As the figurehead of the Assembly, the Presiding Officer has led a number of initiatives aimed at ensuring more people across Wales engage in the democratic process.

As Wales's first female Presiding Officer, Rosemary Butler conducted a series of seminars across Wales to inspire more women to get involved in public life. During the past year, high-profile women from the fields of science, sport and civil liberties have already made keynote addresses to audiences at the Assembly. These have included leading scientist Baroness Susan Greenfield, Chair of Sport Wales, Professor Laura McAllister and civil liberties campaigner Shami Chakrabarti.

These sessions with public figures come following the Women in Public Life seminar that was held at the National Assembly in November 2012. The purpose of these seminars is to ensure that the National Assembly for Wales continues to encourage women to get involved in public life, and that the Assembly maintains and improves its positive gender equality credentials. The aim is to encourage more women to get involved in civic society by becoming school governors, members of boards of public bodies, Magistrates or by taking on other roles in public life. Additional areas such as law and civil liberties and the media are also fields where women face real or perceived barriers; future speakers will include broadcaster and journalist Janet Street Porter, Welsh Paralympic great Tanni Grey-Thompson and Radio Wales DJ Bethan Elfyn.

The Presiding Officer has also announced that the National Assembly will increase mentoring and advice services for women by launching a new web portal which will act as a one-stop-shop for women wanting to find out about the opportunities open to them in public life, how to apply for roles, and how to benefit from the shared experiences of other women. Later in 2013, the Presiding Officer will also be launching a shadowing and mentoring scheme for women to learn more about being involved in public life. The scheme will provide intensive personal development and skills training, one to one mentoring support and role shadowing opportunities at the highest levels. The scheme is designed to motivate and encourage participants from across Wales to successfully apply for public appointments at all levels locally, regionally and nationally.

In May, the Presiding Officer launched the "Democracy in Action" competition at Newport's School of Film, Photography and Digital Media.

Run in conjunction with Ffotogallery, Wales's champions of lens-based media, and the University of Newport's School of Film, Photography and Digital Media, the aim of the competition was to get people in Wales to see how individuals, their families and their

communities have the ability to effect change, and to illustrate that by capturing those issues on their camera or smartphone.

Almost 200 images were submitted and the judges' winner and People's Choice winner were chosen.

Tom Ashmore, a documentary photographer from Cardiff, was chosen by the judges with his image of "Reclaim Cardiff", showing activists making preparations for a protest (below).



The winner of the People's Choice award is Newport University photography student Robert Guy, from Pengam, with an image titled "Emptiness & Vulnerable" (below).



In the spring of 2012, the Enterprise and Business Committee undertook an inquiry into apprenticeships in Wales, to explore whether the existing system was effectively serving the needs of the Welsh economy, the needs of employers and those of young people.

Planning discussions were held between the Assembly's communications team and the committee clerk to discuss engagement options for the inquiry into apprenticeships in Wales. It was felt that the target audience for much of the inquiry would respond well to a more immediate and less formal style of submitting evidence. As a result, apprentices, businesses, training providers, people who were seeking work, college representatives and young people were interviewed by the outreach team. These interviews were filmed and edited into a coherent package that gave a snapshot of a broad cross-section of stakeholder views on this issue.

The video was presented to the Committee and a digital copy was distributed to everyone who participated, along with information on upcoming scrutiny sessions and Plenary debates that might be of interest.

In October 2012, the inquiry's report was launched to the media at Bridgend College, who had also participated in the inquiry. Inquiry participants were invited to the launch and were given the opportunity to ask the Committee about the recommendations they were proposing to the Welsh Government.

The launch of the report proved to be a lively and engaging event as a result of the location and multimedia focus. It generated significant media coverage at a national and regional level.

Engaging the people of Wales in the Assembly's work

The Assembly's outreach and communications teams have been working closely with the Assembly's committees to ensure that the people of Wales are able not only to participate in the Assembly's work but also, through the media, to get a comprehensive understanding of the outcomes of the Assembly's legislative and scrutiny roles.

Educating Wales's young people

Engaging with young people in education has also been a priority for the Assembly over the past year. Our education service has a strategic vision to inspire young people to become active citizens through an increased understanding of democracy, civic engagement, voting and political representation.

During the past year, the education service delivered presentations and workshops to over 600 schools and colleges, reaching an audience of almost 20,000 pupils. The service also offers tailored curriculum-linked activities and support service in schools and colleges across Wales, ranging from mock elections and "Question Time" sessions to meeting local Assembly Members.



The Health and Social Care Committee's largest inquiry during 2012 was on residential care for older people. The Committee was eager to reach out to speak with those who had direct experience of residential care services in Wales. To this end, Members agreed to establish a reference group comprising members of the public. Age Cymru and the Carers Trust in Wales were selected to facilitate the group's work. They worked with the Committee and its staff to seek members for the group, and to facilitate their discussions and contributions to the inquiry.

The group shadowed the Committee's work – following each meeting, reacting to evidence and proposing questions to probe future witnesses – and came to its own key conclusions and recommendations at its end. The expert facilitation provided by Age Cymru and the Carers Trust ensured that an emotive and difficult subject was handled carefully and sensitively and ensured that the voice of the general public was heard by the Committee during its work.

As noted by one member of the group:

"I feel very privileged to have taken part in the inquiry and to hopefully be part of improving the quality of life in care homes. "During our first session, I was choked with emotion that was mainly anger and frustration borne out of the sadness and loss of my mother to dementia and her incarceration in a care home.

"Now, at the end of the sessions, I am again choked with emotion, but this time it is with a sense of pride and peace that I have been able to speak up for my mother and all the others unable to speak for themselves."

Thank you for giving us carers such an opportunity."

The education team worked with the WJEC to deliver the fifth annual conference for A/AS 'Government and Politics' students. The conference is a two-day event including special regional workshops for Welsh Baccalaureate groups and BTEC Public Services. Teachers have also benefited from attending teacher training sessions both at the Senedd and in the regions. These events are organised in conjunction with numerous external partners and internal service areas.

In terms of a longer-term vision, a review of the Assembly's educational provision will ensure we continue to provide more effective learning opportunities while adapting our offering to accommodate new learning needs and reach out to new users. The Commission has stated a key objective for the future will be ensuring that young people – both those visiting the Senedd and those in schools and youth organisations – are offered meaningful opportunities to inform and participate in Assembly business.

Accessibility

Effective engagement with the people of Wales is a priority for the Assembly. To achieve this we must ensure that our work is accessible to all audiences in Wales.

This year Assembly staff met with the charity Action on Hearing Loss to work towards attaining the Louder than Words charter mark, as part of a wider number of actions to ensure that the Assembly can be considered a deaf-friendly organisation.

In the run up to the Paralympics celebratory event in the Senedd, our Equality Team trained security officers scheduled to work on that day in how to effectively to welcome disabled visitors to our estate. Following this successful pilot, the training is being rolled out to all security and front of house staff and is also available to Assembly Members and their staff.

The Assembly has also continued to engage with diverse groups across Wales. For example, we have engaged with the lesbian, gay, bisexual and transgender (LGBT) community at Cardiff-Wales Mardi Gras. We also marked International Day Against Homophobia and Transphobia on our blog and filmed videos of Assembly Members promoting the anti-homophobic bullying campaign 'It Gets Better'. Also, for the first time ever, the Assembly had a presence at the Multicultural Mela in Cardiff Bay, celebrating Asian culture. Staff promoted the petitions process to attendees and shared information in a range of community languages.

For the fifth year in a row, the National Assembly has been ranked among the top 100 gay-friendly employers in the UK. The annual Equality Index benchmarks organisations from across the UK through assessment of corporate strategies, staff LGB networks, staff engagement and development and community engagement. The Assembly has been cited as an example of best practice for the work that we have done in relation to community engagement. The Assembly is ranked 26th in the UK and fifth in Wales in the UK's top 100 employers for lesbian, gay and bisexual people.



International visits



Promote Wales

Part of the Assembly's work is to promote Wales on an international as well as a national stage.

The British-Irish Parliamentary Association's (BIPA) Environmental and Social Committee visited the Senedd last June for a meeting hosted by the Deputy Presiding Officer as part of BIPA's Committee inquiry into human trafficking. Joyce Watson AM, Chair of the Assembly's Cross-Party Group on Human Trafficking, was among those giving evidence to the Committee.

The Senedd also hosted a CALRE (Conference of European Regional Legislative Assemblies) Standing Committee meeting in July 2012. Participants included the Parliaments of Extremadura, the Canary Islands and Murcia in Spain; the Regional Councils of Veneto and Trentino in Italy; the Parliament of the German speaking Community of Belgium; and the Parliament of Åland in Finland. As well as an opportunity to showcase the Senedd and promote Welsh democracy, Commission staff gave a presentation on continuous professional development for Assembly Members, which was well received and has prompted subsequent interest in this area of the Assembly's work.

In September, Rebecca Evans AM attended the 58th Commonwealth Parliamentary Conference in Colombo, Sri Lanka, the theme of which was 'Ensuring a Relevant Commonwealth for the Future'. Rebecca participated in the conference, attending the meeting of the Commonwealth Women Parliamentarians and the General Assembly. She also played an active role in several workshops including 'tackling youth unemployment,' where she highlighted Wales's approach to meeting this challenge.

The Deputy Presiding Officer, David Melding AM, led a cross-party delegation (including Ken Skates AM, William Powell AM, Joyce Watson AM and Elin Jones AM) to represent the National Assembly for Wales at the 45th British-Irish Parliamentary Association Plenary session in Glasgow in October 2012. The theme was "The Scottish Economy and Irish/Scottish Relations" and the Deputy Presiding Officer presented a paper proposing the establishment of a BIPA Committee to focus on Devolved Matters.

During the year, the Presiding Officer hosted diplomatic visits by HE Mr János Csák Ambassador to Hungary; HE Mr Iztok Jarc Ambassador to Slovenia; and HE Mr Berhanu Kebede Ambassador to Ethiopia. She gave an overview of the Assembly and its work and the significance to the Assembly and the people of Wales of the primary law-making powers gained following the 2011 referendum. She also stressed the importance she places on promoting Wales and Welsh democracy on the world stage and the positive role of diplomatic relations in achieving this.

The Assembly has continued to play a positive role in engaging with the EU policy and law-making processes on key areas of interest to Wales, through the new 'mainstreaming' of EU affairs across committees introduced under this Assembly. The Environment and Sustainability Committee and the Enterprise and Business Committees visited Brussels during 2012-2013, holding discussions with senior officials from the EU institutions and a range of representations based in the European capital.

Much of the work on European affairs has been focused on the pivotal role the Assembly can play in enabling stakeholders in Wales to actively participate in the EU law-making process. The committees have been involved in developments in the negotiations and liaising with Welsh

stakeholders at key points in the discussions. Issues discussed include the work on reforms of the Common Agricultural Policy, the Common Fisheries Policy, Structural Funds, Horizon 2020 and Public Procurement. This has been complemented by a targeted approach in Brussels, focusing in particular on the European Parliament and its role as co-legislator with the Council of Ministers. Additionally, the Assembly committees talk 'legislature-to-legislature' and work with MEPs leading on relevant key dossiers, to ensure Welsh concerns are understood and listened to.

In his role as one of the Assembly's two representatives on the Brussels-based Committee of the Regions, Rhodri Glyn Thomas AM has been particularly active over the past year. He was selected to write two key opinions on the European agenda, both linked closely to the negotiations on the EU's Multi-annual Financial Framework for 2014-2020. Through this work, the profiles of the Assembly and of Wales were raised at the Committee of the Regions plenary session in Brussels. He also held meetings with the EU Budget Commissioner and senior officials from the European Investment Bank in Luxembourg, and spoke at a number of high level conferences in Brussels and across Europe.

The Assembly has played an important role in engaging with, developing and promoting the legal sector in Wales. An aspect of this activity is the annual Legal Wales conference, which took place in 2012 in Llandudno. The Assembly was represented on the organising committee for the conference and the Deputy Presiding Officer was the opening speaker, drawing also on his role as Chair of the Constitutional and Legislative Affairs Committee of the Assembly. Other speakers included a number of the most senior UK judges, such as Baroness Hale, the only female member of the Supreme Court, and the Lord Chief Justice, Lord Judge.

The event provided an opportunity for Assembly Members and staff representing the Assembly to engage with the legal sector in Wales. At the same time, it served to promote Wales and the Welsh legal sector, as it was attended by prestigious speakers and delegates from beyond Wales.

The Senedd hosted the Olympic and Paralympic homecoming events during the summer, to celebrate the magnificent achievements of the Welsh athletes who were members of Team GB in the London 2012 Olympic and Paralympic games. Organised in partnership with the Welsh Government, Cardiff Council, Sport Wales and Disability Sport Wales, it was a private reception for the athletes and invited guests. The athletes were greeted with speeches from the Presiding Officer, Huw Lewis AM, then Minister for Housing, Regeneration and Heritage, and Laura McAllister, the Chair of Sport Wales.

The public turned up in their thousands and were entertained by members of the Cultural Olympiad 2012 on the Senedd steps - the Ebbw Vale Male Voice Choir, Celtic Café, solo Clarinettist Lloyd Coleman and the Abergavenny Borough Band.

Use resources wisely

To ensure that resources are used as efficiently and effectively as possible, the Commission has established the Investment Board. The Board manages and oversees the Assembly's programme of investment for the future. This programme allows us to plan and deliver major change projects and ensure that capital investment in the Assembly is properly scrutinised, prioritised and managed. The Board meets fortnightly in order to ensure decisions on the programme are made when they are needed.

The need for investment arises for a number of reasons: to enhance and improve the services we deliver to Members and the public; to maintain and improve the Commission's estate; and to maintain and keep our systems and technology up to date. Major projects can take a number of years from the initial concept to final delivery. Managing the programme involves balancing the availability of funding and staffing resources with the needs and timing of individual projects, their development and policy objectives, and the annual budget cycle.

Aligned to the Investment Board is the Assembly's Value for Money programme, which works to deliver three main outcomes. They are:

- Improving management information to better understand Assembly services' activity, costs and what drives those costs;
- Simplifying processes and how we work in order to maximise the effectiveness of Assembly services and make even better use of resources;
- Maximising the benefits and cost savings from procurement and robust contract management.

The delivery of all the Assembly's services to Members and to the people of Wales is guided by a strong and accountable governance framework.

New Information and Communication Technology (ICT) strategy

The Commission has a new ICT strategy to enhance the provision of information and communications technology services. Its aims include providing Members and staff with an ICT service that is innovative, responsive, reliable, flexible and offers value for money, and that will ensure users have access to the information and ICT services they need, regardless of their location. A survey of Assembly Members and their staff highlighted that respondents wanted to have a greater choice and improved flexibility in how they can use information technology. The new strategy aims to address these issues.

This year the Commission has agreed to fundamentally change how its ICT services are provided. Currently, ICT services are delivered via the Merlin Contract that exists between the Welsh Government and Atos. After a detailed review of the options, the Commission has decided to exit the current arrangements and establish its own ICT service delivery arrangements. This will give the Commission the opportunity to introduce flexibility into ICT service provision and to tailor services more specifically to its users' needs. The result will be an ICT service delivered partly by in-house resources partly by market leading suppliers who are best placed to provide specialist or commodity services such as voice and data networks. This transition will be completed by the middle of 2014.

The work undertaken last year to improve the Commission's information management and information security arrangements has been acknowledged by the Audit Committee. The challenge now is to build on this work, which will include managing a reduction in the identified risks, raising user awareness of responsibilities for information security and developing more effective information management processes. To assist in achieving this objective, and to raise the profile of information management, the Commission has engaged the help of the Deputy Information Commissioner for Wales, Anne Jones. Anne has agreed to advise, and for her team to undertake awareness raising sessions and conduct advisory visits.

The Assembly's Risk Management Policy provides a structured way for us to identify, assess, control and manage risks that we face in the achievement of our strategic goals and delivery of our services. The policy, which forms an integral part of the Assembly's Corporate Governance Framework, has recently been revised to reflect a change of approach, which has been endorsed by the Assembly's Audit Committee. The policy is supplemented by a process document that sets out how the policy will be implemented and the responsibilities for managing risks.



Helping our staff achieve excellence

The Assembly Commission is in the top 10 list of Top Employers for Working Families. We are the only Welsh organisation in the top 10 alongside the likes of Barclays, RBS, Deloitte, BT, and KPMG. The award recognises organisations that do the most to support the work-life balance needs of all their employees. This achievement reflects well on our HR policies and staff management practices, our effective partnership working with the Assembly Trade Unions, and the commitment shown to our People Strategy.

According to a Chartered Institute of Personnel and Development report, the Assembly's sickness absence average rates outperform both the public and private sectors. During 2011, the Assembly's figure was 6.78 days' absence due to sickness per full-time employee, compared to 8.2 days average for the public sector and 6 days in the manufacturing and production sector, and equals the private service sector overall. When compared to similar-sized organisations in the service sector, with between 250 and 999 employees, the Assembly's sickness average rates are also lower.

The Commission has been accredited as a Living Wage Employer, having committed to ensuring that all of its staff, including those employed by subcontractors such as catering and cleaning staff, are paid at least the Living Wage, currently £7.45 per hour.

Secondments

As part of a dedicated staff development strategy, the year saw an increase in the number of staff undertaking secondments and job shadowing placements both within the Assembly and with external organisations. These have provided staff with excellent opportunities to gain insights into how other organisations work, in addition to developing their skills and experiences.

The Assembly has supported 21 internal placements (with a selection still ongoing) since July 2012. These have also included placements to our north Wales and Brussels office. In addition, 31 members of staff have secured placements in external organisations. These have ranged from two security managers shadowing the security and police department at Westminster, to members of the events team working alongside their counterparts at the Scottish Parliament.

Apprentices at the Assembly

Four apprentices are employed across the Assembly on a trial apprenticeship scheme. They benefit from on-site training with Cardiff and Vale College as well as valuable experience of being in a dynamic work environment that will enhance their CV.

A review of the trial scheme concluded that it offers significant benefits and recommended that it should be continued in future years. The Assembly will welcome the next group of apprentices in January 2014. A graduate placement has also been recruited as part of the Assembly's student placement strategy. Future developments will include introduction of Masters and PhD student placements.

Looking to the future

This report has focused on how the Assembly has achieved against its strategic goals over the past financial year. However, the Commission's vision and planning strategy is a long-term one so must take into account events that will be happening in a wider context over the coming years.

The Commission on Devolution in Wales (known informally as 'the Silk Commission'), has begun work on Part II of its remit: reviewing the powers of the National Assembly for Wales. It is considering any changes desirable in UK legislation as well as addressing the issue of the Assembly's legislative powers.

The Presiding Officer submitted evidence to the Silk Commission on 1 March 2013. It set out her vision for a strong, accessible and forward-looking democratic institution and a legislature that delivers effectively for the people of Wales. The evidence provided was based on the Presiding Officer's experience to date of working within the Government of Wales Act. She highlighted the need for change to ensure that the Assembly has sufficient capacity to fulfil its functions; that the boundaries of the Assembly's powers are clear and intelligible; and that the Assembly has the maximum possible autonomy to act on matters affecting Wales.

The Assembly will need to take account of external factors such as the outcomes from the Silk Commission, the independence referendum in Scotland in 2014, the Westminster General Election in 2015, the economic climate and any decisions or recommendations made by the independent Remuneration Board, led by Sir George Reid.

The Assembly's staff, in support of the Commission's strategic goals, have identified five priority areas for change, innovation and investment over the short to mid-term future. They are:

- Implement a future-proof ICT Strategy to take the Assembly into 2014 and beyond;
- Continue with a programme of excellence and integration of services to support Assembly Business;
- Ensure the Assembly continues with its commitment to the provision of enhanced bilingual services;
- Continue to increase the engagement of people in Wales, particularly young people, with the work of the Assembly;
- Make the most of the Assembly's estate, including the iconic Pierhead and the Senedd, to make sure they continue as prime venues for Welsh public life.

With the support of Assembly Members, their staff and officials, the Assembly Commission continues to build on its strengths, consolidate its successes and identify areas for improvement. At the end of the midway point of the Fourth Assembly, it is well on its way to achieving its strategic goals. In addition, an operational plan within a clearly benchmarked budget strategy will ensure that the Assembly continues to be an innovative and forward-looking legislature. Our success will be seen in the continued provision of outstanding parliamentary support to Members, allowing them to effectively serve the needs of their many and varied constituents across Wales.

Sustainability Report

Sustainability Report

For the year ended 31 March 2013

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 2012/13, 85 per cent of our total emissions were attributable to electricity and gas use, 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**.

Over the past year, continued investment in the fabric of our buildings together with further improvements to controls have been achieved in the face of challenging weather conditions and a busy business calendar.

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.

Our carbon footprint

We have an annual carbon emissions reduction target of 3 per cent. In the last five years, we have achieved a reduction of 15 per cent in overall net emissions. This year our net emissions increased by 1.1 per cent, largely as a result of very high gas demand during the long cold winter and increases in water consumption.

Energy

We achieved estate wide electricity emissions reductions of 4 per cent, however as a result of long periods of gas consumption in response to prolonged cold winter conditions our overall energy emissions increased by 1.5 per cent. Despite failing to meet our annual 8 per cent reduction target this year, we have still maintained a cumulative reduction of 22 per cent over the last five years.

- We optimised the use of the biomass boiler in the Senedd to account for 81 per cent of the total resources required for heating.

Travel

Business travel emissions remained similar to the previous year with a marginal reduction of 1 per cent. Accounting for the inclusion of additional data as processes have improved, over the last five years we have achieved a cumulative reduction of 8 per cent ensuring we may still be able to achieve our goal of 15 per cent emissions reduction by 2015.

- We have increased our use of rail travel for business by 35 per cent in the last five years.
- We have reduced our use of private cars for business travel by 5.8 per cent and increased the use of the low emission pool car by 63 per cent on the previous year.
- We reduced the average emissions rating of our hire cars to 111g/CO₂ and 95 per cent of all rentals were in cars with an engine size of 1.6l or below.

Waste

Total waste emissions have reduced by 50 per cent on the previous year as a result of a reduction in waste generated and reduced waste to landfill.

- We reduced our volumes of waste generated by 21 per cent and more specifically reduced our waste to landfill by 56 per cent on the previous year as a result of improved sorting and segregation. This amounts to a cumulative reduction of 60 per cent against the 2010/11 baseline and currently far exceeds our target of 5 per cent reduction per annum.
- Volumes of mixed recycling waste (card, paper, plastics) have increased by 6.4 per cent on the previous year as a result of improved occupant awareness and contractor sorting processes.

Water

Mains water consumption increased by 23 per cent on the previous year as a result of an undetected leak in the Senedd sanitary pipework. Cumulatively, our mains water consumption has increased by 26 per cent through year on year rises since 2010/11 meaning that we are unlikely to meet our 10 per cent reduction target by 2015.

- We successfully harvested rainwater for sanitary use and building washing which accounted for approximately 60 per cent of the water requirements of the Senedd.
- We have successfully reduced our water consumption in Tŷ Hywel by 13 per cent on the previous year as a result of installing water saving devices across the building.

Environmental Management System

The Assembly's certified environmental management system is used to manage and reduce our environmental impacts, capture and record all environmental data and supports the Carbon Reduction Strategy as the principal driving force for reducing carbon emissions. The EMS also acts as a vehicle for improving occupant engagement and consideration of sustainable development principles across the Assembly.

We continue to improve the internal controls, quality and accuracy of our data through ongoing reviews, internal and external audits and 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) 2012 Conversion Factors which are specific to the UK. For consistency, the current year and two preceding years' data have been updated with the 2012 conversion factors to allow for accurate comparisons of performance. In accordance with Defra guidance, reported GHG emissions are not weather corrected.

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. During 2011, improvements in data systems enabled us to include Assembly Member Support Staff business travel for the first time. This data was not available in prior years.

Greenhouse Gas Emissions		2009/10	2010/11	2011/12	2012/13
Non-financial indicators (tCO2e)	Total gross emissions scope 1	356	359	297	392
	Total gross emissions scope 2	2,044	1,947	1,828	1,760
	Total gross emissions scope 3	192	150	220	219
	Total gross emissions	2,646	2,636	2,664	2,688
	Total net emissions	2,592	2,456	2,345	2,371
	Expenditure on accredited offsets (eg Government Offsetting Fund)	£0	£0	£0	£0
Financial Indicators (£)	CRC Gross Expenditure	N/A	N/A	N/A	N/A

Energy Consumption ¹					
Non-financial indicators (kwh)	Electricity (non-renewable)	3,927,779	3,635,741	3,365,188	3,229,531
	Gas	1,882,864	1,563,475	1,217,226	1,753,785
	Biomass (renewable)	164,220	480,480	885,500	866,688
Non-financial indicators (tCO2e)	Total energy emissions	2,393	2,182	1,977	2,006
Financial Indicators (£)	Total energy expenditure ²	465,457	400,433	452,090	465,444

Official Travel ³					
Non-financial indicators (miles)	Business travel	667,683	505,254	848,275	883,932
	Owned and leased vehicles	19,013	33,454	36,434	25,707
Financial Indicators (£) indicators (tCO2e)	Expenditure on official business travel	248,096	160,391	299,924	333,039

Waste ⁴					
Non-financial indicators (tonnes)	Total waste arising	53.56	133.48	152.93	120.4
	Recycled/Reused	38	90.18	112.83	100.55
	Landfill	15.9	42.6	39.1	17.2
	Waste composted	7.36	8.56	14.18	11.3
	Hazardous waste	0.10	0.10	0.05	0.29
	Paper purchased (A4 and A5) (per million sheets)	3.47	4.24	2.17	2.77
Financial indicators (£)	Expenditure on all waste disposal	5,183	15,511	26,689	24,000

Water consumption ⁵					
Non-financial indicators (m3)	Water consumption:				
	Supplied (direct)	7,918	7,446	7,669	9,406
	Collected (indirect)	747	737	788	2,407
	Abstracted (indirect)	0	0	0	0
Financial indicators (£)	Expenditure on supply and sewerage	23,805	20,780	22,777	24,122

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 2012-13 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.

- 01.** Includes estimated costs and consumption for gas and electricity from the Colwyn Bay office based on metered bills split equally between the tenants.
- 02.** Includes costs for electricity and air conditioning in offsite server farm from 2010 onwards.
- 03.** Includes AMSS travel from 2011/12 onwards and travel purchased through the corporate credit card.
- 04.** Total waste figures for 2009/10 only represent 6 months of available data. Waste data is applicable to the Cardiff Bay estate only.
- 05.** Water and waste data is applicable to the Cardiff Bay estate only.



Resource Accounts
2012-13



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OPENED BY HER MAJESTY THE... 13-2006

Management Commentary

These accounts 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. To gain a better understanding of what the Commission has achieved over the course of the year, please see the more detailed **Annual Report** published alongside these accounts. Information about the Assembly and Commission is also available on the Assembly website at www.assemblywales.org and www.cynulliadcymru.org.

History, 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) and has a duty to ensure that the Assembly is provided with the property, staff and services it requires. 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 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 provides the infrastructure, salaries and allowances which enable Assembly Members to undertake their duties both at the Assembly premises in Cardiff Bay (the Senedd and Tŷ Hywel) and in their local offices. It provides the facilities and staff to allow the Assembly and its committees to meet and encourages public awareness of and engagement with the democratic process. The Commission's purpose is to make the Assembly an accessible and effective parliamentary body that inspires the confidence of the people of Wales.

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

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

To support its success in delivering these goals, the Commission took specific action through the year to approve a suite of key performance indicators and identify five priority areas for change, innovation and investment.

The Assembly Commission

The Commissioners during 2012-13 were: **Term of office**

Rosemary Butler AM

Presiding Officer from May 2011

Elected 11 May 2011

Rosemary Butler has attended 14 out of 14 Commission meetings.

Peter Black AM

Reappointed 25 May 2011

Peter Black has attended 14 out of 14 Commission meetings

Angela Burns AM

Appointed 25 May 2011

Angela Burns has attended 12 out of 14 Commission meetings and 4 out of 5 Audit Committee meetings

Rhodri Glyn Thomas AM

Appointed 25 May 2011

Rhodri Glyn Thomas has attended 9 out of 14 Commission meetings

Sandy Mewies AM

Appointed 25 May 2011

Sandy Mewies has attended 13 out of 14 Commission meetings

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.

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(#) as well as providing input to other areas of the Commission'

Mair Barnes*

(Nov 2007 - Nov 2013)

Tim Knighton#

(Nov 2007 - Nov 2012)

Tim Knighton has attended 3 out of 4 Audit Committee meetings

Richard Calvert#

(Nov 2007 - Nov 2013)

Richard Calvert has attended 5 out of 5 Audit Committee meetings

Professor Robert Pickard#

(Nov 2007 - Nov 2012)

Robert Pickard attended 4 out of 4 Audit Committee meetings

Eric Gregory#

(Nov 2012 – Oct 2015)

Eric Gregory has attended 2 out of 2 Audit Committee meetings

Keith Baldwin#

(Nov 2012 – Oct 2015)

Keith Baldwin has attended 1 out of 2 Audit Committee meetings

Helena Feltham

(Nov 2012- Oct 2015)

Review of the Financial Year

Following the March 2011 referendum on the National Assembly for Wales's legislative powers, the Assembly is now able to pass laws on all subjects in the 20 devolved areas without first needing the agreement of the UK Parliament.

The significant constitutional change for the Assembly brings into effect *Acts of the Assembly*, Part 4 of the Government of Wales Act 2006. The Commission introduced several changes to support this development. This included changes to its Standing Orders, implementing new Committee structures to strengthen scrutiny and integrating Committee support teams to provide specialist advice on policy background, legal position and procedural matters. Specifically, new Standing Orders provide for greater committee scrutiny of Legislative Consent Memoranda; a Private Bill mechanism ensures such bills are considered in Cardiff not Westminster; and changes to Plenary procedures make Assembly business more responsive with a shorter notice period for tabling Oral Assembly Questions.

Significantly, the first law to be made in Wales since the 13th Century, the National Assembly for Wales (Official Languages) Act 2012, received Royal Assent on 12 November 2012.

The Commission has also sought ways to improve its services to Assembly Members. These new ways of working include the pilot scheme testing tablet devices, bilingual glossary for specialist and technical terms and interactive briefings tailored for Assembly Members. Meanwhile, support for Assembly Members and their staff through training continues with a number of courses designed to enhance engagement with the people of Wales, such as Welsh, sign language, crisis management, managing public situations and speech writing. In addition, training for committee members has been designed to facilitate engagement with wider audiences, build specialist skills in financial scrutiny and assess the impact of Bills and policies on children and young people's rights.

The Commission's first Director of ICT, Dave Tosh finalised the arrangements for the future provision of ICT services. This required a business case evaluating the options for service delivery and developing the Commission's ICT strategy. In December 2012, the Commission concluded that it would bring core ICT services in-house. The Commission has formally notified all contractual parties of its intention to exit from the current agreement delivering ICT services to the Assembly. Work is now underway to deliver this service transformation.

The second phase of the Senedd ICT refresh project was undertaken during the year upgrading to Microsoft Office 2010 in the Siâmbwr, replacing the aging PCs and renewing elements of the voting and microphone control system. This three year project was started in 2011 to update the Siâmbwr, Committee rooms and public areas. The project to fully incorporate wireless networking across the Commission commenced during the year in addition to work to upgrade audio visual and public address systems.

Financial performance for the year

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.

The Commission sets out three separate funding streams. One is for the expenditure which is under the Commission's direct control, one for expenditure determined by the Remuneration Board, and one to cover the accounting provision for the Members' Pension Scheme under the HM Treasury's Annually Managed Expenditure heading. The Chief Executive and Clerk of the Assembly is accountable for all areas of expenditure in her capacity as the Principal Accounting Officer.

Against the continuing backdrop of public sector spending restraint, the Commission approved a budget strategy for the fourth Assembly that delivers real-terms reductions in spend but provides sufficient resources to deliver outstanding parliamentary support. The Commission's budget for 2012-13, maintained the status quo in relation to the Commission's cost compared with total amount of public expenditure controlled by the National Assembly (the 'Welsh Block') and continues to represent 0.3% of the Welsh Block.

The Commission's expenditure is financed from the Welsh Consolidated Fund. The net resource outturn for 2012-13 in total was £47.1million (£46.2million 2011-12) compared with the budget of £47.4million (£47.5million for 2011-12). Against the corporate target of 2% underspend, the Commission reported a 2012-13 under spend of £0.332million or 0.7%.

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 £12.9million (£12.2million 2011-12).

The salary and related costs of staff employed by the Commission cost £14.7million (£14.0million 2011-12); accommodation, ICT and other running costs amounted to £17.8million (£17.5million 2011-12); and income arising from rent, car parking receipts and merchandise sales from the Assembly Shop remained at £0.2million (£0.2million for 2011-12).

The above figures exclude the salary related costs of the Presiding Officer and the Deputy Presiding Officer, Auditor General for Wales, Commissioner for Standards and Public Services and the Ombudsman for Wales. 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 2012-13, the total cost for these was £0.6million (£0.6million 2011-12).

At 31 March 2013, the Commission's net assets amounted to £60.0million (£63.5million at 31 March 2012).

Value for money

Since setting its Value for Money (VfM) policy in September 2011, the Commission has successfully delivered its VfM target for each year of the fourth Assembly. Last year, 2011-12, the Commission exceeded its £0.3million Value for Money target and set a much higher target, £0.5million, for 2012-13. This was achieved with savings being delivered through vacancy management (65%) and the voluntary exit schemes (35%). The Commission's target for 2013-14 remains £0.5million. All of the savings have been re-invested within the Commission in line with its approved 3 year investment programme.

These savings are a key component to the Commission's ability in ensuring that resources are available and used in the most appropriate way in delivering effective service to the Assembly. The Commission places a significant emphasis on its ability to continually improve upon the work in delivering outstanding parliamentary service.

During the year, the Commission engaged KPMG to support implementing and embedding the VfM programme. Several key pieces of work have been completed through the year including:

- Service reviews with budget managers and interviews with directors;
- workshops and training events which, amongst other things, highlighted barriers to implementing the programme and then systematically identified how to remove the barriers;
- developing action plans in readiness for the new financial year.

The table below illustrates the range of VfM initiatives underway.

VfM Theme	Initiative	Financial Year of Impact
Improving management information & simplifying processes	The HR/payroll project will deliver a more user-friendly, integrated system that will improve and simplify a range of processes; it will provide improved 'real-time' management information and reduce time spent on manual processes and handling data.	2013-14 onwards
Simplifying processes	Multiple Service planning for Branding and Translation Services to deliver within short time frames ensured staff availability matched the challenging time frame. This led to a significant reduction in costs (40%). Other Services are planning a similar approach.	2012-13 2013-14 onwards

VfM Theme	Initiative	Financial Year of Impact
Maximising benefits from contract management	A decision to change how the summer events programme is delivered has led to multiple year benefit. Using the exhibition bus, has led to 25% p.a. reduction in running costs; a threefold increase in events attended and savings in storage costs.	2010-11 to 2013-14
	A review of service providers for internet access identified that for an initial outlay, an annual reduction in costs of 48% with improved performance can be delivered.	2013-14 onwards

In addition to the Commission's VfM programme, the Remuneration Board has frozen the base salary and office holder allowances for Assembly Members until 2015. This action is estimated to have reduced costs to date by a further £0.2million

Environmental matters

The Commission recognises that its activities may have positive and negative environmental impacts in Wales and further afield. During 2012-13, the Commission continued to implement its environmental policy as measured by its targets. Further information on our achievements is in the Annual Report.

Senior management and Assembly staff

The senior management team (the Chief Executive and her Directors) employed by the Commission through the year and to the date of signing the accounts, were:

Claire Clancy	Chief Executive and Clerk of the Assembly, Principal Accounting Officer
Adrian Crompton	Director of Assembly Business
Dave Tosh	Director of ICT from 16 April 2012
Elisabeth Jones	Director of Legal Services from 8 October 2012
Steven O'Donoghue	Head of Assembly Resources with Director of Finance responsibilities from 1 April 2012
Keith Bush	Director of Legal Services and Chief Legal Adviser until 31 October 2012
Dianne Bevan	Chief Operating Officer until 8 August 2012

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:

	31 March 2013	31 March 2012
Employed staff	357.3	341.8
Seconded staff	1.0	4.6

Investors in People

The Commission continues to utilise the Investors in People (IIP) Standard as a framework of best practice against which to benchmark its people policies and practices. The IIP assessors revisited the Commission to assess our Gold Standard status, originally awarded in 2010. For the second time we have been confirmed as Gold Standard, an award we are so proud to have achieved.

The Commission has confirmed its intention to undertake staff surveys every nine months. The staff surveys to date show over half of all staff are completing the survey with a 10% increase in the percentage of staff recommending the Assembly as a great place to work.

Employee relations and communication

Good relationships with the recognised Trade Unions continue. During the year, a new partnership agreement was signed between the Commission and Trade Unions.

The Commission has re-launched its in-house magazine (the Slate) and continues to hold all-staff meetings. Several services have refreshed their intranet presence and all services are reviewing service plans to strengthen their ties to the five corporate priority areas for change, innovation and investment.

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.

Learning and development

The Assembly Commission is committed to developing a learning culture where the skills, knowledge and behaviours of our staff are continuously developed to deliver outstanding parliamentary support. Through the continual development of a learning culture we are developing a workforce that is expert in supporting Assembly business and is agile in responding and anticipating its changing needs.

Over the financial year, the Learning and Development team supported over 50 internal secondment placements, implemented the Commission's first apprenticeship scheme, enhanced the student placement strategy with the addition of graduate placements and organised opportunities to shadow the Chief Executive for a day. The team continues to support business change in the Commission, deliver coaching and mentoring opportunities where 15 staff were recently awarded the ILM coaching certificate, as well as delivering the in-house Leadership and Management Development programme.

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.

As well as continuing with the specialist training (manual handling, first aid at work, defibrillators and fire marshal), awareness campaigns for ovarian and prostate cancer and blood pressure were successfully delivered over the last 12 months. In addition, new occupational health sessions for Assembly Members and their support staff are held monthly alongside agreeing a new contract for employee assistance and developing a new health and well-being strategy for the Commission.

Sickness absence data

The overall sickness absence rate for the year was 6.16 average working days per person 2.80% (6.78 working days 3.08% 2011-12) 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 of personal data losses requiring formal reporting to the Information Commissioner's Office in 2012/13. There were 2 personal data near-misses that were investigated, in line with the Commission's policy but neither required further action.

With effect from June 2012, the role of the Senior Information Risk Owner (SIRO) transferred from the Chief Operating Officer to the Director of ICT. During the year, a review of the Commission's responsibilities in this area was undertaken resulting in several improvements to policy and supporting documentation.

Creditor payment policy

Since 2009, the Commission's target is 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 98.3% paid within 10 days (96.7% average for 2011-12).

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 2012-13 accounts is £60,250 (£59,450 2011-12).

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.

Claire Clancy

Chief Executive and Clerk of the Assembly

Date: 8 July 2013



Remuneration report

Remuneration Policy

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. The four members of the Board, Sandy Blair CBE, Mary Carter, Stuart Castledine, and Professor Monojit Chatterji, receive a day rate of £185 and the Chair of the Board the Rt Hon Sir George Reid receives a day rate of £243. The appointments are for a five year term.

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 Determination on Members' Pay and Allowances, the latest in December 2012. Four Members opted not to draw their full entitlement for the 2012-13 financial year (four Members 2011-12).

The following Members were entitled to additional annual salaries as follows:

	From 1 April 2012	From 1 April 2011
Presiding Officer	£41,949	£41,949
Deputy Presiding Officer	£26,385	£26,385
Assembly Commissioners	£12,420	£12,420
Chairs of committees ¹	£12,420	£12,420
Chairs of other committees ²	£8,280	£8,280

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 2012-13, 16 did not draw their full entitlement for the full year (in 2011-12 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.

¹ 1 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.

² Other committees were; Petitions; Standards of Conduct.

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.

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.

The appointments of two of the four independent advisers to the Commission made in November 2007 ended in November 2012. As a result, three new appointments were made in November 2012 for an initial period of three years. A further appointment will be made in 2013-14, returning the number of independent advisers to four. The advisers receive non-pensionable emoluments of £5,000 per annum (£7,000 per annum for the Chair of the Audit Committee).

Remuneration Committee

The Commission has a Remuneration Committee of 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 2013, were:

- Tony Morgan - Chair of the Remuneration Committee (appointment runs until January 2014) receives a non pensionable emolument of £1,250 per annum.
- Tim Knighton (Independent Adviser) to November 2012
- Professor Robert Pickard (Independent Adviser) to November 2012
- Keith Baldwin (Independent Adviser) from March 2013
- Helena Feltham (Independent Adviser) from March 2013
- Eric Gregory (Independent Adviser) from March 2013

During the year the Committee met once on 19 April 2012, all current members were in attendance, and they considered the Draft Reward Strategy for Assembly staff, reviewed the Executive Team's pay and performance and considered public sector pay policy more widely to ensure its advice was set within this broader context.

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 2012/13	Salary 2011/12	Real increase in pension and related lump sum at age 65	Total accrued pension at age 65 and related lump sum at 31/3/12	CETV at 31/3/13	RestatedC ETV at 31/3/12	Restated Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Office holders							
Rosemary Butler AM –Presiding Officer)	95-100	80-85	1.5-2.0	20-25	402	374	28
David Melding AM –Deputy Presiding Officer (service started 12/5/2011)	80-85	70-75	1.5-2.0	15-20	311	271	40

Senior Management

Name and title	Salary 2012/13	Salary 2011/12	Real increase in pension and related lump sum at age 60	Total accrued pension at age 60 and related lump sum at 31/3/12	CETV at 31/3/13	CETV at 31/3/12	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive and Clerk of the Assembly							
Claire Clancy	140-145	135-140	2.5-3.0 plus lump sum of 5-10	62-65 plus lump sum of 185-190	1,228*	1,114*	52
Director of Assembly Business							
Adrian Crompton	110-115	105-110	2-2.5 plus lump sum of 5-10	30-35 plus lump sum of 100-105	536	479*	28
Director of ICT appointed 16 April 2012							
Dave Tosh	80-85	N/A	20-22.5	20-25 payable at age 65	254	0*	40
Director of Legal Services replaced Keith Bush and was appointed from 8 October 2012							
Elisabeth Jones	45-50	N/A	2.5-5.0	20-25	369	315*	34
Head of Assembly Resources nominated Director of Finance from 1 April 2012							
Steven O'Donoghue	65-70	N/A	0-2.5	25-30	299	271*	10
Chief Operating Officer appointment ended 8 August 2012							
Dianne Bevan	40-45	115-120	5-7.5	60-65	1,050	941*	103
Director of Legal Services appointment ended 31 October 2012 replaced by Elisabeth Jones							
Keith Bush	60-65	95-100	2.5-5.0	25-30	464	382*	82

This table was subject to audit

* The actuarial factors used to calculate CETV's were changed in 2011/12. The CETV's at 31/03/2012 and 31/03/2013 have both been calculated using the new factors, for consistency. The CETV at 31/03/2012 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.

Dianne Bevan left the Assembly under Voluntary Exit terms on 8 August 2012 and received a compensation payment of £187,662 which was accrued in the accounts for 2011-12.

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 2012-13 (none 2011-12). The salary costs for the Presiding Officer and Deputy Presiding Officer are a direct charge on the Welsh Consolidated Fund.

	2012-2013	2011-2012
	Salary £'000	Salary £'000
Band of highest paid Director	140-145	135-140
	£	£
Median Total Remuneration	27,897	27,897
Ratio	4.8	4.8

The relationship between the remuneration of the highest-paid director in the organisation and the median remuneration of the workforce is 4.8. This has remained the same from 2011-12.

The banded remuneration of the highest-paid director in the National Assembly for Wales Commission in the financial year 2012-13 was £140k-£145k (2011-12 £135k-£140k) This was 4.8 times (2011-12 4.8) the median remuneration of the workforce, which was £28k (2011-12 £28k)

In 2012-13, and 2011-12 there was no remuneration paid in excess of the highest-paid director. Remuneration ranged from £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 and 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
		2012-13	2011-12
		£	£
Claire Clancy	Chief Executive & Clerk	619	799
Adrian Crompton	Director of Assembly Business	2,909	581
Dave Tosh	Director of ICT	1,307	N/A
Elisabeth Jones	Director of Legal Services	1,075	N/A
Steven O'Donoghue	Head of Assembly Resources and Director of Finance	692	N/A
Dianne Bevan	Chief Operating Officer	463	1,084
Keith Bush	Director of Legal Services	411	N/A

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 2012 have increased and have been set according to salary bands. There will also be a further increase from 1 April 2013 and there is expected to be a subsequent rise from 1 April 2014. 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 7 and 15% (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

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: 8 July 2013



2012-13 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, 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.

03. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It is based on an on-going process designed to identify and prioritise risks to the achievement of the Commission'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. The system of internal control cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore provide only reasonable and not absolute assurance of effectiveness.

04. The governance framework has been in place for the year ended 31 March 2013 and up to the date of approval of the statement of accounts.

Governance framework

05. The Commission comprises the Presiding Officer, who is its Chair, together with four other Assembly Members appointed by the Assembly. Its Principal Accounting Officer is the Chief Executive and Clerk of the Assembly. Assembly staff are employees of the Commission.

06. The Commissioners are charged with the governance of the organisation and are accountable to the Assembly. The responsibilities of the Commissioners as the "governing board" include setting the organisation's strategic aims, providing the leadership to put them into effect, overseeing the delivery of those strategic aims and reporting and being accountable to the Assembly on their stewardship.

07. At its first meeting following the May 2011 election, the Commission adopted revised governance principles and supporting provisions. These are consistent with the UK Corporate Governance Code and the Good Governance Code for Public Services, having regard to the Commission's status within the Welsh public sector. These principles and provisions are underpinned by a number of policies that govern the work of the organisation and its behaviours.

- 08.** The Commission has established an Audit Committee comprising three experienced Independent Advisers, one of whom acts as Chair, and the Assembly Commissioner responsible for budget and governance. This Committee operates in accordance with the Treasury's Audit Committee Handbook. Alongside the Audit Committee, assurance is provided through the Commission's internal audit process which is headed by the in-house Head of Internal Audit and supported by a contract with KPMG.
- 09.** The Commission has also established a Remuneration Committee, which is an advisory body with no executive powers, to consider and make recommendations on matters regarding the remuneration and terms of service of the Chief Executive and Clerk of the National Assembly for Wales (Chief Executive). In addition, the Committee considers and comments on any recommendations or proposals from the Chief Executive regarding pay and other matters of remuneration and reward for the Directors and considers recommendations and proposals on the pay and reward strategy for other staff of the Assembly Commission. The Committee assists the Commission and Chief Executive in ensuring that the Assembly Commission meets the highest standards of probity and accountability for the use of public funds by advising on request, the Commission and the Chief Executive as Accounting Officer, on their responsibilities for appraisal and remuneration policies and systems.
- 10.** Details of the Assembly Commission, the Remuneration Committee and the Assembly Commission's Audit Committee meetings and attendance records can be found in the Annual Report of which this statement forms a part.
- 11.** At its meeting on 14 July 2011 the Commission adopted the following strategic goals for the Fourth Assembly (2011-16):
- ***Provide outstanding parliamentary support***
The Assembly is in a new constitutional position and we will provide fitting support to enable Assembly Members to meet the new challenges as they represent the interests of Wales and its people, make laws for Wales and hold the Welsh Government to account.
 - ***Engage with the people of Wales***
We will create an environment that encourages interest in the work of the Assembly and facilitates engagement in the Assembly's roles of legislating, scrutiny and representation. We will engage actively and widely, and ensure that the Assembly benefits from the creative energy generated by such engagement.
 - ***Promote Wales***
Acting as an ambassador for Wales in the wider world, we will make the most of opportunities in the UK and abroad to promote Wales and the work of the Assembly and play our part in the development of parliamentary democracy elsewhere in the world.

– **Use resources wisely**

We will make the necessary investments to ensure that the Assembly is fully equipped to operate effectively as a parliament with new law-making powers. At the same time, we will reinforce the confidence of Assembly Members and the people of Wales in the way we deliver services and manage costs by making good use of taxpayers' money. We will manage our resources to deliver a vital public service with improved efficiency and value for money.

12. The Chief Executive is accountable to the Commission for the delivery of these 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. In working to deliver the Commission's goals, staff are expected to:

- act with integrity, fairness and impartiality, respecting everyone and treating people equally;
- strengthen the bilingual ethos of the Assembly;
- deliver all aspects of the Commission's responsibilities with pace, professional expertise and a strong service ethos;
- set high standards and keep their promises;
- be open and transparent, expose themselves to the most intense scrutiny, and provide measurable evidence of their achievements;
- invest in sustainability and efficiency-enhancing technology; and
- demonstrate their absolute commitment to Welsh parliamentary democracy and pride in the Assembly.

13. The existence of the statutorily independent Remuneration Board, with responsibility for setting the pay, pensions and financial support available to Members and their staff, greatly strengthens the governance arrangements of the Commission. The absence of external criticism of the financial regime around Members, and the consistently strong audits of the Members' Business Support team is evidence of its effectiveness. Similarly, the fact that there is an independent Standards Commissioner provides a high level of assurance with regard to Member conduct and the standards regime. During the year, the Commissioner, Standards Committee and Presiding Officer have all taken steps to further strengthen the standards regime of the Assembly.

Decision taking and business management

- 14.** The Commission meets on a regular basis to provide direction and to oversee delivery. During 2012-13, the Commission decided to meet more frequently and to devote some meetings to a discussion of one strategic issue, and the remaining meetings to reviewing performance. For both types of meeting, papers are presented in a clear, concise format setting out the risks and issues, the background, a discussion on the options available, resource implications, next steps and the decision required from the Commission. Commissioners are also provided with regular reports of financial outturn and with reports highlighting what has been achieved with the resources available.
- 15.** The Commission has delegated most of its functions to the Chief Executive with the exception of:

 - the appointment, terms and conditions and remuneration of the Chief Executive and Clerk, non-executive advisers to the Commission, and members of the Audit Committee; and
 - the authorisation of expenditure under paragraph 6 of Schedule 2 to the 2006 Act (provision of financial assistance to the Electoral Commission).
- 16.** The Chief Executive is also required to consult the Commission before:

 - making appointments at Director level;
 - changing the remuneration and terms and conditions for the staff occupying those posts;
 - creating new Director posts or abolishing existing Director posts;
 - authorising capital expenditure for projects in excess of £1 million; and
 - authorising expenditure on matters that could be regarded as novel or contentious.
- 17.** Delivery of services within the Commission is managed through three directorates (Assembly Business, Information and Communications Technology, and Legal Services), and three service areas (Resources, Estates and Front of House, and Commission and Member Support.) All of these report directly to the Chief Executive.
- 18.** The Directors and Heads of Service make up the **Management Board** which coordinates policy and operational matters relating to the delivery of all the services within the National Assembly for Wales. The Management Board meets formally at least once a month and informally on a weekly basis to review and coordinate activity. The Board is required to act corporately in the interest of the Assembly as a whole.
- 19.** Development in the Assembly has been strengthened by the creation of the **Investment Board** which takes a corporate and strategic view of all capital investment options and oversees the management and delivery of all investment projects. It ensures that capital investment in the Assembly is properly scrutinised, prioritised and managed. In place since mid-2012, this approach has already led to an improvement in the quality of project briefs, options analyses and risk assessment. The Board, which comprises the Chief Executive, the Director of Assembly Business, the ICT Director, and the Director of Finance, is small and meets fortnightly in order to ensure decisions can be made when they are needed.

- 20. Decision-making and business management within the Directorates and Service areas** have been co-ordinated during the year through formal and informal arrangements. The Assembly's Directors attend some meetings of the Assembly Commission which has overall responsibility for ensuring the provision of property, staff and services for the Assembly.
- 21.** Within the Assembly Business Directorate, the Heads of Service have met regularly to plan and coordinate the way in which Assembly business is carried out, and supported, to meet the requirements of Members.
- 22.** Within the other Directorates and Services similar arrangements are in place to ensure service delivery is managed to deliver most effectively the services that are needed to support the work of the Assembly and its Members.
- 23. Financial management** is controlled through a system of delegated budgets with control of particular activities strengthened and coordinated by central support teams. The Management Board reviews expenditure against budgets on a monthly basis and this is supported by regular meetings between Finance staff and budget holders. Budget forecasting has improved considerably over the last two years following an increase in staff training on budgeting methods to help staff understand the impact of their decisions on forecasts.
- 24.** Management is further supported by the **Governance and Audit team** which was established to strengthen and coordinate procurement, risk management, internal audit and the Investment Programme. It also advises on project management.

Performance

- 25.** During the second year of the Fourth Assembly the Assembly Commission has built on the foundations laid after the election. Overall, staff have a high level of professionalism and expertise, and familiarity with, and application of, governance practices is high. As the work of the new Assembly has gathered pace there has been a significant increase in the volume of legislation that needed to be considered and staff in the Commission have refocused their efforts to reflect this. This has placed significant demands on clerks, researchers and lawyers. The relevant Standing Order and internal deadlines to support the legislative process have been met and feedback from Assembly Members has been positive.
- 26.** As part of planning work to ensure that resources meet demand, there has been a focus on identifying the Commission's priorities for change, innovation and investment and developing indicators to measure and demonstrate performance in delivering these. Alongside this the **Assembly Business Directorate** has been exploring innovative ways of engaging on legislation with the people of Wales. It has also undertaken a review of the way in which support is provided to Committees and has embarked on a major reorganisation of this.
- 27.** The **Commission and Member Support Service** has strengthened its role in providing the link between Members and the Commission and has continued to develop its programme of Continuous Professional Development for Members.

- 28.** In relation to **ICT** the Commission has taken a strategic decision to withdraw from the 'Merlin' contract with our existing service provider, Atos, and to provide support for ICT services directly using its own staff. This is a major development for the Assembly and the Commission made the decision with the aim of providing a more flexible and responsive service to Members as well as using resources more effectively. During the year the Commission has also made significant improvements to its ICT structure, including refreshing the systems in the Siambro to provide greater stability and improved functionality. The Commission has also prepared a completely revised ICT Strategy, which sets the direction of future development of ICT services to better support the needs of the Assembly and its Members.
- 29.** Security management on **the estate** has been enhanced during the year with the appointment of two key people to support the Head of Security. Management of the estate has been further enhanced with the appointment of a new Head of the Estates and Front of House. Planning is now well in hand in preparation for the construction of a new covered entrance to Tŷ Hywel which will both improve the visitor experience as well as adding to security.
- 30.** The autumn of 2012 saw victory in the Supreme Court case concerning the UK Government's challenge to the Local Government Byelaws (Wales) Bill.
- 31.** During the year the Commission undertook a **review of its effectiveness**. This work, based on a study by the Assembly Commission's Corporate Governance adviser, was informed by discussions with Commissioners and a number of other individuals. In general, the findings were very positive and highlighted the fact that significant progress has been made so far during the Fourth Assembly. Commissioners had become increasingly satisfied with the quality of information and support provided to them for meetings and in their portfolio roles. They considered that options appraisals presented to them had become more robust and that the presentation of the 2012-13 budget appropriately aligned resources to strategic priorities. Some areas for further development were identified, including the need for more consideration of strategic issues and assessment of performance. Commissioners also strongly supported the recommendation that a more positive, proactive approach should be taken to the media.
- 32.** The **Remuneration Committee** met in April 2012 to conclude the work they had done on the Commission's pay and reward strategy in 2011-12. The subsequent pay deal agreed with unions extends for 18 months with effect from April 2012.
- 33.** The Assembly Commission's Audit 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. These included updates on progress in relation to Information Security and Data Protection Governance and from the Assembly Commission's Head of Procurement.

34. The focus for **Internal Audit** work this year has been to consolidate the extensive programme of reviews undertaken in the two previous years and a substantial amount of effort this year was on follow up reviews. Alongside this, Internal Audit was involved in providing assurance in relation to the work of the Investment Board and, particularly, the management of two major projects namely the ICT Futures programme and the new combined HR-Payroll system.

Compliance

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

Risk identification and management

36. 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.

37. The Risk Management Framework is a key foundation block in the Commission's system of internal control and corporate governance arrangements. It is widely understood and applied throughout the organisation, with examples of effective risk management and realisation of opportunities at operational, strategic, programme and project levels.

38. During the year, we have continued to fine-tune our simplified approach to the management of risks and, as a reflection of our maturity in doing so, more risks are now being managed at a service level. This has allowed a more comprehensive and timely focus on the key risks. The main elements of the approach to handling risk are:

- a risk management forum (consisting of Risk Champions from each service area) which meets regularly to discuss and review risks and processes and raises awareness across the Assembly;
- clarity on accountability for the identification and management of risks;
- regular review and reporting of movements and occurrences of all risks;
- in-depth Management Board and Audit Committee reviews of individual corporate risks; and
- the escalation of significant risks to Directors and the Chief Executive as Principal Accounting Officer, and involvement of the Assembly Commission as necessary.

39. Internal controls cover the totality of the organisation's activity, from recruiting staff, supporting Assembly business, making decisions, and managing and reporting on the public funds at the organisation's disposal.

40. In the course of the year we closely monitored the risks we faced in delivering the Assembly's strategic goals. The risks and the action to mitigate them have evolved in the period in response to our needs and circumstances. We have also captured and shared lessons learned from issues that have arisen and adjusted our responses and continuity plans based on that learning.

41. Key areas of focus for our corporate risks during the year have been around future ICT services, key reputational risks and information, physical and personnel security risks. The risks which have reduced during the year were those associated with the election in 2011 - matters relating to outgoing Members as well as the induction of new Members elected.

Review of effectiveness of risk management arrangements

42. The Principal Accounting Officer's review of the effectiveness of the risk management arrangements is informed by the work of the internal auditors, the Directors who have responsibility for the development and maintenance of the internal control framework, the Audit Committee, and recommendations made by the Wales Audit Office in its management letter and other reports.
43. The core of the review of effectiveness of the governance arrangements was a self-review process completed by the Management Board in January 2013. This covered 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 Committee after the end of the financial year prior to signing the financial statements.
44. Financial management and forward planning have continued to be strengthened, with a consistent focus on value for money (VFM) and achievement of the VFM target. In-year variances to forecasts have been minimal month to month. Management of the year-end position was stronger and began earlier, enabling flexible business decisions and improved outcomes to make best use of the available budget. During the year, a new delegation framework was introduced to strengthen lines of accountability further. Also, key people policies were reviewed and updated, including that on Fraud, Corruption and Bribery. All proposals for new posts require a value for money case to be prepared and approved before they are advertised.
45. The Governance Statement for 2011-12 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 2012-13.**
46. We have made good progress on strengthening our **information governance** arrangements and have actively addressed all of the outstanding audit recommendations. Management Board members have assumed the role of Information Asset Owner for their individual service areas. Information Asset Registers have been introduced and reviewed and we are drafting a Retention Schedule and reviewing the commission's Protective Marking Scheme to bring it into line with the UK and Welsh government schemes. We have appointed an Information Governance Manager who has been active in raising awareness of responsibility for Information Management and, in particular, has arranged a series of advisory visits by the Deputy Information Commissioner for Wales and her staff.

47. We have further developed and strengthened our approach to **procurement and contract management with** the appointment of a Senior Procurement Officer, the development of a system of centralised procurement for contracts above £25,000, additional processes to help manage inherent risks in the procurement process and have almost completed a total refresh of all our procedures. We are introducing a contract management system, training for which commenced at the end of March. We have also developed training material and delivered the first of a series of training sessions to raise awareness throughout the Commission of procurement rules and procedures.
48. The developing work of the Assembly as a legislature has been accompanied by **continued efforts to improve efficiency and value for money**. We have engaged KPMG to help us establish a baseline and approach for better quantifying value for money in our VFM programme. We are developing a series of performance measures to monitor and demonstrate progress towards the Commission's strategic goals. Corporate performance monitoring reports will be published three times a year.
49. We have made good progress in finalising the Assembly Commission's **Business Continuity Plan**, building on the substantial work already done on identifying and documenting how critical activities could be maintained in the event of a major disruption. We have now appointed a Business Continuity Manager as a dedicated resource to complete this work by the autumn of 2013, including testing through a scenario exercise.
50. In relation to the **future provision of the ICT services** we have enabled the Assembly Commission to take the decision, based on a thorough analysis of the costs, benefits and risks of the various options, to exit from the 'Merlin' contract for ICT services, and to work towards making an independent provision for future ICT services. The ICT Future Services Project is now underway to establish the new arrangements.
51. In support of the Commission's strategic goals, going forward to the end of the Fourth Assembly we have identified five priority areas for change, innovation and investment:
- Future ICT Strategy, 2014 and beyond;
 - Excellence and integration of services to support Assembly business;
 - Enhance bi-lingual services;
 - Increased engagement of people in Wales with the work of the Assembly, including young people;
 - Making the most of our estate, particularly the Senedd, as the prime venue for Welsh public life.
52. Longer term planning will need to take account of external factors such as the outcomes from the Commission of Devolution in Wales (the Silk Commission), the independence referendum in Scotland in 2014, the Westminster General Election in 2015, the economic climate, and decisions of the Remuneration Board.

- 53.** During the course of the year concerns arose about a number of issues that will require specific action during 2013-14:
- further development and strengthening of the management of information within the Commission;
 - building on the improvements resulting from the creation of the Investment Board, further improvement of project analysis and project management skills, and development of the Investment Programme into a vehicle which strategically manages capital development within the Assembly;
 - finalising and testing the Business Continuity Plan; and
 - completing the Commission’s Official Languages Scheme in order to comply fully with the provisions of the National Assembly for Wales (Official Languages) Act 2012.
- 54.** 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 Committee.

Claire Clancy

Chief Executive and Clerk of the National Assembly for Wales

Date: 8 July 2013

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 2013 under the Government of Wales Act 2006. These comprise the National Assembly for Wales's Supply, the Statement of Comprehensive Net Expenditure, the Statement of the Financial Position, the Cash Flow Statement, the 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 Commission 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 National Assembly for Wales Commission affairs as at 31 March 2013 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 Commission 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 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 2013

Statement of National Assembly for Wales's Supply

a) Summary of Outturn 2012–13

	Note	Budget			Outturn			2012-13 £'000	Outturn 2011-12 £'000
		Expend	Income	Total	Expend	Income	Total	Net total outturn compared with budget: saving/ (excess)	
Resources for use by the National Assembly for Wales Commission	2	33,682	(205)	33,477	33,799	(165)	33,634	(157)	31,997
Resources in respect of Remuneration Board decisions	2	13,500		13,500	12,938	-	12,938	562	13,813
Annually Managed Expenditure	2	500		500	573	-	573	(73)	412
		47,682	(205)	47,477	47,310	(165)	47,145	332	46,222

Explanations of variances between budget and outturn are provided in note 2

b) Net cash requirement 2012-13

				2012-13 £'000	2011-12 £'000
	Note	Budget	Outturn	Net total outturn compared with budget: saving/(excess)	Outturn
Net cash requirement	4	43,827	43,197	630	42,175

c) Summary of income payable to the Welsh Consolidated Fund

The income payable to the Welsh Consolidated Fund is derived from bank interest received. During 2012-13 and 2011-12, no interest has been received on balances held.

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2013

	Note	2012-13 £'000	2011-12 £'000
Administration Costs			
Members', Office holders and staff salary costs	7a	20,585	20,485
Members' Other Costs	7b	7,731	7,923
Members' Pension Finance Cost	15	573	412
Other administration costs	8	17,809	17,522
Gross Administration Costs		46,698	46,342
Operating income	6	(165)	(190)
Net Operating Costs for the year ended 31 March 2013		46,533	46,152

Other Comprehensive Expenditure

Net loss/gain on revaluation of Property Plant and Equipment

		-	-
Total Comprehensive Expenditure for the year ended 31 March 2013		46,533	46,152

All activities are continuing.

Statement of Financial Position

As at 31 March 2013

		31 March 2013	Restated 31 March 2012
	Note	£'000	£'000
Non-current assets:			
Property, plant and equipment	9	66,065	68,784
Intangible assets	10	1,421	1,390
Total non-current assets		67,486	70,174
Current Assets			
Inventories	11	16	10
Trade and other receivables	12	1,507	1,350
Cash and cash equivalents	13	630	924
Total current assets		2,153	2,284
Total assets		69,639	72,458
Current liabilities			
Trade and other payables	14	(4,398)	(5,063)
Provisions	15	(33)	(33)
Total current liabilities		(4,431)	(5,096)
Non-current assets plus net current assets		65,208	67,362
Non-current liabilities			
Other Payables		-	-
Provisions	15	(5,191)	(3,859)
Total non-current liabilities		(5,191)	(3,859)
Assets less liabilities		60,017	63,503
Taxpayers' Equity			
General Fund		57,194	59,315
Pension Fund Reserve		(5,051)	(3,686)
Revaluation Reserve		7,874	7,874
Donated Asset Reserve		-	-
		60,017	63,503

Claire Clancy

Chief Executive and Clerk of the Assembly

Date: 8 July 2013

Statement of Cash Flows

For the year ended 31 March 2013

	Note	2012-13 £'000	2011-12 £'000
Cash flows from Operating Activities			
Net operating cost	3	(46,533)	(46,152)
Adjustments for non-cash transactions:			
Depreciation, amortisation and impairment	9&10	3,942	3,781
(Increase)/decrease in inventories	11	(6)	14
(Increase)/decrease in trade and other receivables	12	(157)	5
Loss on Sale of Asset		-	22
<i>Less movements in receivables relating to items not passing through the Operating Cost Statement</i>		294	-
(Decrease)/increase in trade and other payables	14	(790)	944
<i>Less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>		-	(825)
Utilising of Provision	15	(33)	(38)
Pension Finance Costs	15	573	412
Net cash outflow from Operating Activities		(42,710)	(41,837)
Cash flows from Investing Activities			
Purchase of property plant and equipment	9	(748)	(842)
Purchase of intangible assets	10	(381)	(131)
Proceeds from sale of assets		-	10
Net cash outflow from Investing Activities		(1,129)	(963)
Cash flows from Financing Activities			
From the Welsh Consolidated Fund (Supply)		43,827	43,099
From the Welsh Consolidated Fund (direct charges)		642	625
Payments to the Welsh Consolidated Fund		(924)	(99)
Net cash inflow from Financing Activities		43,545	43,625
Net decrease in cash and cash equivalents	4	(294)	825
Cash and cash equivalents at beginning of year	13	924	99
Cash and cash equivalents at end of year	13	630	924

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2013

	Note	Restated General Fund £'000	Revaluation Reserve £'000	Donated Asset Reserve £'000	Pension Reserve £'000	Restated Total Reserves £'000
Balance at 31 March 2012		62,244	7,874	11	(2,310)	67,819
Change in Accounting Policy –						
Donated Assets		11	-	(11)	-	-
Balance at 31 March 2012						
Restated		62,255	7,874	-	(2,310)	67,819
Pension Fund Reserve Movement						
Pension Fund cost		-	-	-	(964)	(964)
Total recognised income and expense for 2011-12		(46,152)	-	-	-	(46,152)
Transfer between reserves		412	-	-	(412)	-
Welsh Consolidated fund						
-Supply		43,099	-	-	-	43,099
-Direct Charges	3	625	-	-	-	625
Amount payable to the Welsh Consolidated Fund						
-Supply		(924)	-	-	-	(924)
Balance at 31 March 2012		59,315	7,874	-	(3,686)	63,503
Pension Fund Reserve Movement						
Pension Fund cost	15	-	-	-	(792)	(792)
Total recognised income and expense for 2012-13		(46,533)	-	-	-	(46,533)
Transfer between reserves	15	573	-	-	(573)	-
Welsh Consolidated fund						
-Supply		43,827	-	-	-	43,827
-Direct Charges	3	642	-	-	-	642
Amount payable to the Welsh Consolidated Fund						
-Supply	5	(630)	-	-	-	(630)
Balance at 31 March 2013		57,194	7,874	-	(5,051)	60,017



Notes to the Resource Accounts

01. Statement of accounting policies

These financial statements have been prepared in accordance with the 2012–13 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 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 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:

Buildings:	50 years or an alternative period provided by a qualified valuer.
Fixed plant:	10 years, or an alternative period provided by the supplier at the time of purchase or valuation.
ICT, Audio Visual & Broadcasting equipment:	4-6 years
ICT Infrastructure:	10 years
Intangible assets (software):	3 or 5 years
Motor Vehicles:	4 years
Donated assets:	Assessed on receipt of asset

Realised Element of Depreciation from Revaluation Reserve

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

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. A full actuarial valuation was carried out as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

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**.

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.

Within the Commission's budget, underspends on Staff costs due to vacancies and new posts not being filled as quickly as anticipated (£0.720 million), together with lower than expected Promoting awareness and understanding expenditure (£0.209 million) and lower Training and development costs (£0.065 million) were reallocated to priority areas during the year.

ICT expenditure was higher due to additional annual maintenance agreements (£0.200 million) and ICT related projects to support the work of Assembly Members (£0.221 million).

Accommodation costs increased due to urgent unexpected building repairs (£0.172 million), the need to improve the security of the Assembly estate (£0.130 million), further sustainability improvements (£0.065 million) and general refurbishment costs (£0.060 million).

03.Reconciliation of resource outturn to net operating cost

		2012-13	2011-12
	Note	£000	£'000
Net Resource Outturn	2	47,145	46,222
Capital expenditure	9 & 10	(1,254)	(695)
Direct charges on the Welsh Consolidated Fund		642	625
Net operating cost		46,533	46,152

The direct charges on the Welsh Consolidated Fund £641,915 (£625,080 for 2011-12) are in respect of the salary costs of the Presiding Officer, Deputy Presiding Officer, Auditor General for Wales, Standards Commissioner and Public Services Ombudsman for Wales. These salaries are paid by the Commission but, as a direct charge on the Fund, are excluded from the net resource outturn.

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

	31 March 2013	31 March 2012
	£'000	£'000
Net cash requirement	(43,197)	(42,175)
From the Consolidated Fund (Supply) – current year	43,827	43,099
From the Consolidated Fund (Supply) – prior year	-	-
Amounts paid to the Consolidated Fund	(924)	(99)
(Decrease)/increase in cash	(294)	825

05.Reconciliation of net resources to cash requirement

	Note	Budget £'000	Outturn £'000	Net total outturn compared with budget: saving/ (excess) £'000	Outturn 2011-12 £'000
Net cash outflow from operating activities	2	47,477	47,145	332	46,222
<u>Accruals adjustments</u>					
Non-cash items	See below	(4,400)	(4,515)	115	(4,193)
Changes in working capital other than cash		750	567	183	146
Net cash requirement		43,827	43,197	630	42,175

	Note	Budget £'000	Outturn £'000	Outturn compared with budget 2012-13 £'000	Outturn 2011-12 £'000
Non-cash items					
Depreciation and amortisation	9 & 10	(3,900)	(3,942)	42	(3,781)
IAS 19 Pension Finance Cost and other provision movements		(500)	(573)	73	(412)
		(4,400)	(4,515)	115	(4,193)

06.Analysis of income payable to the Welsh Consolidated Fund

	Budget 2012-13 £'000	Outturn 2012-13 £'000	Outturn 2011-12 £'000
Retainable operating income	205	165	190
Non-Retainable operating income (bank interest)	-	-	-
Subtotal	205	165	190
Amount retained	205	165	190
Amount payable to the WCF	-	-	-

There has been no other operating income in 2012-13 (£nil 2011-12).

07.A - Members and staff numbers and related costs

Staff costs comprise:

	Staff	Members & Office Holders	Total 2012-13	Total 2011- 12
	£'000	£'000	£'000	£'000
Salaries				
Staff, Members and Office Holders	11,463	4,362	15,825	15,886
Seconded staff	139	-	139	150
Social security costs				
Staff, Members and Office Holders	935	465	1,400	1,343
Other pension costs				
Staff, Members and Office Holders	2,199	1,022	3,221	3,090
Members, Office holders and staff salary costs	-	-	-	20,469
Election costs	-	-	-	16
Total Members, Office holders and staff salary costs and election costs	14,736	5,849	20,585	20,485

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:

	2012-13	2011-12
Permanent Staff	337.8	327.5
Seconded Staff	1.0	4.2
Temporary/Casual Staff	19.5	4.0
Fixed Term Appointments	-	1.3
Total	358.3	337.0

As at the 31 March 2013 there were 60 serving Assembly Members. At the year-end there were 11 Office Holders (other than Ministers), 1 First Minister, 9 Welsh Ministers, 2 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 was remunerable at £12,420 per annum from 1 April 2011 (£12,168 per annum from 1 April 2010). 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. A full actuarial valuation is carried out every four years, with the latest as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2012-13, employer's contributions of £2.185million (£2.085million 2011-12) 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 £17,489 (£22,000 2011-12) 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 £882 (£1,100 2011-12) 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 £795 (£1,800 2011-12). 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. The scheme is funded.

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

	31 March 2013 £'000	31 March 2012 £'000
Present value of scheme liabilities	(29,011)	(23,984)
Fair value of scheme assets	23,960	20,298
Net liability	(5,051)	(3,686)
Amount in the Statement of Financial Position		
Liabilities	(5,051)	(3,686)
Assets	-	-
Net liability (Note 15)	(5,051)	(3,686)

Analysis of amount charged to the Statement of Comprehensive Net Expenditure

	2012-13 £'000	2011-12 £'000
Current service cost	1,475	1,391
Interest on pension liability	1,212	1,236
Expected return on scheme assets	(1,149)	(1,285)
	1,538	1,342
Allocated in the account as;		
Other pension costs	965	930
Pension finance costs	573	412
Past service costs	-	-
	1,538	1,342

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

	2012-13 £'000	2011-12 £'000
Actual return less expected return on scheme assets	1,524	(497)
Actual gains/(losses)	1,125	(436)
Changes in assumptions	(3,441)	(31)
Net actuarial (losses)/gains recognised in SCITE	(792)	(964)
Movement in liabilities during the year		

	31 March 2013 £'000	31 March 2012 £'000
Liabilities at 1 April	23,984	21,095
Current service cost (net of member contributions)	1,475	1,391
Member contributions (including net transfers- in)	445	728
Past service cost	-	-
Benefits paid during the year	(421)	(933)
Interest on pension liability	1,212	1,236
Actuarial gains	2,316	467
Liabilities at 31 March	<u>29,011</u>	<u>23,984</u>

Movements in assets during the year

	31 March 2013 £'000	31 March 2012 £'000
Assets at 1 April	20,298	18,785
Expected return on scheme assets	1,149	1,285
Actuarial return less expected return on scheme assets	1,524	(497)
Contributions by NafW	965	930
Contributions by Members (including net transfers-in)	445	728
Benefits paid and expenses	(421)	(933)
Closing fair value of scheme assets 31 March	<u>23,960</u>	<u>20,298</u>

The Commission expects to contribute £1,011,971 to the Members' Pension Scheme in 2013-14.

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

	2012-13	2011-12
Equities	6.2%	6.2%
Bonds	2.7%	2.7%
Other Bonds	4.0%	4.0%
Cash	2.7%	2.7%

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 £2,214,659 (£1,848,834 2011-12).

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 2012-13 was a gain of £2.670 million (£0.778 million gain in 2011-12).

Principal actuarial assumptions at the Statement of Financial Position date:

	31 March 2013	31 March 2012
Discount rate	4.3%	4.9%
Future salary increases	-0.4%	0.2%
Future pension increases	1.8%	2.3%
Expected rate of return on equities	6.2%	6.2%
Expected rate of return on UK Government bonds	2.7%	2.7%
Expected rate of return on bonds	4.0%	4.0%
Expected rate of return on cash	2.7%	2.7%
Expectation of life at age 65 (years)		
Men	25.0	24.9
Women	26.2	26.1

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

	31 March 2013 £'000	31 March 2012 £'000	31 March 2011 £'000	31 March 2010 £'000	31 March 2009 £'000
Defined benefit obligation	29,011	23,984	21,095	21,999	12,388
Scheme assets	23,960	20,298	18,785	16,126	10,421
(Deficit)/surplus	(5,051)	(3,686)	(2,310)	(5,873)	(1,967)
Experience adjustments on scheme liabilities	1,125	(436)	617	251	100
Experience adjustments on scheme assets	1,524	(497)	618	3,799	(2,922)

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 2013.

07.B - Members' Other Costs

Members' Other Costs of £7.731million (£7.923million 2011-12) in the Statement of Comprehensive Net Expenditure consist of:

	2012-13	2011-12
	£'000	£'000
Office Costs allowances	733	777
Additional Costs allowances	230	198
Members' Staff Costs allowances	6,503	6,690
Travel costs	265	258
Total Members' other costs	7,731	7,923

07.C - Reporting of Voluntary Severance Scheme –exit packages

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.

In the previous year the Commission paid £928k voluntary severance and other departure costs in accordance with the Civil Service Compensation Scheme to meet the costs of 22 exit packages. The amounts below do not include Employers National Insurance contributions which are payable on compensation payments in excess of £30k

	Exit package cost band	Total number of exit packages by cost band	Total number of exit packages by cost band
		2012-13	2011-12
1	<£10,000	-	-
2	£10,000 - £25,000	-	8
3	£25,000 - £50,000	-	9
4	£50,000 - £100,000	1	4
5	£100,000 - £150,000	-	-
6	£150,000 - £200,000	-	1
8	Total number of exit packages by type	1	22

07.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 2012-13, a total of £24,769 (£19,549 2011-12) was incurred in relation to the Commissioner's work.

- 288 hours at a cost of £21,179 (236.75 hours at a cost of £18,152 2011-12) for the Commissioner's cost for 2012-13 was charged to the Welsh Consolidated Fund.
- 120 hours at a cost of £3,490 (108.75 hours at a cost of £2,314) for Staff Costs incurred in supporting the Commissioner.

08. Other Administration Costs

Other administration costs of £17.809 million (£17.522million 2011-12) in the Statement of Comprehensive Expenditure consist of:

	2012-13 £'000	2011-12 £'000
Accommodation and facilities costs		
Leases - Buildings	2,812	2,204
Maintenance	1,971	1,716
Rates	1,356	1,285
Security	603	581
Utilities	518	506
Catering	305	323
Leases photocopier	161	127
Car parking	115	99
Furniture and fittings	79	68
ICT costs		
ICT Contracted-Out Services	2,191	2,804
Broadcasting	475	433
Telephone	385	52
Licence and maintenance costs	360	289
IT Projects	221	147
Website	122	176
ICT revenue and consumable purchases	90	63
Other costs		
Other administrative expenses	343	61
Translation	204	116
Printing, Stationery and Postage	203	181
Insurance and Specialist Advice	195	109
Publications	110	174
Accounting and Financial service	92	126
Audit	87	82
Committee Advisors	57	71
Hospitality	37	31
Training and development costs	250	194
Promoting awareness and understanding	178	170
Staff travel and subsistence costs	136	92
Other HR costs	211	1,035
Election Costs	-	426
Depreciation, amortisation and impairment charges	3,942	3,781
	17,809	17,522

The agreed external audit cost for the audit of these statements is £60,250 (2011-12 £59,450). No costs were charged in 2012-13 (Nil - 2011-12) for additional non-statutory audit work.

09. Property, plant and equipment

	Land & Buildings	Information Technology	Furniture and Fittings*	Vehicles	Assets under construction	2012-13 £'000 Total
Cost or valuation						
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
Depreciation						
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)
Carrying amount at						
31 March 2013	60,173	4,944	584	0	364	66,065
Carrying amount at 1 April 2012	61,695	6,374	499	20	196	68,784

* Furniture and Fittings Includes 'donate(d 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 2011. The Senedd and the Pierhead were re-valued at depreciated replacement cost.

	Land & Buildings	Information Technology	Furniture and Fittings*	Vehicles	Assets under construction	2011-12 £'000 Total
Cost or valuation						
At 1 April 2011	71,345	12,126	1,170	80	705	85,426
Additions	-	310	58	-	196	564
Reclassification	-	416	-	-	(705)	(289)
Disposals	-	(450)	-	-	-	(450)
Revaluations	-	-	-	-	-	-
At 31 March 2012	71,345	12,402	1,228	80	196	85,251
Depreciation						
At 1 April 2011	(8,128)	(4,619)	(623)	(40)	-	(13,410)
Charged in year	(1,522)	(1,827)	(106)	(20)	-	(3,475)
Disposals	-	418	-	-	-	418
Revaluations	-	-	-	-	-	-
At 31 March 2012	(9,650)	(6,028)	(729)	(60)	-	(16,467)
Carrying amount at						
31 March 2012	61,695	6,374	499	20	196	68,784
Carrying amount at 1 April 2011	63,217	7,507	547	40	705	72,016

11. Inventories

	31 March 2013 £'000	31 March 2012 £'000
Inventories for the Commission's Shop	16	10

12. Trade receivables financial and other assets

	31 March 2013 £'000	31 March 2012 £'000
Amounts falling due within one year:		
Trade receivables	6	3
Other receivables	4	8
Prepayments	1,114	905
Recoverable VAT	383	434
Amounts due from the Welsh Consolidated Fund in respect of direct charges	-	-
	1,507	1,350

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

13. Cash and cash equivalents

	31 March 2013 £'000	31 March 2012 £'000
Balance at 1 April	924	99
Net change in cash and cash equivalent balances	(294)	825
Balance at 31 March	630	924
The following balances at 31 March were held at:		
Citibank	426	833
Commercial banks and cash in hand	204	91
Balance at 31 March	630	924

14. Trade payables and other current liabilities

	31 March 2013 £'000	31 March 2012 £'000
Amounts falling due within one year		
VAT - Net with Note 12 balance	9	3
Other taxation and social security	582	563
Trade payables	4	5
Other payables	-	1
Accruals	3,173	3,567
Amounts due to the Welsh Consolidated Fund	630	924
	4,398	5,063
Amounts falling due after more than one year		
Other payables	-	-
	4,398	5,063

15. Provisions for liabilities and charges

Under International Accounting Standard 19, a liability of £5.051million is recognised for the Assembly Members' Pension Scheme. Further information on this is provided under Note 7.

	AM Pension Scheme £'000	Provision for compensatory payment to staff £'000	2012-13 Total £'000	2011-12 Total £'000
Balance at 1 April	3,686	206	3,892	2,554
Increases in-year	*1,365	-	1,365	1,376
Utilised or released in-year	-	(33)	(33)	(38)
Balance at 31 March	5,051	173	5,224	3,892

*This includes the pension finance cost £0.573million (£0.412million 2011-12) and the net actuarial loss £0.792million (£0.926million – 2011-12) Further information is in Note 7a.

From the total £5.224million provision, £0.033million for compensatory payment is expected to crystallise within one year

16.Capital commitments

There were no contracted capital commitments at 31 March 2013 (Nil at 31 March 2012).

17.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	31 March 2012
	2013	2012
	£'000	£'000
Obligations under operating leases comprise:		
Land and buildings:	-	-
Expiry after 1 year but not more than 5 years	-	65
Expiry thereafter	41,400	43,700
	41,400	43,765
Other – car, printers and copiers:		
Expiry within one year	-	5
Expiry after 1 year but not more than 5 years	198	158
	198	163

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

(b)Finance leases

There are no obligations under finance leases.

18. 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

	2012-13	2011-12
	£'000	£'000
Obligations under non-cancellable contracts comprise:		
Expiry within 1 year	-	-
Expiry after 1 year but not more than 5 years	2,974	5,743
Expiry thereafter	-	-
	2,974	5,743

The Commission's other contracts make reference to early termination but do not quantify charges for such. 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.

19. 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.

20. 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 2013 £'000	Amount outstanding 31 March 2012 £'000	Amount paid out 2012-13 £'000	Comments
Pension contributions for AM Support Staff who:				
Are currently employed but not contributing to a pension scheme	29	35	-	Likely
Have left employment without ever joining a pension scheme	61	63	-	Remote

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

21. Losses and special payments

The number and value of losses and special payments made during 2012-13 are as follows:

(a) Losses Statement	2012-13		2011-12	
	No. of cases	Value £'000	No. of cases	Value £'000
Total	20	4	19	18
Fruitless Payments and Constructive Loss	18	3	16	2
Claims Waived/Abandoned	1	1	1	-
Losses of pay, allowances and superannuation benefits	-	-	1	1
Losses of Accountable Stores	1	-	1	15

(b) Special Payments	2012-13		2011-12	
	No. of cases	Value £'000	No. of cases	Value £'000
Total	1	103	18	481
Compensation	1	103	7	219
Ex-gratia	-	-	3	1
Special Severance Payment	-	-	8	261*

*These payments are part of the Voluntary Exit Scheme completed in 2011-2012

22.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 Chief Executive & Clerk		Adrian Crompton Director of Assembly Business		Dave Tosh Director of ICT from the 16 April 2012	Elisabeth Jones Director of Legal Services from 8 October 2012	Steven O'Donoghue Head of Assembly Resources and Director of Finance from 1 April 2012	Dianne Bevan Chief Operating Officer Until August 2012		Keith Bush Director of Legal Services until 31 October 2012	
	2012-13	2011-12	2012-13	2011-12	2012-13	2012-13	2012-2013	2012-13	2011-12	2012-13	2011-12
	£	£	£	£	£	£	£	£	£	£	£
Car mileage	-	-	184	-	135	38	-	-	-	-	-
Taxi / Car hire / associated costs	-	22	13	-	120	139	45	-	10	-	-
Air travel / associated costs	282	335	1,789	-	412	236	-	-	296	249	-
Public transport	193	7	612	532	-	358	647	463	381	162	-
Accommodation	120	255	180	-	481	268	-	-	376	-	-
Subsistence / expenses	24	180	131	49	159	36	-	-	21	-	-
Total	619	799	2,909	581	1,307	1,075	692	463	1,084	411	-

23. Related-party transactions

The Commission has a number of transactions with the Welsh Assembly 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.

For transparency the following minor transactions are reported:

- Payments of £1,046.99 (£60.00 2011-12) were made to Glyndwr University for venue hire and related costs by the Assembly Business Directorate. Sandy Mewies AM is an Honorary Fellow of Glyndwr University.
- Payments of £7,080.00 (£7,080.00 2011-12) were made to the Hansard Society for Training and Development and a subscription as a corporate supporter fee. Dianne Bevan is a Director/Trustee of this Society.
- Payments of £29,532.13 (£5,466.94 2011-12) were made to the Chartered Institute Public Finance and Accountancy (CIPFA). In the main this was for expert advice and training for the Assembly's Finance Committee, along with corporate subscriptions and staff training. Steven O'Donoghue was president of CIPFA Wales until 15 March 2013.

The Commission determines the salaries and allowances of all Assembly Members and office holders, and the salary and conditions policies for Commission staff. The Commissioners, as Assembly Members, may employ family members as their support 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 and www.cynulliadcymru.org.