

Scrutiny of Accounts 2019-20: Senedd Commission

November 2020



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About the Committee

The Committee was established on 22 June 2016. Its remit can be found at:
www.senedd.wales/SeneddPAC

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Welsh Conservatives

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Chair's foreword

Holding publicly funded bodies to account for how they spend money is at the heart of the Public Accounts Committee's work. One of the key levers for us to fulfil this role is by scrutinising public bodies' annual reports and accounts. As usual, our accounts scrutiny this year includes consideration of the Senedd Commission's Annual Reports and Accounts. On 6 May 2020, the name change from Assembly Commission to Senedd Commission, as legislated for in the Senedd and Elections (Wales) Act 2020, came into force.

The Commission's total budget is a relatively small proportion of total managed expenditure within the Welsh budget (0.3%, or £57.64m, of the Welsh budget of almost £20bn). Nevertheless, we believe that, as the body responsible for resourcing our national parliament, the Commission's Annual Reports and Accounts should be exemplars for public bodies in Wales.

This is our last report on the Senedd Commission's accounts of the Fifth Senedd. It comes at a time of unprecedented uncertainty for the Commission and for the Senedd as a whole. We recognise the significant challenges that the Commission is facing, but it is clear to us that the Senedd is at the beginning of a period of transformation. Some of what was relevant in autumn 2019 seems less important in autumn 2020. Many of the targets that the Commission set before do not fully reflect the current situation in Wales.

I know that many of the recommendations of this report will, if accepted, have a significant impact on the Commission, but we believe they are essential if the Senedd is to meet the high standards set by the people of Wales for what is now their national parliament.

I urge the Senedd Commission and the Public Accounts Committee of the Sixth Senedd to take forward the findings of this report as we strive for excellence in public sector economy, efficiency and effectiveness.

Recommendations

Recommendation 1. The Senedd Commission should remove any future KPIs that set to minimise under expenditure, and focus instead on using financial resources as efficiently as possible..... Page 17

Recommendation 2. The Senedd Commission should lead by example by setting ambitious financial management KPIs that strive for more than just an unqualified audit opinion. The targets should consider the effectiveness, economy and efficiency with which the Commission uses its resources, and should be put in place no later than the 2022-23 financial year..... Page 17

Recommendation 3. The Commission should ensure that future staff surveys are:

- consistent from year to year to ensure that meaningful conclusions about long-term trends can be drawn from their findings; and
- ask similar questions to the staff surveys of other legislatures and public bodies to allow for the results to be benchmarked. Page 25

Recommendation 4. The Commission should undertake a review of the experiences of candidates of BAME backgrounds, throughout the recruitment process, with a view to removing any barriers to appointment that the review uncovers. The review should be carried out within the first year of the Sixth Senedd. The findings of the review should be made available to our successor Committee, alongside any remedial action the Commission intends to take. Page 25

Recommendation 5. The Commission should ensure that its new recruitment portal collects data about the socio-economic diversity of its workforce and of its recruitment candidates. This data should be included in the Commission’s annual diversity data reporting in the same format as the Commission has provided for BAME candidates (i.e. with data relating to each stage of the recruitment process). Page 25

Recommendation 6. The Commission should ensure that clear, measurable objectives are set for all engagement activities, that the impact of those activities is tracked and their outcomes are evaluated against objectives to determine whether they represented good value for money. This information should be published on an annual basis as part of the Commission’s Annual Report. Page 28

Recommendation 7. At the start of the Sixth Senedd, the Commission should prioritise identifying its hard-to-reach groups, set out ways to engage with them, and take action to do so as soon as practicably possible. This engagement strategy should be made publicly available..... Page 28

Recommendation 8. The Commission should increase procurement from Welsh suppliers of goods and products that are of Welsh origin, unless not available or not at a reasonable cost. It should take steps to enable more Welsh companies to bid for contracts, such as by breaking up large contracts into smaller ones. Any steps that the Commission takes in this area should be published in its Annual Report as year on year percentage increases..... Page 30

Recommendation 9. The Commission should work alongside other public bodies, such as the Welsh Government, to maximise the proportion of its procurement with Welsh suppliers. The Commission should write to this or the successor Committee no later than September 2021 to set out what engagement it has carried out with other public bodies, and the steps it intends to take to improve expenditure with Welsh suppliers as a result..... Page 30

Recommendation 10. Once the Business Committee, Remuneration Board, Commission and others have determined Senedd business arrangements for the Sixth Senedd, the Commission should carry out a wholesale review of its sustainability targets in light of COVID-19 and its impact on working patterns. These new targets should be bolder and more ambitious than the last, and be published no later than September 2021..... Page 32

1. Introduction

- 1.** The Senedd Commission (“the Commission”) is a corporate body whose purpose is to provide the Welsh Parliament with the property, staff and services it needs to fulfil its functions. The Commission itself is made up of five Members of the Senedd: the Presiding Officer and four other Members nominated by the largest political groups in the Senedd. As a corporate body, the Commission owns property and employs staff to manage the Senedd’s estate and resources; to support parliamentary proceedings; and to engage with the people of Wales.
- 2.** The Senedd Commission’s accounts can be grouped into two distinct areas:
 - The employment of parliamentary staff, maintenance of the Senedd estate, and the provision of other parliamentary resources and services.
 - The salaries, associated on-costs and allowances of Members of the Senedd and their support staff, which is determined by the Independent Remuneration Board of the Senedd.
- 3.** The Commission’s accounts report both on financial matters over which it has control (the former), and financial matters over which does not (the latter).
- 4.** This year, the Commission’s Annual Report and Accounts 2019-20 were subject to audit by the (then) Assistant Auditor General for Wales, Anthony Barrett. The unqualified audit opinion was signed on 17 June 2020, a month earlier than in 2019, despite the onset of the COVID-19 pandemic. The financial statements and the related notes on page 147 onwards have been audited, along with specified tables in the Remuneration report and staff section. As with most audits, the rest of the annual report was not subject to audit.
- 5.** We took evidence from Manon Antoniazzi (Chief Executive and Clerk of the Senedd), Suzy Davies MS (Senedd Commissioner with responsibility for Budget and Governance) and Nia Morgan (Director of Finance, Senedd Commission) on 21 September 2020¹ to consider the following reports:
 - Annual Report and Accounts 2019-20
 - Diversity and Inclusion Annual Report 2019-20

¹ Public Accounts Committee, Record of Proceedings (RoP), 21 September 2020

- Official Languages Scheme Annual Report 2019-20
- Sustainability Annual Report 2019-20

6. Following the meeting on 21 September 2020, we wrote² to the Commission to request more information. The Commission responded on 20 October 2020³.

² Written Evidence, Letter from the Committee Chair to the Senedd Commission, 22 September 2020

³ Written Evidence, PAC(5)-22-20 Paper 2, 9 November 2020

2. Significant moments for the Commission in 2019-20

7. The 2019-20 financial year has been eventful for the Commission. Not only did the final few weeks of March 2020 see the Commission shut the Senedd's doors to the public as it maintained essential government functions during a pandemic, it also celebrated 20 years of devolution and oversaw the passage of a major constitutional reform Bill.

20 years of devolution

8. The first Assembly elections were held on 6 May 1999 and 20 years of devolution was marked on 6 May 2019. To acknowledge the anniversary, the Commission launched its Gwlad Future Wales Festival to:

“celebrate and debate achievements of the past twenty years but also focus on the future of Wales and engage people, groups and organisations across the country.”⁴

9. Events were held in Cardiff during September and the festival visited Caernarfon, Wrexham and Carmarthen during November 2019. The Llywydd emphasised the importance of the celebrations in beginning ‘a new dialogue with people across the country about their ambitions for Wales and how the Assembly, the home of Welsh democracy, can help deliver that.’⁵

10. The Commission also organised a Citizen’s Assembly as part of its programme of anniversary events. The Citizen’s Assembly was populated by 60 people who were representative of Wales’ population aged 16 and over. They considered the question ‘how can people in Wales shape their future?’ and reported on its findings in July 2019⁶.

Constitutional reform

11. 2019-20 was also the year in which the Assembly Commission oversaw the enactment of a major constitutional reform Bill. The Senedd and Elections (Wales)

⁴ National Assembly for Wales, [Devolution 20: Marking 20 Years of Devolution](#), March 2019

⁵ National Assembly for Wales [Devolution 20: Marking 20 Years of Devolution](#), March 2019

⁶ National Assembly for Wales, [Devolution 20: Citizens’ Assembly](#)

Bill, introduced to the Assembly on 12 February 2019, received Royal Assent⁷ on 15 January 2020.

12. The Senedd and Elections (Wales) Act 2020:

- renamed the National Assembly for Wales to Senedd Cymru/Welsh Parliament;
- lowered the minimum voting age for Senedd elections to 16; and
- made other reforms to the Senedd's electoral and operational arrangements.

COVID-19

13. The Senedd Commission stopped the Senedd's public engagement activities from 17 March 2020.⁸ The UK-wide lockdown took effect from 23 March 2020.⁹

14. The Committee undertook scrutiny of COVID-19 related issues¹⁰ between May and August 2020, which included a private meeting with representatives of the Senedd Commission on 3 August 2020. However, although we discussed COVID-19 with the Commission during this year's accounts scrutiny, most of the Commission's response to the pandemic falls into the 2020-21 financial year. The impact will be considered in more detail, when the Commission's 2020-21 accounts will be scrutinised in autumn 2021.

15. In the meantime, an indication of the impact of the pandemic on the Commission's 2020-21 accounts is set out in the Commission's letter to the Finance Committee dated 7 July 2020¹¹.

⁷ The [Senedd and Elections \(Wales\) Act 2020](#)

⁸ Senedd Cymru, [Assembly Commission Coronavirus Statement](#), 16 March 2020

⁹ Gov.uk, [Prime Minister's statement on coronavirus \(COVID-19\): 23 March 2020](#), 23 March 2020.

¹⁰ Public Accounts Committee, [Inquiry into COVID-19 and its impact on matters relating to the Public Accounts Committee's remit](#)

¹¹ [Written Evidence](#), PAC(5)-18-20 Paper 5, 21 September 2020

3. Our previous scrutiny of the Assembly Commission's Annual Reports and Accounts

16. We have been generally reassured throughout the Fifth Assembly/Senedd by the quality of the Commission's annual reports and accounts. Nevertheless, there have been some recurring themes in our scrutiny over recent years.

Indicators of financial performance

17. Since the Fourth Assembly, one of the Commission's Key Performance Indicators (KPIs) has been for its actual expenditure to be as close to its budgeted expenditure as possible. The specific targets have varied between a maximum operational budget underspend of 0.5% (i.e a target to spend 99.5% of its total budget), and 1.5% (i.e a target to spend 98.5% of its total budget). We have two fundamental concerns with this approach.

- 1.** Simply operating within budget does not necessarily indicate successful financial management or good value for money. We would like to the Commission to focus its financial performance indicators on the quality of its financial management.
- 2.** All public bodies should strive to use resources as efficiently as they can. We believe that aiming to spend a percentage of the available funding does not necessarily encourage good financial management.

18. We have recommended on a number of occasions that the Commission's KPIs include targets focusing on the quality of financial management, rather than the extent to which outturn matches budget.¹² These recommendations have not been accepted by the Commission.

Engagement

19. How the Commission engages with the public has also been of particular interest to us. We have previously raised concerns about the accessibility of the Assembly's website¹³. We have also urged the Commission to ensure that their

¹² Public Accounts Committee Reports on the [2014-15 accounts](#) (page 42), [2017-18 accounts](#) (page 20), the [2018-19 accounts](#) (page 3)

¹³ Public Accounts Committee Report, [Scrutiny of Accounts 2016-17](#), February 2018 (page 39)

programme of citizen engagement is deliverable and actively targets members of the public who are not online¹⁴.

Staffing

20. In our scrutiny of the 2016-17 accounts, we noted that sickness rates of Commission staff had been rising since 2013-14¹⁵. This trend continued into the 2017-18 financial year¹⁶, before lowering slightly in 2018-19¹⁷. The Commission has suggested that mental health was a significant contributor to this long-term trend, in line with trends across the public sector more broadly. We heard that the Commission was taking steps to break down the stigma surrounding mental health issues and to support its employees¹⁸.

21. We have also taken a particular interest in the diversity of Commission staff. We have been concerned that most Commission staff from Black, Asian and Minority Ethnic (BAME) backgrounds were in the team support and junior management band grades. We have previously recommended that the Commission do more to engage with BAME communities and disclose its ethnicity pay gap in its Annual Report. We have also urged the Commission to publish BAME pay gap data, covering three years at a time, to allow for better comparisons of the progress made over time¹⁹. The Commission has acknowledged that this is an area of concern, and assured us that it is actively working to increase representation of people from BAME backgrounds across the grades²⁰.

Procurement

22. Over the last few years we have taken a particular interest in how the Commission procures and uses resources. During our scrutiny of the 2017-18 Annual Reports and Accounts, we heard that the Commission was to introduce a KPI that aimed to increase the proportion of procurement from Welsh suppliers.

¹⁴ Public Accounts Committee of the National Assembly for Wales, [Assembly Commission Annual Report and Accounts 2018-19: Report of the Public Accounts Committee](#), December 2019 (page 7)

¹⁵ Public Accounts Committee Report, [Scrutiny of Accounts 2016-17](#), February 2018 (page 43)

¹⁶ Public Accounts Committee Report, [Scrutiny of Accounts 2017-18](#), March 2019 (page 23)

¹⁷ Public Accounts Committee Report, [Assembly Commission Annual Report and Accounts 2018-19](#), December 2019 (page 5)

¹⁸ Public Accounts Committee Report, [Assembly Commission Annual Report and Accounts 2018-19](#), December 2019 (page 6)

¹⁹ Public Accounts Committee Report, [Scrutiny of Accounts 2017-18](#), March 2019 (pages 25 – 26)

²⁰ Public Accounts Committee Report, [Scrutiny of Accounts 2017-18](#), March 2019 (page 26)

The following year, we urged the Commission to consider how to increase expenditure with small businesses in Wales after it failed to meet its target of 43% of total supplier spend to be with Welsh companies²¹.

Sustainability

23. We have also asked the Commission to be more ambitious in its approach to improving sustainability. We believe strongly that the Commission should be leading the way in reducing its environmental impact, setting an example for public bodies across Wales. We have welcomed the many positive steps that the Commission has taken, and we have encouraged greater promotion of the use of electric vehicles²², the reduction of plastic consumption and electricity usage²³.

²¹ Public Accounts Committee Report, [Assembly Commission Annual Report and Accounts 2018-19](#), December 2019 (page 8)

²² Public Accounts Committee Report, [Scrutiny of Accounts 2017-18](#), March 2019 (page 27)

²³ Public Accounts Committee Report, [Assembly Commission Annual Report and Accounts 2018-19](#), December 2019 (page 9)

4. Scrutiny of the 2019-20 Annual Accounts

Responding to COVID-19

24. We began our 2019-20 scrutiny by discussing the impact of COVID-19 on the financial year end and the production of the annual accounts. We heard that the lockdown had very little impact on either, and that Audit Wales were able to provide the Commission's Audit Committee with a clean audit report with no adjustments or recommendations. The Chief Executive and Clerk reassured us that the whole process 'worked pretty much like clockwork.'²⁴

25. However, unsurprisingly we also heard that the pandemic would have other impacts on the Commission. The Chief Executive and Clerk explained that some staff were unable to take annual leave, and that their entitlement would carry-forward into the next year. In financial terms, both the Commission's own budget (i.e. excluding costs relating to Members) and the part dedicated to expenditure relating to Members will see some cost rises (e.g. for cleaning and equipment). However, we were told that, 'by and large, there is a balance.'²⁵

26. Suzy Davies MS, Senedd Commissioner with responsibility for Budget and Governance, highlighted the many learning points of the pandemic for both the Commission and for Members and their staff. She noted the benefits in terms of sustainability and a reduction in carbon footprint, but also the mixed impact on Members' and Staff work-life balance²⁶.

Our view

27. We agree that, as for many organisations across Wales, there are lessons to be learnt from the pandemic that we can build into the recovery phase and beyond. Some of those lessons are relevant to the Commission, some are relevant to Members, and many are relevant to us all.

28. However, we are conscious that the impacts and consequences of how we have worked throughout the COVID-19 pandemic are still unknown. We hope that the Commission will take the time to carry out a comprehensive review of its response to the pandemic before it commits to any changes in the future.

²⁴ RoP, 21 September 2020, paragraph 36

²⁵ RoP, 21 September 2020, paragraph 47

²⁶ RoP, 21 September 2020, paragraph 50

Conclusions

Conclusion 1. We commend the Commission for its efforts in facilitating Senedd business during COVID-19 whilst ensuring that Commission staff, Members and their support staff can continue to work safely.

Conclusion 2. We congratulate the Senedd Commission for a successful audit with no adjustments or recommendations. We acknowledge the work involved in publishing the Annual Reports and Accounts and supporting data reports early, particularly in light of the COVID-19 pandemic.

Financial position

29. The Commission has reported an aggregate underspend of £1.2 million against its total net budget (excluding demand-led spending, known as Annually Managed Expenditure or AME) of £56.0 million, which is 2.1%.

30. However, when we exclude the salaries and allowances of Members and their support staff, the Commission's underspend was £473,000, or 1.2%²⁷. This is within the Commission's target of an underspend of between 0% and 1.5%. This £473,000 comprised:

- £1,153,000 underspend in staff salaries and related costs;
- £533,000 overspend in non-staff costs (note VES costs are shown in 2018-19 accounts); and
- £147,000 overspend in capital expenditure.

31. The Chief Executive and Clerk explained that one reason for the underspend on staff salaries was that the Voluntary Exit Scheme (VES) led to a number of staff vacancies. At the time of budgeting it was not possible to know exactly who would be leaving and how long it would take to replace them. Nia Morgan, the Director of Finance, added that underspend on staffing is built into the budget to anticipate a moderate level of staff vacancies. She said:

“The VES was never intended to save money; it was to allow the Commission to look at the staff complement and reskill in those areas that were required. So, it was the time that we took to reappoint staff

²⁷ Calculated by dividing the £473,000 Net resource outturn (Commission expenditure) by £40.291 million, which is the portion of the Budget the Commission controls.

[...] it was taking a measured approach that created that greater degree of underspend on vacancies.”²⁸

32. Suzy Davies MS stressed that the Commission’s accounts are consolidated into one, global total. The Commission must retain the ‘opportunity to actually move some money that became available from one funding stream, if you like, into another’²⁹, adding that the available cash is spent efficiently to meet day to day costs.

Our view

33. The Commission’s budget is divided into two distinct parts: one part relating to Members, and one part relating to the Commission as a corporate body. We agree with the change that has been made to formally separate these two parts of the budget following recommendations made by the Finance Committee in their inquiry into the Assembly Commission’s use of the Remuneration Board’s Determination underspend, May 2018³⁰. This has meant that underspends against this Determination are returned to the Welsh Consolidated Fund.

34. The Commission should strive to demonstrate good financial management (or value for money), rather than seeking to spend as much of the budget as possible.

35. We reiterate that an unqualified audit opinion and a clean set of accounts are not fitting financial management targets. They are the absolute minimum that should be expected of any public body. We are confident that the Commission is capable of setting – and achieving – much more ambitious financial management KPIs.

Recommendation 1. The Senedd Commission should remove any future KPIs that set to minimise under expenditure, and focus instead on using financial resources as efficiently as possible.

Recommendation 2. The Senedd Commission should lead by example by setting ambitious financial management KPIs that strive for more than just an unqualified audit opinion. The targets should consider the effectiveness,

²⁸ RoP, 21 September 2020, paragraph 60

²⁹ RoP, 21 September 2020, paragraph 65

³⁰ Finance Committee, The Assembly Commission’s use of the Remuneration Board’s Determination underspend, May 2018

economy and efficiency with which the Commission uses its resources, and should be put in place no later than the 2022-23 financial year.

Governance and risk management

36. The main themes on the Commission's risk register at the end of 2019-20 were:

- dignity and respect (both for Commission and Members);
- constitutional reform;
- Brexit and the wider constitutional risk;
- safeguarding (changed to focus specifically on engagement with the Youth Parliament and young people in general);
- cyber-security;
- GDPR; and
- the Impact of COVID-19³¹.

37. In the Governance Statement, the Commission notes that the delivery of internal audit work scheduled for the last quarter of the financial year has been affected by COVID-19. Nevertheless:

“Internal audit reports have identified a number of areas where the Commission demonstrates good practice in terms of the systems and controls in place. However, where weaknesses or issues are identified, management continues to take positive action to address audit recommendations. For example, the Leadership Team have discussed in detail the findings from the absence management report and agreed that further training of line managers needs to take place”³².

38. The Chief Executive and Clerk assured us that the Commission has maintained the same levels of financial control, procurement procedures and data security throughout its response to the pandemic. Key decisions have all been logged, and there is already an active lessons learnt process underway³³.

³¹ Senedd Commission, [Annual Report and Accounts: 2019-20](#), June 2020 (page 122)

³² Senedd Commission, [Annual Report and Accounts: 2019-20](#), June 2020 (page 114)

³³ RoP, 21 September 2020, paragraphs 70-72

39. We asked about cyber security, and specifically about how secure the Zoom video conferencing platform is, and how any security risks associated with the use of Zoom are being mitigated.

40. We were advised that the Senedd Commission uses Zoom as a platform for public meetings. This is because Zoom, unlike other video conferencing platforms, enables simultaneous interpretation. We also noted that discussions are ongoing with Microsoft about how simultaneous interpretation might be facilitated within Teams. Similarly, the Commission has engaged in constructive dialogue with Zoom, which has addressed a number of security concerns³⁴.

41. The Commission's letter of 20 October 2020 provided additional clarification:

“Although data security within the Zoom platform has improved in recent months, it still does not fully comply with UK data security standards. As such, the Commission generally only uses Zoom for meetings where the content will be in the public domain, such as Plenary and public Committee meetings, where simultaneous translation is a requirement. There is some limited use of Zoom for private meetings where simultaneous translation is unavoidable. In such cases the meeting organiser is required to undertake a risk assessment to ensure that the information governance issues have been fully considered”.³⁵

Our view

42. We are reassured that the Commission was able to maintain its decision-making and governance structures throughout COVID-19.

43. We are also reassured that Zoom and Microsoft have engaged constructively in talks with the Commission about security issues and functionality limitations respectively. However, given the Senedd's commitment to bilingual working there are very few, if any, instances where simultaneous interpretation should not be made available to attendees or witnesses. At present the limitations of both Zoom and Teams mean it is not possible to securely conduct private business bilingually. We hope that discussion and engagement will continue with Microsoft and Zoom so that a fully bilingual and secure platform for conduction of all business can be found.

³⁴ RoP, 21 September 2020, paragraph 76

³⁵ Written Evidence, PAC(5)-22-20 Paper 2, 9 November 2020

Staffing

Voluntary Exit Scheme (VES)

44. The Commission carried out a VES scheme during the 2018-19 financial year. A budget was sought from the Cabinet Office for payments to staff as a result of the scheme. Approval was given for up to £1.5m of expenditure. A cost of £1.104m for 24 exit packages was recorded in the 2018-19 accounts³⁶. At 31 March 2019, none of the staff who were granted approval had left, so there was an obligation on the Commission to make payments in 2019-20 to the members of staff.

45. One key change that occurred as a result of the VES was the departure of the Commission's Chief Legal Advisor. Instead of reappointing to that role, the Commission took the decision to pay for expert legal advice on a consultancy basis.

46. When we asked what impact this change has had and what the plans were for the future, the Chief Executive and Clerk confirmed that she was confident with the quality of advice provided by the consultant, whose contract is in place until dissolution (April 2021) and that it is provided within the budget for the previous post holder. A review into how the post will be taken forward will take place in spring 2021³⁷.

Well-being, absence and performance

47. The overall sickness absence rate for 2019-20 was 4.00 %, compared to 3.66% in 2018-19. This translates to 8.80 average working days lost per person (7.75 days in 2018-19), which is above the Commission's 3.8% target.³⁸

48. The Commission states it has continued its work on initiatives to support and improve staff mental health and well-being. The Annual Report notes that absence related to mental health and well-being now accounts for 29% (down from 35% in 2018-19) of total absence.

49. We asked the Commission about the main challenges that it faces when balancing staff well-being, staff performance and staff absences rates:

³⁶ National Assembly for Wales Commission, [Annual Reports and Accounts: 2018-19](#), July 2019 (pages 158 – 159)

³⁷ RoP, 21 September 2020, paragraph 87

³⁸ Senedd Commission, [Annual Report and Accounts: 2019-20](#), June 2020 (page 134)

“The difficulties of the current situation have seen staff report an impact on both their physical and mental well-being. We’ve been undertaking these short pulse surveys that will lead up to our usual annual survey shortly now, in the autumn. I would say absence has dropped considerably, and the absences that we’ve seen have largely been attributable to resolvable issues—in other words, the particular difficulties posed by the period of lockdown”³⁹.

50. The Chief Executive and Clerk added that the Commission has had positive results from its staff surveys, indicating that the support for performance and well-being from line managers across the organisation has been successful. In future, the surveys would be carried out by an external company who will be providing similar services for the Scottish Parliament. She explained that this ‘will be a useful way of us benchmarking ourselves against another legislature.’⁴⁰

51. Correspondence to the Committee on 20 October 2020, clarified that discussions with the new staff survey provider were ongoing. A new staff survey will be launched in late November with the results likely to be made available early in the new year⁴¹.

Workforce profile

52. The Commission publishes an annual Diversity and Inclusion report, which includes detailed policies, actions and figures. The Commission also publishes the Equal Pay Audit, Gender Pay Gap and Ethnicity Pay Gap Reporting 2020, and Workforce and Recruitment Monitoring Information 2019-20. Collectively, these provide a range of detailed information about the profile of the Commission workforce and its pay.

53. The Commission has a balanced workforce in terms of gender, with a 51%/49% women/men split⁴². On average, including allowances, women staff earn more than their male counterparts - £39,169 compared to £36,507⁴³.

³⁹ RoP, 21 September 2020, paragraph 91

⁴⁰ RoP, 21 September 2020, paragraph 94

⁴¹ Written Evidence, PAC(5)-22-20 Paper 2, 9 November 2020

⁴² Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Diversity Monitoring Report 2019-20, June 2020 (page 42)

⁴³ Senedd Commission, Diversity and Inclusion: Equal Pay Audit, Gender Pay Gap and Ethnicity Pay Gap Reporting 2020, June 2020 (page 15)

54. The Commission also reports on disability pay gap. It reports that the median total salary of non-disabled staff is 4.2% higher than staff with a disability. The report states that:

“Although in last year’s equal pay audit, the disability pay gap did not pose a risk, the pay gap has reduced even further since then. This is an extremely positive step towards neutralising the pay gap entirely.”⁴⁴

55. On median total earnings, LGB+ staff earn 8.4% more than their heterosexual counterparts, although the Commission caveats these figures by explaining that ‘Due to the small numbers involved the data is sensitive to even small changes in the cohort.’⁴⁵

56. Black and Minority Ethnic (BAME) staff make up 4.2% of the workforce, 91.8% identify as non-BAME, and 4% do not state their race or ethnic origin.⁴⁶ The pay difference for median total FTE salary for non-BAME vs BAME is 23.6%. In other words: on median total earnings, non-BAME staff earn 23.6% more total salary than BAME staff. This is a smaller pay gap than the 38.9% reported in 2018-19. The Commission states that 50% (or 10 individuals) of BAME staff are employed at entry level. This has decreased from 59.1% (13 individuals) in 2018-19⁴⁷.

57. We pressed the Commission on why people with BAME backgrounds were less well represented and particularly in middle and senior management roles. The Chief Executive and Clerk shared our concern, noting that ‘the ethnicity pay gap is not good enough’. However, she did suggest that there had been a ‘good trend of improvement from last year.’⁴⁸ She added that the Committee was taking specific action to promote diversity:

“we’ve included BAME and disability statements in adverts; we’ve looked at the language we use in recruiting and tried to make that better and simpler; we’ve signed up to the civil service jobs portal; we’ve developed new recruitment principles; we’ve been working with

⁴⁴ Senedd Commission, [Diversity and Inclusion: Equal Pay Audit, Gender Pay Gap and Ethnicity Pay Gap Reporting 2020](#), June 2020 (page 24)

⁴⁵ Senedd Commission, [Diversity and Inclusion: Equal Pay Audit, Gender Pay Gap and Ethnicity Pay Gap Reporting 2020](#), June 2020 (page 27)

⁴⁶ Senedd Commission, [Diversity and Inclusion: Workforce and Recruitment Diversity Monitoring Report 2019-20](#), June 2020 (page 30)

⁴⁷ Senedd Commission, [Diversity and Inclusion: Equal Pay Audit, Gender Pay Gap and Ethnicity Pay Gap Reporting 2020](#), June 2020 (pages 46 – 48)

⁴⁸ RoP 21 September 2020, paragraph 96

Business in the Community, which has a specific expertise in addressing these issues; and we're going to be continually monitoring our progress by undertaking a short mid-year report on equal pay later in this year to review progress and impact; we've signed up to the race charter. I could go on [...]"⁴⁹

58. We pressed the Commission on the issue of unconscious bias. Drawing on the recruitment statistics in the Diversity and Inclusion: Workforce and Recruitment Diversity Monitoring Report 2019-20, we commended the Commission on improving the diversity of applicants. However, we asked whether - as the data suggests - there may be barriers to some candidates at interview stage, and how the Commission was minimising the chance of that happening. We heard that the Commission has increased training about unconscious bias and cultural awareness. 'Candidate touch points' had also been introduced to understand how candidates are feeling throughout the recruitment process⁵⁰.

59. A key concern for this Committee over recent years has been socioeconomic diversity - increasing the number of people from low-income backgrounds who work for the Commission. The Chief Executive and Clerk explained that 'we don't capture that information in the same way that we capture information about other protected characteristics'. However, 'our outreach work and engagement work very much has a focus of trying to reach people who we haven't been able to reach before.'⁵¹ Suzy Davies MS added that the Senedd's apprenticeship scheme was also 'something that anyone can feel they've got access to', and that 'this particular area of work is something that's very important to the Commissioners'.⁵²

60. The Commission's letter of 20 October 2020 expanded on the Commission's recent apprenticeship scheme and work experience programme. Both focus on improving socioeconomic and BAME diversity specifically by 'targeting our outreach, marketing and partnership opportunities to schools and areas in our target demographic to good effect.' The letter also states that the Commission is exploring opportunities to 'partner with a Welsh University scheme designed to support eligible students who are less able to fund their university fees through an internship scheme.' The Commission hopes that its newly improved online

⁴⁹ RoP, 21 September 2020, paragraph 97

⁵⁰ RoP, 21 September 2020, paragraph 105

⁵¹ RoP, 21 September 2020, paragraph 100

⁵² RoP, 21 September 2020, paragraph 102

recruitment portal will support improved data and reporting to 'guide us further in this area'⁵³.

Our view

- 61.** We are pleased that the Commission is taking steps to standardise its staff well-being surveys so that the results can be benchmarked with other parliaments. We are also reassured that the Commission will publish the results of those surveys.
- 62.** Staff surveys must be carried out at regular intervals and must ask the same things in the same way if the Commission is to be able to meaningfully track long-term well-being trends. The same goes for benchmarking survey results with other organisations - staff must be asked the same questions by the Commission as staff in other legislatures are asked by their employers if the comparison is to be useful.
- 63.** The Committee was encouraged by all the steps that the Commission is taking to improve the diversity and well-being of its workforce. We were heartened by the progress made by the Commission in closing the ethnicity pay gap and the Commission's exemplary record on gender pay equality. We are also pleased that, following our recommendations, the Commission has changed how it reports diversity data, which allows us - and the Commission - to monitor trends and identify and remedy concerns early.
- 64.** Nevertheless, we urge the Commission to do more. We were worried by the Commission's recruitment data that suggests that candidates of BAME backgrounds are not as successful than their non-BAME counterparts at interview, despite similar proportions of candidates being shortlisted.
- 65.** We also welcome the apprenticeship schemes, work experience programmes and other arrangements with universities to improve the socio-economic diversity of Commission staff. However, admirable as they are, these are long-term projects. They are unlikely to result in more socioeconomic diversity in the near future. The Commission must ensure that its new recruitment portal collects data about the economic background of all its applicants. Without this data, it is difficult to see how the Commission can make significant strides in this area.

⁵³ Written Evidence, PAC(5)-22-20 Paper 2, 9 November 2020

Conclusion

Conclusion 3. We congratulate the Commission for its record on gender pay equality, lowering the ethnicity pay gap, the positive and proactive steps it is taking in improving the diversity of its workforce, and for obtaining Investors in People's platinum status.

Recommendation 3. The Commission should ensure that future staff surveys are:

- consistent from year to year to ensure that meaningful conclusions about long-term trends can be drawn from their findings; and
- ask similar questions to the staff surveys of other legislatures and public bodies to allow for the results to be benchmarked.

Recommendation 4. The Commission should undertake a review of the experiences of candidates of BAME backgrounds, throughout the recruitment process, with a view to removing any barriers to appointment that the review uncovers. The review should be carried out within the first year of the Sixth Senedd. The findings of the review should be made available to our successor Committee, alongside any remedial action the Commission intends to take.

Recommendation 5. The Commission should ensure that its new recruitment portal collects data about the socio-economic diversity of its workforce and of its recruitment candidates. This data should be included in the Commission's annual diversity data reporting in the same format as the Commission has provided for BAME candidates (i.e. with data relating to each stage of the recruitment process).

5. Engagement

66. The Annual Report sets out new indicators for engaging with the people of Wales and championing the Senedd:

- Participation in relevant international parliamentary networks;
- Extent members of the public's confidence / interest / understanding of the Senedd (and formerly the Assembly) has increased following their engagement with certain teams;
- Increase the number of followers on our main corporate social media channels;
- Reach as a result of promotion of committee inquiry and report launches; and
- Media distribution platforms engaged with as a result of promotion of committee inquiry and report launches⁵⁴.

67. We asked the Commission about how it balances the Senedd's three priority areas (to provide outstanding parliamentary support; to engage with all the people of Wales and champion the Assembly; and to use resources wisely). We were advised that the Commission looks at its work as a whole, rather than explicitly deploying resources against each of the three strands⁵⁵. Suzy Davies MS added that the Commission's directorates are much better aligned with the three goals than they have ever been, and stressed that engagement is no less important than the others.⁵⁶

68. We discussed the trends in outreach activities and engagement. Specifically, the type of people who are following the Commission's main social media channels, and whether they are representative of political bubbles and lobby groups or of the people of Wales as a whole. The Chief Executive and Clerk advised:

“Yes, we do analyse our social media reaction, and it's not just social media as well, because, obviously, not everybody uses that. But that kind of analysis, as well as polling and focus-group work has given us a

⁵⁴ Senedd Commission, [Annual Report and Accounts: 2019-20](#), June 2020 (pages 87-88)

⁵⁵ RoP, 21 September 2020, paragraphs 109-111

⁵⁶ RoP, 21 September 2020, paragraph 114

clearer picture of how best to engage with the public, as well as their feelings towards us [...]

We're increasing our social media communications and engagement work during this period, and it has seen a big uptick beyond what you see in last year's report. But this won't be at the cost of face-to-face work, which was ongoing until the coronavirus restrictions came into force, and, as soon as it's safe to do so, we will resume our citizen engagement and community engagement activities"⁵⁷.

69. We asked about the GWLAD festival and the Citizens' Assembly. Specifically, we sought assurances that such high-profile initiatives involved a range of people with different levels of engagement with the Senedd's work. We were told that the evaluation of the 20-year anniversary events was encouraging. Over 2.5m people were reached through the GWLAD festival, and there were over 2,000 visits to the estate over the course of the weekend. A third of those attending the festival were attending a Senedd event for the first time, a third said their confidence in taking part in political events had increased, and 42% of those surveyed indicated that their interest in the Senedd had also increased⁵⁸.

70. We pressed the Commission on the work it was doing to identify and engage with hard-to-reach groups specifically. We wondered who the Commission had struggled to reach so far, and what strategies they had for reaching those groups in the future. We were told that this 'is something that requires a focus of effort on our behalf and we are doing the work is the short answer, and there will be more of it coming'.⁵⁹ Suzy Davies MS added that 'we don't want it to be thought of as a particular type of institution of interest only to certain people. So, that's something that the new engagement strategy is very, very alive to.'⁶⁰.

71. The letter to the Committee dated 20 October 2020 discusses in more detail the benefits of virtual engagement events – that more people attend – but that they can cut off people who 'aren't comfortable holding online discussions, or who don't' have effective home broadband.' The Commission is developing plans for future engagement events, such as Black History Month and events considering Wales' post-COVID-19 future. It is also explicitly targeting people who

⁵⁷ RoP, 21 September 2020, paragraphs 121-122

⁵⁸ RoP, 21 September 2020, paragraph 124

⁵⁹ RoP 21 September 2020, paragraph 128

⁶⁰ RoP, 21 September 2020, paragraph 130

don't 'do politics' in its social media strategy by using jargon-free everyday language to summarise plenary sessions on social media platforms⁶¹.

Our view

72. Ultimately, we believe that it is the Senedd's responsibility to promote the Parliament of Wales, explain what we do and how the public can engage with our work.

73. We are pleased to hear that the GWLAD festival and other anniversary events reached people who may not have attended Senedd events before. We also welcome the additional resources that have been deployed to carry out additional engagement work. We note the interesting developments to engage people who may not have a natural interest in politics, and await the Commission's new engagement strategy with interest.

74. That being said, we are wary of ensuring value for money when carrying out engagement activities. Our primary concern is ensuring that the Commission engages hard-to-reach people, rather than people and organisations that are already involved in our work. We hope that the Commission is able to monitor the impact of its expenditure on engagement to ensure that it achieves what it sets out to.

75. Ultimately, we remain concerned that, just months before an election to the Senedd at which young people and foreign nationals will be engaged for the very first time, we did not hear enough detail about which groups the Senedd struggles to engage with and how it expects to reach them.

Recommendation 6. The Commission should ensure that clear, measurable objectives are set for all engagement activities, that the impact of those activities is tracked and their outcomes are evaluated against objectives to determine whether they represented good value for money. This information should be published on an annual basis as part of the Commission's Annual Report.

Recommendation 7. At the start of the Sixth Senedd, the Commission should prioritise identifying its hard-to-reach groups, set out ways to engage with them, and take action to do so as soon as practicably possible. This engagement strategy should be made publicly available.

⁶¹ Written evidence, PAC(5)-22-20 Paper 2, 9 November 2020

6. Procurement

76. The Commission measures the proportion of its procurement which is from Welsh suppliers. Progress is monitored through a KPI, which is set at 43% of supplier spend to be with Welsh based companies by May 2020. The Accounts report that the Commission's 2019-20 procurement spend with Welsh suppliers is 39%, up from 38% last year⁶².

77. We asked the Commission whether a target of 43% was suitably ambitious, given that resources are allocated to the Senedd Commission to benefit the people of Wales. The Chief Executive and Clerk said that the 43% target was actually 'a bit of a stretch'. She explained that a major difficulty with procuring more from Welsh suppliers is that 'our big spend is in utilities – power and heating, ICT and facilities management – and there are few, if any, Welsh suppliers in these areas.' She added that the Commission hopes to procure more from Welsh suppliers in other areas, such as broadcasting and catering. Breaking down big contracts into a smaller components can help smaller companies win tenders⁶³.

78. In her follow-up letter, the Chief Executive and Clerk added that the Commission was seeking to appoint a new member of staff to the procurement team to 'further increase our engagement with Welsh suppliers and to better understand the services that they can provide.' Steps currently taken by the Commission to boost expenditure with Welsh companies include:

- Engagement with organisations such as the South Wales Chamber of Commerce;
- Advertising contracts over £25k on the Sell2Wales platform; and
- Breaking down contracts into lots to allow smaller companies to tender.

79. The letter adds that the Commission's current catering contract is due to expire in 2021. A review of the catering contract will be required because of the impact of COVID-19 on flexible working and, therefore, levels of demand for on-site catering services⁶⁴.

⁶² Senedd Commission, [Annual Report and Accounts: 2019-20](#), June 2020 (page 92)

⁶³ RoP, 21 September 2020, paragraphs 144-154.

⁶⁴ [Written evidence](#), PAC(5-)22-20 Paper 2, 9 November 2020

Our view

80. We welcome the work that the Commission is currently doing to engage with more Welsh suppliers, and we are reassured that this will become a focus of the procurement team's work in future.

81. However, we do not believe that a target of 43% of procurement with Welsh suppliers is ambitious enough. The Commission should be setting an example for other public bodies in Wales.

82. We recognise the challenges that the Commission faces where there are relatively few, if any, Welsh companies that provide certain services. We are also conscious that procurement with Welsh companies needs to be balanced with ensuring value for money. We acknowledge that this Committee would be the first to object if the Commission were not using resources wisely.

83. Nevertheless, we think there is clear scope for more to be done in this area. We hope to see procurement of Welsh suppliers prioritised by the Commission, and for the Commission work alongside other public bodies who have made gains in this area.

Recommendation 8. The Commission should increase procurement from Welsh suppliers of goods and products that are of Welsh origin, unless not available or not at a reasonable cost. It should take steps to enable more Welsh companies to bid for contracts, such as by breaking up large contracts into smaller ones. Any steps that the Commission takes in this area should be published in its Annual Report as year on year percentage increases.

Recommendation 9. The Commission should work alongside other public bodies, such as the Welsh Government, to maximise the proportion of its procurement with Welsh suppliers. The Commission should write to this or the successor Committee no later than September 2021 to set out what engagement it has carried out with other public bodies, and the steps it intends to take to improve expenditure with Welsh suppliers as a result.

7. Sustainability

Sustainability targets

84. The Commission has been working towards the following targets, as set out in its Sustainability Report 2019-20:

- Reduce energy emissions by 30% by 2021 compared to 2012-13;
- Improve the efficiency of business-related car travel by 10% by 2021, compared to 2013-14;
- Achieve zero waste to landfill by 2021; and
- Reduce water consumption by 5% by 2021, compared to 2014-15.

85. We asked the Commission about the steps they are taking to reduce the Senedd estate’s carbon footprint and whether the Commission will be carbon-neutral by 2030:

“[...] taking advantage of any technological improvements that emerge over the next few years, but more importantly driving culture change and all of us working in a different way, including working from home, gives us significant potential to tap into”.⁶⁵

86. We heard that there are still some significant challenges to overcome. In the context of travel, for example, 20% of travel emissions related to Assembly business travel in 2019-20 costs relate to air travel, predominantly by Members⁶⁶. Similarly, it is going to be difficult to encourage staff to use public transport rather than driving in the context of COVID-19. It was suggested that more staff working from home at least part of the time may go some way to offset those impacts.

The impact of COVID-19 on the Senedd estate

87. In correspondence with the Committee dated 20 October 2020, it was explained that, as a precaution during the COVID-19 pandemic, the Commission’s air cooling system has been switched off. ‘The Senedd open spaces are naturally ventilated and the system is maintained as part of our planned maintenance

⁶⁵ RoP 21 September 2020, paragraph 166.

⁶⁶ Welsh Parliament – Senedd Commission, Sustainability: Annual Report 2019-20, June 2020, figure 4, page 12

arrangements'. However, during lockdown, an audit was carried out of Ty Hywel windows to check that they could be opened:

“Due to the age and condition of the windows, there are a number of windows that cannot be opened or repaired. The Commission will be considering the feasibility of a future window replacement project for Ty Hywel which will include maximising natural ventilation in support of our carbon neutral strategy to 2030 as well as providing a more comfortable office working environment”.⁶⁷

88. The letter adds that the demand for water-usage across the Estate was reduced by 77% between April and August when compared to the same period last year.

Our view

89. We congratulate the Commission on its successes to date in reducing its carbon footprint. However, we also recognise the transformational impact that COVID-19 is likely to have on working patterns. It is clear that many of its sustainability targets will need to be reconsidered in light of changes to business practices in the future. For example, if a significant proportion of Commission employees are working from home, changes to their domestic energy and water use will need to be taken into account in future sustainability targets.

90. We also acknowledge that many of the most significant impacts of the Commission's environmental impact are driven by the conduct of Senedd business, over which the Commission does not have full control. The environmental impact of Members' and their support staff's ways of working will also be considerable. Those ways of working will need to be determined by the Business Committee of the Sixth Senedd alongside the Remuneration Board, the Commission and others before responsibility falls to the Commission to implement those decisions sustainability.

Recommendation 10. Once the Business Committee, Remuneration Board, Commission and others have determined Senedd business arrangements for the Sixth Senedd, the Commission should carry out a wholesale review of its sustainability targets in light of COVID-19 and its impact on working patterns. These new targets should be bolder and more ambitious than the last, and be published no later than September 2021.

⁶⁷ Written Evidence, PAC(5)-22-20 Paper 2, 9 November 2020