

**National Assembly for Wales**  
Annual Report and Statement of Accounts

**The Year in Review**

April 2014 - March 2015

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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

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**Assembly Communications  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
CF99 1NA**

Online: **[www.assembly.wales](http://www.assembly.wales)**  
Email: **[contact@assembly.wales](mailto:contact@assembly.wales)**  
Telephone: **0300 200 6565**

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# Contents

<b>Introducing the report .....</b>	<b>5</b>
Presiding Officer's Foreword.....	6
Introduction from the Chief Executive and Clerk .....	8
Commissioners and Deputy Presiding Officer .....	10
Independent advisers .....	12
Setting the scene – the strategic and constitutional context.....	15
Looking to the future.....	22
<b>Delivering the strategic goals .....</b>	<b>25</b>
Providing outstanding parliamentary support.....	27
Engaging with the people of Wales and promoting Wales.....	43
Using resources wisely – a strategic review.....	61
<b>Sustainability report.....</b>	<b>77</b>
<b>Remuneration report and Directors' report.....</b>	<b>85</b>
<b>Statement of the Commission's and the Principal Accounting Officer's responsibilities .....</b>	<b>101</b>
<b>Governance statement 2014-15 .....</b>	<b>103</b>
<b>The Certificate and Report of the Auditor General for Wales to the National Assembly for Wales.....</b>	<b>115</b>
<b>Statement of National Assembly for Wales's Supply.....</b>	<b>119</b>
<b>Notes to the Resource Accounts.....</b>	<b>135</b>



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# Introducing the report

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# Presiding Officer's Foreword



## **Dame Rosemary Butler AM**

Presiding Officer and Chair of the Assembly Commission

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It is an enormous privilege to be the Presiding Officer of the National Assembly and Chair of the Assembly Commission. To have been the Presiding Officer during a period that will have such an influence over our constitutional future has been an incredible opportunity. The Annual Report next year will paint a picture of what we deliver in the final year of this Assembly, but it will be introduced by my successor and not by me. I will be standing down as an Assembly Member at the next election. So, I want to make the most of my final opportunity in an Annual Report to look back at what we have achieved, and reflect on what I hope it will mean for the future of the Assembly.

There are many facets to the role of Presiding Officer. I have chosen to focus in particular on three major areas that I believe to be hugely significant for the Assembly and for Wales: constitutional reform; robust scrutiny; and engagement and participation in public life.

I welcome the UK Government's commitment to deliver a Wales Bill which honours in full the commitments made in the St David's Day process. That will lead to a shift in the balance of power between Westminster and the Assembly and will enable us finally to determine our own affairs. It will also place the Assembly on a firm and permanent footing. We must be certain that any new reserved powers model does not in any way reduce our ability to legislate and that it enables us to do so with clarity and coherence. The Supreme Court judgment on the Recovery of Medical Costs for Asbestos Diseases (Wales) Bill further demonstrated the complexity of the current devolution settlement in Wales and the vital importance of clarity if the Assembly is to legislate effectively and the people of Wales are to understand its powers.

The changes that I have been calling for most strongly will mean that the Assembly will:

- have the power to increase its capacity to match the size of its task and allow us to fully scrutinise the growing policy and legislative programme of the Government and new tax raising powers;
- be able to decide its own electoral arrangements as well as important symbolic and practical matters such as the name of the Assembly itself and its internal operation;
- need to consent formally before the UK Parliament makes laws in areas which are devolved to the Assembly; and
- determine the appropriate voting age for Assembly elections.



Robust scrutiny is a fundamental, essential part of any democratic culture. I have sought to increase the effectiveness of scrutiny by creating more flexible, responsive opportunities for Members to raise important issues of pressing concern to the public in the Assembly. I have initiated a number of changes over the course of this Assembly, such as shorter tabling deadlines for oral questions in order to increase the topicality and variety of backbenchers' scrutiny of Ministers; Individual Member Debates with cross-party motions; dedicated time for Leaders' Questions during First Minister's Questions, which have given an opportunity for party leaders to scrutinise the First Minister in depth on topics of their choice without having to give notice in advance; and Spokespeople's Questions during Oral Assembly Questions, allowing party spokespeople to ask three questions, without notice, to the relevant Minister. All these changes have given the opportunity for greater topicality and in-depth questioning of the Government.

The Scottish referendum sparked a democratic revival north of the border, and an unprecedented level of public engagement. My ambition is that we see similar democratic enthusiasm in Wales by encouraging more people to have their voices heard and to directly affect our work here at the Assembly. To achieve that, we must develop a dynamic relationship with the people we represent.

The Commission and I have placed young people at the centre of our public engagement strategy. Last year, I launched a Children and Young People Engagement Charter, based on what young people told us they wanted from the Assembly. Our consultation showed a huge appetite from young people across Wales to have their say on the issues that matter to them. We need to listen and act on their views. I want the Assembly to be a world leader in youth engagement by enabling young people to have their opinions heard and valued at the heart of Welsh democracy. Recently, we have been exploring the question of whether the voting age should be lowered to 16 through a national conversation with young people in Wales. The response has been tremendous, with over 10,000 young people taking part. We will hold a youth day in July to consider the results and what should happen next.

Another strand of my work to increase the diversity and breadth of people participating in public life has been my Women in Public Life campaign. There are fewer women than men in public life, and women's voices are not being heard. I have been working to address the need for more women to apply for and take up public roles and appointments so that they are fairly represented at all levels of public life in Wales. There is considerably more to be done but, as the first woman Presiding Officer, and through my Women in Public Life Campaign, I hope that I have provided some inspiration and encouragement to other women to take the step into public life.

Finally, I would like to thank Assembly Commissioners, the Chief Executive and Commission staff for all they do to deliver outstanding support across all our parliamentary services. They can be proud that the Assembly is regarded as an exemplar and role model in so many aspects of its work. We are a strong parliamentary body, full of promise for the future and I am grateful to have been able to play my part. I look forward to making further important progress in the coming months before the Assembly enters yet another new era in 2016.

# Introduction from the Chief Executive and Clerk



## **Claire Clancy**

Chief Executive and Clerk of the National Assembly for Wales

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The National Assembly for Wales is a unique place to work and the Assembly Commission is an incredible organisation to lead. During the penultimate year of the Fourth Assembly, we have continued to work hard to strengthen the Assembly as a parliament, through delivery of the Assembly's current responsibilities and by exerting an influence on future constitutional changes that will enable the Assembly to realise its potential for future generations.

Our role as the staff of the Assembly is to help make the Assembly a strong, accessible and forward-looking democratic institution and legislature that delivers effectively for Wales. We are here to serve Assembly Members who have been elected by the people of Wales and who must represent the interests of their constituents, make laws and hold the Welsh Government to account. Our work in doing that covers a very wide range, from responsibilities for managing an estate with iconic buildings, to the intellectual rigour of procedural, constitutional and legislative work; to engaging with people across Wales, and right down to the detail of making sure that everything runs like clockwork for Plenary and committee meetings. This Annual Report will give you an insight into what has been achieved and what is yet to come.

The formal business conducted in Plenary and committees is the very heart of what the Assembly does as a legislature. It is there that the government is held to account and its proposals for legislation, its policy thinking and delivery, and its decisions, are improved by the scrutiny of the Assembly. The continued excellence and integration of all of the specialisms of Commission staff are key to the successful delivery of our goal to provide outstanding parliamentary support. We have tried to understand even better during the year the services that Members want from us and to flex our use of resources to deliver them.

Our ambition is to be a truly bilingual institution, in which Assembly Members and the public can choose to work or communicate in either or both of our Official Languages, and where the use of both languages is a source of pride to all. The Official Languages Act 2012 places duties on the Assembly Commission to ensure that every engagement with Assembly proceedings can happen in either of the official languages – Welsh or English. The Official Languages Scheme sets out how the Assembly Commission will deliver bilingual services to Assembly Members and members of the public – and in the work we have been doing we have been trying to raise the bar for other institutions to follow, in the UK and internationally.

For politics to work there needs to be an engaged electorate. Commissioners have stressed to us the importance of reaching out beyond the walls of the Assembly to all people right across Wales. They have been particularly keen that we engage with different sectors of our communities, not just those who already tend to get involved. In terms of young people, our education service was already the envy of other parliaments and our youth engagement work has built on this tremendous foundation, so that more young people are taking the opportunity to contribute to the future shape of Wales and Welsh democracy.

As the home of Welsh democracy, our Assembly estate is a valuable and significant asset, which we can use to promote the Assembly, to attract and engage with the public and to inform them of its work. Our stewardship of our estate provides us with significant opportunity to demonstrate outstanding service for those visiting and using our estate, and the highest standards of best practice in terms of sustainability.

Finally, the focus in an Annual Report is inevitably on what has been delivered, and rightly so. However, the way in which we do our jobs is also very important to us and creates the culture of our organisation. Through our work, all of us who work for the Assembly strive to:

- act with full regard for our equalities responsibilities, respecting everyone and treating all people fairly;
- deliver all aspects of the Commission’s responsibilities with pace, professional expertise and a strong service ethos;
- set high standards and keep our promises;
- be open and transparent, expose ourselves to the most intense scrutiny, and provide measurable evidence of our achievements; and
- demonstrate our absolute commitment to Welsh parliamentary democracy and our pride in the Assembly.

These values will stand us in good stead as we move towards the conclusion of the Fourth Assembly and anticipate the challenges that lie ahead for the Assembly.

# Commissioners and Deputy Presiding officer

**The Assembly Commission serves the National Assembly for Wales 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.

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

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



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

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



**Angela Burns AM** (Welsh Conservatives)

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

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

Commissioner with responsibility for legal services, alongside the Assembly's Official Languages function and policy.



**Sandy Mewies AM** (Welsh Labour)

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



**David Melding AM** (Welsh Conservatives)

Deputy Presiding Officer, able to exercise the functions of the Presiding Officer in the absence of or at the request of the Presiding Officer. David also attends meetings and functions as Deputy Presiding Officer in order to raise the profile of the National Assembly for Wales.

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# Independent advisers

**The Assembly Commission has appointed independent advisers to ensure that Commissioners and the Assembly's senior management team are supported and constructively challenged in their roles.**

The advisers are involved in a number of the activities and service areas of the Assembly. They participate in the meetings of the Commission; consider our performance management and reporting arrangements; advise on the Commission's responsibilities for staff appraisal and remuneration policies and systems, and maintain a critical overview of the Commission's financial controls and risk management procedure.

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## **Keith Baldwin**

Keith spent 20 years as a partner at PricewaterhouseCoopers (PWC). Apart from his client responsibilities during this period, he also held a number of management roles including Deputy Partner-in-Charge of Government Consulting and partner responsible for the risk and quality management functions within PWC's Advisory Business.

Since leaving PWC he has filled a number of non-executive and advisory roles, including non-executive Board member and member of the Audit Committee at CVQO Ltd (which helps young people obtain vocational qualifications). He is a member of Council and a member of the Audit and Remuneration Committee at the National Army Museum, both since 2010. He was a non-executive director of the Judicial Studies Board (now the Judicial College) from 2007 to 2011 and now serves on two committees at the Bar Standards Board (the independent regulator for the Bar).



## **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.



## **Helena Feltham**

Helena has experienced a long career in Retail and Human Resource Leadership. She has most recently been the Global HR Director for TOPSHOP TOPMAN and has previously held appointments as HR Director at Marks & Spencer, Jack Wills Ltd. and Woolworths South Africa. She has also spent time in Executive search with Odgers Berndtson, covering senior appointments across both public and private sectors. Helena has served as a non-executive director of an NHS Trust, is currently a Justice of the Peace and Board Member and Trustee of Action for Children and The Retail Trust.



### **Eric Gregory**

Eric is a non-executive director for Her Majesty's Passport Office (HMPO), the Ministry of Justice Legal Aid Agency (LAA) and the Cabinet Office Electoral Registration Transformation Programme, where he also chairs the Programme Risk and Assurance Board. He is a member of both the HMPO and LAA Audit Committees. He worked for the John Lewis Partnership for 25 years until 2009, where he was a Board Director for seven years, holding all three principal IT Director roles before becoming Personnel Director. He was previously non-executive director for the Crown Prosecution Service (CPS) London and a member of their ICT Board. He has also held the position of Chair of the Consumer Goods Forum IT Board, and was a member of the e-skills Businesses Board for six years.



### **Hugh Widdis**

Hugh is the Director of Legal and Governance Services for the Northern Ireland Assembly. In that role, he is Counsel to the Assembly, delivers internal audit and governance services, and is a member of the Management Board. He has over 13 years of experience in parliamentary service. Prior to joining the Assembly's legal team, he worked in research, as a barrister in private practice and as an in-house lawyer in a leading financial services provider. He has also worked in the Scottish Parliament's legal office, and on discrimination law in the Office of the First Minister and deputy First Minister. Hugh is a barrister. He is a member of the Bar of Ireland and the Bar of Northern Ireland.

# Statement of Purpose

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

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.

## **The Commission's strategic goals for the Fourth Assembly**

### **We will:**

- provide outstanding parliamentary support;
  - engage with the people of Wales and promote Wales;
  - use resources wisely.
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# Setting the scene – the strategic and constitutional context

## Achieving the Commission's Strategy for the Fourth Assembly

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This annual report looks at how the Assembly Commission is achieving against its strategic goals and priorities for the period 2014-15. The strategic goals provide the focus for all our work.

In May 2014, the Commission produced a strategic plan and priorities for the final two years of the Fourth Assembly. Achieving these priorities, and delivering excellent, cost effective services for Assembly Members and the Welsh public, will ensure that the Commission leaves a strong, clear legacy for 2016 onwards and the advent of the Fifth Assembly.

The Commission identified five updated priority areas for change, innovation, and investment:

- enabling the Assembly to be as effective as possible through the support we provide, including through the impact of the next stages of our ICT Strategy;
- enhanced bilingual services;
- increased engagement with people in Wales;
- making the most of our estate; and
- complete readiness for the transition to, and new challenges of, the Fifth Assembly.

Wales receives approximately £15 billion annually to provide essential public services for the people of Wales. Known as the Welsh Block, almost all of this money funds the delivery of public services in Wales; our schools, hospitals, transport infrastructure and every aspect of our lives that is the responsibility of the Welsh Government.

The Assembly Commission spends a small proportion of this money (0.3%) to cover the costs of the National Assembly for Wales. This money allows the Assembly to fulfil its roles of representing the people of Wales (through the 60 elected Assembly Members), making laws and scrutinising the policies and spending decisions of the Welsh Government.

During 2014-15, the Assembly Commission had responsibility for a budget of £51.8 million. Of this total, £14.1 million was available for the remuneration of our 60 Assembly Members, that of their support staff, and the costs of running their constituency and regional offices all over Wales.

The remainder of the budget is for the Commission to provide the property, staff and services for the Assembly to function. This ranges from the smooth running of the Senedd and Tŷ Hywel to ensuring that the Assembly is staffed with the right people to provide outstanding parliamentary services to Assembly Members.

At the outset of the Fourth Assembly, the Commission set out a budget strategy for the duration of the Assembly. Each year, our annual budget is set out within this multiple year planning and funding framework. The Commission publishes Key Performance Indicators to demonstrate corporate

performance across all areas of activity. These continued to show improvement for almost all indicators throughout 2014-15, high, sustained performance across many services and rapid improvement where efforts have been targeted.

These efforts have been centred on two major themes. The first has been a renewed focus on continuous improvement to make the Assembly an exemplar parliamentary organisation. An ambitious programme of organisational change and strategic transformation has been set to ensure a strong, enduring legacy in preparation for the transition to the Fifth Assembly. The second has been the rate and scale of UK-wide constitutional developments and our response and preparedness for further constitutional changes in the future.

## **Change, transformation and transition**

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The Commission has an ambitious programme of strategic change and transformation in place: change, to build upon and improve what we have done in the past; and transformation, to develop new, innovative ways of working in the future. We have invested in our staff skill base, building resource in project and change management; financial and constitutional research and legislative expertise; business and corporate legal skills; professional development for Members and their support staff; procurement and HR expertise; secondment and job shadowing opportunities, and in-house ICT capacity. Good governance arrangements and a strong and clear emphasis on strategic, joined up working across Commission services underpin all of this work.

Having full control over the cost and delivery of ICT services has provided the Commission with the capability and capacity to address new ways of working. In addition, the creation of a Strategic Transformation Service in 2013 is enabling us to work with pace and to drive the transformation of critical elements of Commission services.

Consequently, work is well underway in a number of areas:

- reviewing and transforming the way we produce and use the reports of the formal work of the Assembly in Plenary and committee, including how we can increase engagement with and understanding of the work of the Assembly;
- further enhancements to our delivery of bilingual services;
- projects to replace the telephony system and to develop Siamb software which will be used during Plenary;
- continuing enhancements to the Assembly estate and meeting the key challenges of sustainability;
- planning for a smooth transition to the Fifth Assembly in May 2016.

A great deal of planning work has already gone into preparing for the transition to the Fifth Assembly. In doing so, we have been putting arrangements in place to ensure that Members have the expertise and capacity to deal with the changing powers and greater responsibilities they face. This will strengthen democracy and accountability and the way the Assembly serves the people of Wales.

The Commission's continuous improvement ethos is consistently reflected in financial management and performance. Laying the foundations for the smooth transition to the next Commission involves having financial management strategies in place for resourcing in the Fifth Assembly.

During the year, the Remuneration Board, set up in 2010 as an independent body to decide Assembly Members' pay and allowances, considered the full package of remuneration for Members in the Fifth Assembly. During the summer and autumn of 2014, the Board consulted on proposals for pension arrangements and changes to matters relating to the arrangements for Members' support staff and Members' expenses. In November, the Board also consulted on proposals for Member salaries in the Fifth Assembly, which provoked significant media and public interest.

Following these consultations, the Board published Determinations for the final year of the Fourth Assembly and for the Fifth Assembly in April and May 2015 respectively.

## What are conferred and reserved powers?

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The National Assembly operates under a 'conferred' powers model. This means that the Government of Wales Act 2006 sets out the areas in which it can make laws.

Moving to a 'reserved' powers model (as is the case in Scotland) means that the legislation would set out those areas in which the National Assembly cannot make laws.

Moving to a reserved powers model is an opportunity to provide more clarity and enable the people of Wales to better understand the constitution of their country and participate in the democratic process.

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## Constitutional developments

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Constitutional developments across the UK have formed a significant backdrop to our work this year, with fundamental questions being asked about the nature of the Union, the powers of its parliaments and the size and powers of national and local governance. The Commission has focused on making sure that the support and services provided to Members are fully prepared for the implications of constitutional change.

Wales has already seen the Wales Act 2014 come into force in December 2014, giving the Assembly tax-raising powers for the first time and implementing many of the recommendations of the Silk Commission's first report (published in November 2012).

The Scottish Independence Referendum in September 2014 gave a renewed urgency to pan-UK constitutional change and triggered new processes in each of the nations.

Following the establishment of the Smith Commission in Scotland, the Secretary of State for Wales announced his intention in October 2014 to secure a similar cross-party consensus on future devolution for Wales, based on the second Silk Commission report (published in March 2014) which considered its legislative competence. The Secretary of State would also take account of the Smith Commission recommendations, published in November 2014.

This resulted in the St David's Day Announcement on 27 February 2015, a 'blueprint' on which to base future Welsh devolution. It shows areas where the four parties agree on what should be devolved, as well as constitutional matters such as the move to reserved powers and granting the National Assembly power over its own organisation including its size, name and internal operations. The Announcement does not transfer any further powers but provides a guide to the legislation that can be expected following the UK General Election in May 2015.

The Presiding Officer has consistently promoted her three priorities for constitutional change: enhancing the capacity of the Assembly by increasing its size; embedding the sovereignty and permanence of the Assembly, and moving towards a clearer devolution settlement that could be delivered through a reserved powers model. The St David's Day Announcement reflects this position.

Whilst recognising its limited scope, the Presiding Officer welcomed the Announcement as setting out a good basis for institutional reform to advance discussion on the devolution of further powers:

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“For the first time, there is cross-party consensus, both in Cardiff and Westminster, that the Assembly should be a sovereign parliament that controls for itself how it delivers laws and scrutinises the Welsh Government.”

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The Commission published a major report in January 2015, adding to the debate about the future powers of the Assembly. The Commission set out its view in ***The Future of the Assembly: ensuring its capacity to deliver for Wales*** that the number of elected Members in the Assembly should be increased. In this report the Commission put forward provisional costings for 80, 90 or 100 Members. The argument was based on the desire to give Members a realistic opportunity to scrutinise the policy, administration, spending and legislative proposals of the Welsh Government as robustly as the people of Wales deserve. The report also gave support to the key principle that the Assembly should have greater autonomy to determine its own affairs. In launching the report on behalf of the Commission, the Presiding Officer said:

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“We want this Assembly to be a strong, accessible and forward-looking democratic institution and legislature that delivers for the people of Wales.

Much has been achieved by Assembly Members to deliver this since the Assembly was established.

However, the strength and success of Welsh devolution in the future will be at risk if we do not take steps to match the size of the institution to the size of the task.”

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The report welcomed the Secretary of State’s commitment to the introduction of a reserved powers model, setting out how challenging it is to explain the powers and legislative competence of the Assembly in simple terms and how this is a barrier to public understanding. However, the two Supreme Court rulings on Welsh Bills we saw this year provide an important context to the consideration of moving towards a clearer devolution settlement through a reserved powers model.

The Supreme Court’s ruling of 9 July 2014 on the Agricultural Sector (Wales) Bill, now an Act, supported the view that matters related to devolved areas, even if not specifically devolved, are within the competence of the Assembly. On 9 February 2015, the Supreme Court ruled that the Recovery of Medical Costs for Asbestos Diseases (Wales) Bill was not within the legislative competence of the Assembly and was incompatible with the rights of compensators under the European Convention on Human Rights (ECHR).

These judgments – particularly the second one, where the Supreme Court was divided on the detail of the result – have highlighted the complexity of the current settlement. The Presiding Officer has made plain her expectation that any new model must give the Assembly and the people of Wales greater clarity about the legislative powers of the institution. She has also emphasised that a new settlement must preserve and build on the Assembly’s current competence – as unanimously interpreted by the Supreme Court in the Agricultural Wages case – and is not to be seen as an opportunity to row back on elements of that competence.

Recognising the significant amount of work to be done in this area, the Commission tasked the Strategic Transformation team with responsibility for leading the Commission’s response to constitutional change and ensuring that the services and support provided to Members are prepared for any ensuing changes, such as tax-raising powers. Due to the scale of constitutional work underway, a Constitutional Change Steering Group, comprising senior Commission staff, has been set

up to ensure comprehensive oversight of all aspects of constitutional work, thereby strengthening governance arrangements.

The work to date has focused around three strands:

- ensuring that legislation meets the needs of the Assembly;
- readiness for change, ensuring we have the right capacity and skills to respond to new powers and wider implications for the Assembly’s ways of working and procedures; and
- awareness raising about the changes to ensure the possibilities are taken into account in planning for the Fifth Assembly.

Preparing for the fiscal devolution contained in the Wales Act 2014 is another priority area of work for the Commission and its staff. The Finance Committee has published two reports on Best Practice Budget Procedures in response to the Silk recommendations. The second report, published in March 2015, provided a model budget process and recommended that the Assembly and the Government work together to implement a new budget procedure that meets the needs and requirements of both organisations.

## Looking to the future

This report focuses on the Assembly Commission's achievements and how we have performed against our strategic objectives over the financial year. However, the Commission's vision and planning and budget strategy are long term and the direction of travel is set not only for the remainder of this Assembly, but beyond. In the final year of the Fourth Assembly, the Commission will continue to deliver strong, cost effective services to Members, striving to achieve its strategic priorities and leave a lasting legacy. The Commission plans to publish a legacy report, including ideas that the Fifth Assembly Commission can consider for the future.

Work will concentrate on:

- Supporting the increased programme of legislative work. Between January 2015 and June 2015 the Assembly concurrently considered 11 Bills (an increase on the previous maximum of eight under parallel consideration).
- Ensuring that the Assembly has a strong voice in, and is prepared for, UK and European constitutional changes, the scale of which will be significant following the Wales Act 2014 and the St David's Day UK Announcement in February 2015. Influencing any future Wales Bill and the Assembly's place in UK constitutional arrangements, and ensuring delivery of the Presiding Officer's priorities, will be a priority.
- Continuing the Commission's engagement and promotion work, with additional emphasis to reflect new constitutional developments. The Commission's focus on the importance of enabling and encouraging public engagement and participation in the Assembly's work will continue with renewed pace. Work is planned which will help achieve a step change in the Assembly's public engagement work, including the development of a consistently clear and engaging narrative to explain how Welsh parliamentary democracy works for Wales and widening the reach of our media work. The Senedd's tenth anniversary on 1 March 2016 provides an excellent opportunity to raise awareness of the Assembly, the 2016 election, and to reinforce the building as the Assembly's home in the hearts and minds of the people of Wales.



- Continuing to change our services through changes in technology, transforming Plenary Support systems, refreshing hardware and desk adjustments, all to cost, quality and time to give Members a better and more effective working environment.
- Undertaking further work to fully realise the opportunities presented by changing the way we report the Assembly’s work and proceedings and exploring the potential to present a bilingual Parliamentary Record that is reusable, available earlier, accessible and fit for 21st century communication methods. This work will sit within the context of broader changes anticipated across the organisation such as the need to improve our publication of open, re-useable data. Work will begin to deliver digital parliamentary democracy, to transform the way we generate, manage, share and use our information.
- Strengthening further the Members’ professional development programme to meet the needs of new and returning Assembly Members. This work will build on the existing programme, which will be subject to a full evaluation, and will provide appropriate induction and access to a wide range of Continuous Professional Development training for Members.
- Building on the Commission’s strong record in delivering value for money in hand with our strategic goals and priorities from the outset of the Fifth Assembly. We will be taking every opportunity to learn the lessons from this Assembly to ensure appropriate support is in place to support Members in carrying out their duties in the future, particularly in light of the new fiscal powers of the Fifth Assembly and the changing constitutional landscape.





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# Delivering the strategic goals

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## ASSEMBLY BUSINESS

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During 2014-15, Assembly Members represented their constituents and scrutinised government policy, legislation and expenditure in weekly Plenary and Committee meetings.

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**67**

PLENARY  
MEETINGS

**14**

URGENT  
QUESTIONS

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**5** BILLS RECEIVED  
ROYAL ASSENT



**10**

INDIVIDUAL MEMBER DEBATES

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**253**

COMMITTEE  
MEETINGS



**68**

COMMITTEE  
REPORTS

# Providing outstanding parliamentary support

The Commission's priority is to ensure that consistently strong, integrated support is provided to meet the needs of individual Assembly Members and committees. This is to enable them to operate as an outstanding parliament. The role of the staff of the Commission is to make parliamentary democracy work for Wales. In everything they do, they aim to be acknowledged as a model of best practice by other parliaments and everyone affected by their work. This means continuously improving upon the high quality parliamentary services they provide for Members and Assembly committees.

## Topicality in the Siambr

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The Presiding Officer and the Business Committee have continued to focus on increasing opportunities for backbenchers and improving the topicality and relevance of Assembly business. The Presiding Officer introduced 'Spokespeople's Questions' during Oral Assembly Questions in the Siambr in September 2014, having shortened the tabling deadlines in 2013 to enable more topical questions to be tabled. The new procedure is modelled on the Leaders' Questions that have existed since 2011, and enable party spokespeople to ask three questions without notice to the Minister. This allows for both topicality and for spokespeople to question a Minister in greater depth.

A major success over the past year has been Individual Member Debates. First introduced in 2011, the Business Committee had scheduled one debate each half term. Over the last year, however, such has been the interest from Members and the quality of the cross-party motions tabled that there have been ten debates in total, with the Business Committee sometimes choosing to schedule all the motions tabled for debate. Meanwhile, the Assembly's increased legislative workload is reflected in the fact that seven Bills have been considered in Plenary since the start of 2014.

## Making laws for Wales

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This continues to be an exciting time for those involved in making laws for Wales. In the autumn, the Presiding Officer gave evidence to the Constitutional and Legislative Affairs Committee about the Commission's role in supporting legislative scrutiny, as well as her observations from a procedural point of view. We look forward to the Committee's forthcoming inquiry report on Making Laws in the Fourth Assembly.

The volume and complexity of legislative scrutiny the Assembly is undertaking is increasing significantly and rapidly and we expect it to become the norm in the Fifth Assembly.

The key features of this increase are:

- More Bills and larger and more wide-ranging Bills. Assembly Bills are now comparable with those of the UK Parliament in terms of size and complexity. In addition, the entire legislative procedure in the Assembly – from introduction, through scrutiny and amendment to final approval – is undertaken bilingually. Our Acts carry equal legal status in both Welsh and English.

- Increased demand for in-depth legal advice on legislative competence. Given the ratio of referrals to the Supreme Court of Assembly Bills, this work has to be given the highest possible priority and detailed attention.
- In March 2015, 17 Acts had received Royal Assent since the start of the Fourth Assembly. A further eight Bills were in the process of being considered by the Assembly, with further legislation anticipated.
- Increased demand for accessible information from the Research Service in support of legislative scrutiny, and publically available information explaining how a Bill changes as it progresses through the Assembly. Bill summary papers (which look at the policy context, main objectives and provisions of each new Bill) and glossaries of Welsh technical terms and phrases used in Assembly Bills are particularly popular.
- More subordinate legislation flowing from powers in Acts of the Assembly.
- More Legislative Consent Memoranda, which at the moment receive only the briefest scrutiny despite their far-reaching policy and constitutional implications; and,
- Legislation that is broader in scope: driven by factors such as the Supreme Court’s judgments on competence and, in the Fifth Assembly, the introduction of fiscal powers, and the move towards a clearer devolution settlement through a reserved powers model.

The scrutiny of Bills has dominated the work programmes of some committees and has constrained, to some extent, their capacity for policy scrutiny. Legislation is particularly reactive, demand-led work, with the timescales and volume largely determined by the Government. A Bill, once introduced, becomes the responsibility of the Assembly (not the Welsh Government). It is vital that high quality support is in place for legislative scrutiny and amendment, as it is for the scrutiny of Welsh Government policy and financial decisions. This step change in volume has required flexibility in the way we organise support for legislative scrutiny.

Our response has been to undertake an organisation-wide capacity planning exercise to better align resources to priority areas. This resulted in the deployment of temporary additional resources to address the heavy legislative workload. Establishing a Legislation Programme Board, made up of senior Commission staff, has enabled greater strategic oversight of legislative scrutiny. It also ensures resources are aligned across service areas and provides oversight of development projects such as enhancing the Legislation Workbench software that we use jointly with the Welsh Government.

The Commission has continued an initiative to build and improve the legislative drafting skills of Commission lawyers, through coaching and mentoring from an experienced former Parliamentary Counsel. Three Assembly Bills introduced by Assembly Members have been produced through this initiative, including the Holiday Caravan Sites (Wales) Bill; the Financial Education and Inclusion (Wales) Bill; and the Safe Nurse Staffing Levels (Wales) Bill.

# MAKING LAWS FOR WALES

Bills and their progress through the Assembly (on 31 March 2015), and the Bills which received Royal Assent during the year.

1

**Stage 1:** Committee inquiry then Plenary debate on general principles

Local Government (Wales) Bill

Regulation and Inspection of Social Care (Wales) Bill

Holiday Caravan Sites (Wales) Bill

Renting Homes (Wales) Bill

Safe Nurse Staffing Levels (Wales) Bill

Financial Education and Inclusion (Wales) Bill

2

**Stage 2:** Committee consideration of amendments

Qualifications Wales Bill

3

**Stage 3:** Plenary consideration of amendments

Planning (Wales) Bill

4

**Stage 4:** Plenary debate on whether to pass Bill



**Post Stage 4:** The period when a Bill is prepared for Royal Assent, or sometimes referred to the Supreme Court

Violence against Women, Domestic Abuse and Sexual Violence (Wales) Bill

Well-being of Future Generations (Wales) Bill

Recovery of Medical Costs for Asbestos Diseases (Wales) Bill



**Royal Assent:** Bill becomes law

Housing (Wales) Act 2014

Higher Education (Wales) Act 2015

Education (Wales) Act 2014

Social Services and Well-being (Wales) Act 2014

Agricultural Sector (Wales) Act 2014

## Supporting world-class committees

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Committees play a vital role in making laws for Wales and in holding the Welsh Government to account for their policy and spending decisions. They have dual responsibility for both policy and legislative scrutiny and the Commission is responsible for ensuring that committees are fully resourced to fulfil their functions.

For a small institution, support for committees is well resourced, but it is also organised in such a way as to optimise efficiency and ensure committees have the broadest range of skills, knowledge and expertise at their disposal. The Commission's continued investment in a dedicated EU Office in Brussels is also recognition of the importance of a presence in the EU capital to support the EU-related work of the Assembly and committees.

Each committee is supported by an integrated team (a feature unique among UK legislatures), made up of clerks, researchers, outreach and communications staff, lawyers and translators who provide different aspects of specialist advice. The aspiration is that we deliver high quality, innovative services without Members ever 'seeing the wiring'.

The focus for 2014-15 has been on strengthening the culture of continuous improvement in our support for committees, embedding the Commission's vision for world class committee support and ensuring that activity is Member-led and tailored to their needs.

In November 2014, the Commission endorsed a number of enhancements made to committee support, including more concise, tailored research briefings; the increasing availability of private papers in both official languages; greater depth and breadth of engagement with the people of Wales, especially young people; and the delivery of an ongoing programme of professional development for Members. Other highlights include:

- monitoring the timely delivery of committee papers as a Key Performance Indicator, measuring against deadlines agreed by each committee;
- working with Members' support staff to help them get involved in committee work;
- increasing use of external expert advice when required;
- better preparation of witnesses through online guidance and tailored stakeholder training sessions;
- involving stakeholders in events around report launches and Plenary debates;
- more accessible and searchable online information;
- new ways of sharing the outputs of committee work beyond traditional reports, including tailored feedback to stakeholders who have participated in committee work, videos, infographics, plain language summaries and brochures showing how evidence has influenced recommendations.



## The Commission's aspiration

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

## The Commission's focus

The areas that need our attention in order to deliver our aspiration with the tools at our disposal.

## The Commission's tools

The things that can be improved to make our committees, and their support, as good as they can be.



Feedback from Members and their support staff, through the annual survey, reflects high levels of satisfaction with the enhanced services the Commission has delivered for committees. The rating from Members has remained at a constant high level, and from support staff has improved since last year.

These enhancements have also been informed by a Member preference exercise. Integrated teams held conversations with committee members to gain as much intelligence as possible about how they approach committee work, to understand how they use the products and services provided to them and to find out what else teams can do to help Members engage and participate in committee work.

This intelligence has enabled staff to implement a range of quick wins and actions tailored to each committee and aimed at continuously improving and refining the level of support.

There has been a significant emphasis on cross team working and sharing good practice as part of the drive for more efficient and effective ways of working. Integrated teams have made good use of learning and development opportunities. The Assembly Business Directorate Procedures and Good Practice Forum helps support this through a structured programme, with high-profile speakers from other legislatures and focused workshop sessions on topics such as sharing good practice in consultation and evidence gathering and looking at how committees might best scrutinise the Assembly's increased financial powers. Other opportunities have been taken up to develop knowledge and awareness of EU affairs, with staff from across the Commission visiting Brussels for a structured training programme, funded by the European Commission and supported by the Assembly's EU Office.

Staff supporting committees regularly engage in and lead on discussions at UK-wide parliamentary networks which demonstrate high levels of support and innovation in our committee work.

## Improving services to committees – quick wins

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Following Members feedback, the Health and Social Care Committee's integrated team adjusted its timelines and processes for producing translated briefings. By matching services to the needs of committee members, it improved its level of service while also making some efficiency gains.

Understanding when and where Assembly Members undertake their committee preparation has meant that the integrated team supporting the Environment and Sustainability Committee can target communications outside committee meetings in a more informed way. The team are now able to work with a degree of flexibility around providing committee papers (including briefing) and have been able to deliver enhanced bilingual services for example. This would not have been possible had they continued working to the more restrictive and less intelligent deadlines previously established.

Feedback from Members led to the Public Accounts Committee (PAC) adjusting the way it plans its forward work programme. Members reported that they would prefer to focus their full attention on one issue at a time. Previously, it had considered multiple issues concurrently. Adjusting the forward work programme means that the Committee now takes evidence on a single issue over consecutive weeks. To facilitate this, the integrated team made changes to how it supports PAC-led inquiries.

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## Using social media and different methods of engagement

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- Every committee now operates dedicated Twitter feeds in both official languages.
- Relevant hashtags are used to target groups and individuals online to ask them to submit evidence to committee consultations.
- Using the online platform Google Hangouts for discussions between committee members and participants across Wales enabled experts and service users to contribute without needing to travel to the Senedd for a formal evidence session.
- Storify has been used more widely as an effective way of collating information about specific committee inquiries, and sharing it on social media. Our Storify boards can be found here: <https://storify.com/assemblywales>
- Using focus group discussions such as the ones between committee members and cancer patients during the Health and Social Care Committee's inquiry into progress made on implementing the Welsh Government's Cancer Delivery Plan:

**“Excellent turnout at @seneddhealth session w/ AMs & cancer patients. Key messages: people need a key worker & written care plan” #cancerwales’ (@MacMillanCymru)**

**“Great to hear about the positive discussions today @seneddhealth focus group session with patients on #cancerwales delivery plan” (@NestaLloydJones).**

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## Engaging with a broader range of people from across Wales

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Committees are a core part of Assembly business and delivering innovative engagement support for committees has been a priority. A number of public engagement activities have supported committee work with more, and different, voices contributing to committee inquiries through surveys, focus groups and video evidence, strengthening the range and richness of evidence gathered. The Commission has also re-focused resources towards empowering children and young people to contribute to Assembly business and engaging with them beyond the confines of the classroom.

Here are some of the examples of engagement work undertaken by committees during the year:

- 3,252 people, including 2,377 children and young people, took part in a survey on recycling as part of the Environment and Sustainability Committee’s inquiry.
- Members of the Health and Social Care Committee visited projects such as the Wrexham Warehouse Project, Dan 24/7 in north Wales, DrugAid and Forsythia Youth Club in Merthyr Tydfil as part of their New Psychoactive Substances inquiry, followed by events with frontline staff in Wrexham and Merthyr.
- Over 1,000 young people took part in a survey asking for their opinions about the curriculum and qualifications. They told us that financial literacy, politics and modern business languages should be taught more in schools. Only 29 per cent of respondents felt that what they were currently being taught in school would adequately prepare them for later life and finding a job. The Children, Young People and Education Committee shared these findings with Professor Graham Donaldson, who is leading the Welsh Government’s Review of the Curriculum and Assessment in Wales. Professor Donaldson said:

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“I am very grateful to the Committee for bringing this to my attention and for sharing with me the findings of your recent survey. It will certainly be of great interest to me as I formulate my recommendations for the Minister for Education and Skills.”

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- The results of this survey were also considered by the Enterprise and Business Committee, as part of its inquiry into Assisting Young People into Work which looked at the careers advice young people receive in schools. The results support what a number of young people from across Wales told the Outreach team during video interviews; namely, that careers advice needs to be improved in schools to help young people decide how to go about finding work and to give them the skills they need to do that. The Committee showed the survey findings and the video evidence to the Deputy Minister in a public Committee scrutiny session at the Senedd.

- Tenants took part in a series of informal roundtable discussions with members of the Communities, Equality and Local Government Committee to share their views on the Renting Homes (Wales) Bill as part of the Committee’s Stage 1 scrutiny of the Bill. Writing as a guest on the Assembly’s blog, the Vice President for the Heath Park Campus at Cardiff University Students’ Union said:

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“I thoroughly enjoyed taking part in the focus groups, and it was great to hear AMs so interested in the views of students. I look forward to seeing the Housing Bill being released, and hope that my views will be taken on board. Thank you to the Welsh Assembly for inviting me along!”

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- The Outreach team arranged an event for the Constitutional and Legislative Affairs Committee as part of their Making Laws in the Fourth Assembly inquiry. This was the first time that a committee event was accredited, meaning that those in attendance contributed by taking part in group discussions with Members and also received Continuous Professional Development points for participating.
- As part of the Communities, Equalities and Local Government Committee inquiry into poverty, Members visited Remploy, RNIB and the Oasis projects across Wales to discuss issues with service users.
- The Enterprise and Business Committee held a stakeholder event at the University of South Wales Cyncoed Campus to discuss experiences of students, academics and staff of the EU Erasmus mobility programme as part of their EU funding opportunities 2014-2020 inquiry.

We are proud of the work being done to engage children and young people and to involve them in meaningful ways in the work of the Assembly. As the next page shows, a great deal of work has gone into embedding youth engagement into committee consultations, with over 8,000 young people getting involved in Assembly business over the past year. We have achieved this by adjusting our engagement techniques depending on the nature of the consultation; widening our partnership network; ensuring that we let young people know how committees have considered and used their input, and learning lessons to continuously improve our services to children and young people.

# INVOLVING YOUNG PEOPLE IN THE WORK OF THE ASSEMBLY

During the year, over 8,000 young people have been involved in the work of Assembly Committees

Environment and Sustainability  
Committee

Recycling inquiry

2,783

Member Bill

Financial Education and Inclusion  
(Wales) Bill

623

Health and Social Care  
Committee

New Psychoactive Substances  
inquiry

519

Children, Young People and  
Education Committee

Supply Teaching inquiry

929

Enterprise and Business  
Committee

Assisting Young People into Work inquiry

2,008

Children, Young People and  
Education Committee

Curriculum, Assessments and  
Qualifications inquiry

1,177

## Engaging through the petitions process

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The Assembly's petitions system continues to be a popular, straightforward and easily understood way for citizens to engage with the Assembly and, through it, the Welsh Government. The Petitions Committee considered 85 new petitions between April 2014 and March 2015, supported by almost 90,000 people between them.

Of particular value is the way the petitions system can help bring about improvements in policies or practices on matters of specific concern. For instance, one petition called on the Welsh Government to make more consistent arrangements across Wales for the personalisation of graves, particularly the graves of babies and children. This led to the responsible Minister agreeing to write to all local authorities in Wales asking them to ensure that they have clear rules and regulations in place, which are kept up-to-date and enforced consistently.

The considerable number of petitions submitted (almost 600 since the start of the current Assembly), and the significant numbers of people who sign them, is just part of the picture. While many petitions will not directly achieve their initial aims, we know from our close dealings with petitioners that the petitions system is seen as a positive way of trying to influence or change Government policy and of initiating public debate on new ideas or policies for the Assembly to consider. We also know that petitioners value the fact that the system provides citizens with a direct route to having their concerns and ideas heard at the heart of government and directly by Assembly Members themselves.

Looking forward, the Petitions Committee is reviewing the system to see what further improvements can be made. As part of this, the Committee is surveying the views of all current and past petitioners and the general public and is also consulting with other stakeholders with an interest in this area. The results of the review will help the Assembly decide how best to support the petitions process in the future.





## Working in a truly bilingual organisation

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The ability to engage freely in either language in a truly bilingual institution is an important aspiration for the Commission. The Official Languages Scheme, agreed by the Assembly in July 2013, set out our ambition to be an exemplar within Wales. Presenting the Assembly Commission's first Annual Compliance Report on the Scheme in July 2014, Rhodri Glyn Thomas AM, Commissioner with responsibility for bilingual policy, said:

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“We are committed to using our resources wisely to provide the best bilingual services across all areas of the Assembly's work to ensure that all those who engage with us can do so in either of our official languages. Bilingualism is an integral part of all services.”

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We have worked to transform our delivery of bilingual services through our use of technology, by putting in place our Bilingual Skills Strategy in April 2015 to refocus staff resources and change organisational culture so that bilingual working is the norm.

Progress has been significant in the last year and this can be seen in the 2014 Assembly Member survey results when Members and their staff were asked to rate the support they receive to work in the language of their choice; this achieved the highest score of all areas surveyed. The launch of Microsoft Translator in 2014 has transformed ways of working by enabling the user to translate from one language to the other directly from Microsoft supported applications. This has led to a change in the ways we communicate as an organisation, both for non-Welsh speakers and for professional translators. Non-Welsh speakers are able to get the gist of correspondence received in Welsh, and translators' use of machine translation has led to an overall increased efficiency of around 20 per cent. This has released internal staff resource to be used in other priority areas.

Work is ongoing to collaborate with Microsoft to improve the facility and the Translation Service has also liaised with other bilingual public sector organisations to demonstrate the benefits of machine translation, as well as encouraging organisations to share data with us to improve the quality of the translation system.

Efforts to transform our bilingual working do not just rely on technology. The launch of the Bilingual Skills Strategy outlines our approach to planning, developing and managing the organisation's bilingual skills resource. One of the strategy's five objectives is to assess the Welsh language skills of every staff member. The subsequent audit of Welsh language skills will map the existing Welsh language skills of all staff members and will be used to identify our strengths and areas for improvement.

In addition, the appointment in November 2014 of a staff Welsh language tutor has proved successful because of the varied and tailored approach on offer. This has included one-to-one mentoring sessions, formal lessons and more informal learning activities for individuals and groups, from absolute beginners to advanced learners. One of the main priorities was to offer tuition to our public-facing staff members, such as the security officers and the catering staff, which has proved to be particularly successful. Other initiatives, such as the 'Welsh word of the day' feature on the staff

intranet, have also proved popular and 74 staff members (62 Commission staff and 12 catering staff) have now received tuition.

## **Enhancing skills through Continuous Professional Development**

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The Commission has continued to provide CPD opportunities to Assembly Members and their support staff during the year, with excellent levels of participation. Overall, 40 Members and 164 of their staff have taken up CPD opportunities during the year. Members and committees took part in a CPD programme for Committee Chairs, an element of which was jointly delivered with counterparts at the Northern Ireland Assembly, and ongoing support has been provided for committees in carrying out legislative and financial scrutiny. Briefings have been given on UK-wide constitutional changes and support given for those wanting to learn and improve their Welsh language skills. Interventions specifically targeted at Members' support staff included an accredited Management and Leadership course; speech writing and media relations training; and CDP support for those working in constituency offices on welfare reform, suicide intervention, office management and recruitment.

# The Senedd

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Visitor numbers on tours and visitor satisfaction levels have continued to increase throughout the year. Feedback received from visitors is positive and shows that groups leave with a better understanding of the Assembly and how it works.

**“We loved every minute of the tour! It was interesting, so lovely to look around the Senedd and to learn more about the Welsh Assembly. Our guide was great, really friendly and you could tell that he had a genuine belief in the values and principles promoted by the Assembly. Thanks very much!”**

**“The tour guide was helpful, positive and informative. Everyone in the party seemed to find the tour interesting and you certainly learnt more than walking around by yourself. We would have no hesitancy at recommending the tour around the Senedd to others.”**

**“It does Wales proud. Beautiful building, nice polite staff.”**

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AGORWYD GAN EI MAWRHYDI I ENHINES  
OPENED BY HER MAJESTY THE QUEEN ON 1-3-2006

# Engaging with the people of Wales and promoting Wales

The Commission's priority in this area is to demonstrate that the Assembly is here to work for the people of Wales and to show the impact its work has on their lives – to establish the Assembly's purpose in the hearts and minds of the people of Wales. The Assembly's estate and its iconic buildings form a valuable and significant asset used to promote the Assembly and its work.

There has been great progress in specific aspects of our engagement work across Wales. This year has seen an exciting major events programme that makes use of the Senedd as a centre for Welsh public life.

The Senedd played host to a number of key events of national significance, including the Commonwealth Team Wales homecoming and the St David's Day family day out, with over 500 guests celebrating the day with arts and crafts activities and musical entertainment by local school children.

Assembly-led initiatives throughout Wales give thousands of people opportunities to engage with the Assembly. Our presence at 12 national and regional shows across Wales enabled us to speak to nearly 10,000 members of the public as part of a successful summer events programme. Visitors reacted positively to the National Assembly actively visiting their communities and seeking their views and input into its work. The Environment and Sustainability Committee attended the Royal Welsh Show, where conversations took place around the farming and agricultural sector in Wales and where the Committee gained considerable input into its Recycling in Wales inquiry. At the National Eisteddfod, visitors were particularly interested in discussing the Welsh Language in a digital age and in attending the Assembly's First World War commemorative programme launch in the Societies Pavilion.

A number of events were hosted on the Assembly's estate as part of the Assembly's official commemoration to mark the centenary of the outbreak of the First World War. This included the launch of the Wales for Peace programme, an event for the British Transport Police to commemorate those who lost their lives during WW1, a debate for young people in Siambr Hywel and a lecture by the Head of International Politics at Aberystwyth University.

## Our commitment to engaging with children and young people

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The Commission's ambition for youth engagement was informed by the views of nearly 3,000 young people, gathered in 2013. These views allowed us to develop three core principles as the basis for working with children and young people – reaching out, enabling debate and giving feedback - and to set three priority areas to work on - youth engagement in Assembly business, working with new audiences and the Vote@16? national conversation.

The Children and Young People Engagement Charter, which was signed by the Presiding Officer and the Party Leaders in the Senedd in July 2014, underpins the Assembly's commitment to increasing engagement with the young people of Wales. Launching the Charter, the Presiding Officer said:

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“The Assembly Commission has now agreed a new vision for youth engagement. We want the Assembly to be seen as a world leader in youth engagement as young people are enabled to have their opinions on the issues that matter to them heard and valued at the heart of Welsh democracy.

This work is underpinned by a new Charter which forms our contract with the young people of Wales. It sets out what young people can expect from the Assembly, and what we expect from them.”

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There is now a strong cross over between the staff involved in building a stronger, more inclusive approach to involving young people in the work of the Assembly. The Education and Youth Engagement team, which includes a new Youth Engagement Officer, has refocused its resource to increase opportunities for contact with the non-formal education sector; to strengthen our networks of youth groups and other organisations; and to offer more engagement outside the school environment to involve young people from harder-to-reach groups.

Dy Gynulliad di  
Dy lais di  
Dy ffordd di

Your Assembly  
Your say  
Your way

## Y Siarter Ymgysylltu â Phlant a Phobl Ifanc

**Mae plant a phobl ifanc Cymru wedi dweud:**

- Siaradwch gyda ni,
- Gwrandewch arnom ni, a
- Cymerwch ni o ddifrif.

Ar y dydd hwn, 16 Gorffennaf 2014, mae Cynulliad Cenedlaethol Cymru yn ymrwmo i sicrhau bod pob plentyn a pherson ifanc yng Nghymru yn cael y cyfle i gyfrannu at ein gwaith.

**Byddwn yn gwneud hyn drwy:**

- Estyn allan ac annog cyfranogiad;
- Helpu pobl ifanc i drafod y materion sy'n effeithio arnynt hwy;
- Rhoi adborth a'r wybodaeth ddiweddaraf am gyfraniadau pobl ifanc i'n gwaith.

**Byddwn ninnau'n disgwyl i bobl ifanc:**

- Gymryd rhan yn ein gwaith a rhoi barn onest inni;
- Deall y gall gymryd llawer o amser i newid pethau ar ôl i rywun fynegi ei farn;
- Parchu safbwyntiau eraill a deall mai democratiaeth yw'r Cynulliad ac mae'n rhaid inni felly ystyried mwy nag un safbwynt.

## Children and Young People Engagement Charter

**The children and young people of Wales have said:**

- Speak to us,
- Listen to us, and
- Take us seriously.

On this day, 16 July 2014, the National Assembly for Wales commits to making sure that every child and young person in Wales has the opportunity to contribute to our work.

**We will do this by:**

- Reaching out and encouraging participation;
- Helping young people to debate the issues that affect them;
- Providing feedback and updates on young people's contributions to our work.

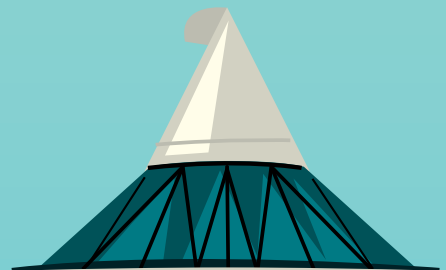
**In return, we will expect young people to:**

- Participate in our work and give us their honest opinion;
- Understand that it may take a long time to change things after they have had their say;
- Respect the views of others and understand that the Assembly is a democracy so we must take more than one view into account.



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



## Votes@16?

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One of the major strands of youth engagement work has been the Vote@16? national conversation, launched by the Presiding Officer on the 25<sup>th</sup> anniversary of the United Nations Convention on the Rights of the Child on 20 November 2014. This six month campaign, which has taken place against the backdrop of wider UK constitutional changes, asked 11 to 25-year-olds in Wales for their views about lowering the voting age to 16. We have had a tremendous response, with over 10,000 young people taking part in the consultation through a range of methods, including the dedicated young people's website, **[www.yourassembly.org](http://www.yourassembly.org)**; at youth group meetings attended by the Education and Outreach teams and by using specially created information packs to allow young people to hold the debate themselves. Work has also been undertaken with Assembly Members to gather the views of young people via video and photo evidence.

Here are a sample of young people's views on the subject of lowering the voting age:

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"If you are old enough to leave home, work or have a child, you should be able to have a say in the way the country is run."

"People need to be educated before they are expected to vote."

"Democracy is upheld by citizens playing their part as equally as politicians and legislation doing their part."

"For every voice to be heard, voices need to be used."

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The UK Government's St David's Day Announcement in February 2015 signalled that the Assembly will in future have the power to legislate to lower the voting age. The Assembly will hold a youth day in July 2015 to consider the evidence and consultation results and discuss what should happen next.



## EDUCATION AND YOUTH ENGAGEMENT

We continued to see large numbers of young people from across Wales this year – sharing knowledge about the Assembly’s work and how young people can get involved.

**203**

EDUCATIONAL  
ACTIVITIES  
AT THE ASSEMBLY

**6,201**

STUDENTS IN  
ATTENDANCE



**297**

EDUCATION  
OUTREACH  
ACTIVITIES

**9,998**

STUDENTS IN  
ATTENDANCE

**20**

YOUTH  
ENGAGEMENT  
ACTIVITIES

**559**

YOUNG PEOPLE  
PARTICIPATED

**29**

YOUTH  
ORGANISATIONS  
PARTICIPATED



**42**

MEETINGS WITH  
YOUTH GROUPS

## SOCIAL MEDIA

Over the past year, we have been keeping in touch with more people and providing interesting content through all our online platforms.

OUR TWITTER FOLLOWERS  
HAVE INCREASED BY

**13,555**



AVERAGING

**600**

NEW

FOLLOWERS  
A MONTH

**36**

TWITTER FEEDS  
REACH OVER  
**30,000**  
PROFILES



WE NOW HAVE OVER

**50**

CHANNELS ACROSS MULTIPLE  
SOCIAL MEDIA PLATFORMS



OUR FACEBOOK  
LIKES HAVE  
INCREASED BY

**35%**

WE NOW HAVE

**3000**

LIKES OVER 5  
FACEBOOK PAGES



THE NUMBER OF VIEWS ON OUR  
YOUTUBE CHANNEL IS NOW OVER

**75,000**

THAT'S THE EQUIVALENT OF

**70**

DAYS' WORTH OF  
VIDEO VIEWING

## Developing an online dialogue with our audiences, reaching out and making a difference with social media

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We have continued to deliver social media content in line with the Commission's social media policy and strategy, presenting information in an open, accessible and interesting way, with the needs of our audiences tested regularly. Our innovative use of social media is something we are proud of and that is admired by parliamentary colleagues and other public sector organisations.

Social media is not something we do in isolation, but is part of a spectrum of engagement activity. As such, there has been rapid growth in the use of social media as a means of informing people about the work of the Assembly, but also as a way of engaging with as wide and diverse sections of the public as possible.

- The Assembly now has over 50 channels in both official languages across many different social media platforms, widening the reach of Assembly business considerably by connecting with different audiences.
- With 36 Twitter feeds, we have been able to increase our reach to over 30,000 profiles.
- We use social media to alert people to key Assembly business such as debates in Plenary and First Minister's Questions.
- The majority of English and Welsh Twitter feeds are seeing increases in followers every month with the @yourassembly and the Health and Social Care Committee's @seneddhealth accounts climbing to over 1,600 and 1,200 followers each.
- The main @AssemblyWales corporate Twitter account is growing at a fast rate, with over 28,000 followers and averaging 600 new followers a month.
- There are now five established Assembly Facebook pages with over 3,000 'likes' combined and continuing to grow.
- Videos on the Assembly YouTube channel have gathered over 75,000 views – the equivalent of 70 days' worth of video viewing.
- One of the most successful social media campaigns during 2014 was #1000Plenary. To celebrate the 1000th Plenary meeting on 8 October 2014, we contacted parliaments throughout the UK, the Welsh Government and other organisations to advise them of the event and encourage them to use the hashtag #1000Plenary. The results were dramatic and in less than 24 hours, the reach of the hashtag was over 405,000, making it one of the Assembly's most successful online campaigns in a small timescale.
- Another innovative social media exercise saw a Twitter campaign inviting questions for the Presiding Officer which she then answered in short videos posted on YouTube. This allowed audiences to engage with the Presiding Officer in a new way, as they could watch a video of her directly answering their questions.

## Other innovations

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Blogs have become an increasingly popular and effective way to share information. Using a less formal voice on the National Assembly for Wales' blog allows us to talk about the work of the Assembly in a more accessible way, to an audience who may not be familiar with certain terminology or processes. With nearly 200 posts and 13,000 views to date, it also provides an opportunity to promote the Assembly's work to a range of interested parties who engage with us online.

The Research Service blog *In Brief/Pigion* is also proving to be a popular, effective and resource efficient way of producing short, engaging topical articles. Articles are aimed at Members and their staff and primarily linked to the business of the Assembly, but feedback and viewing figures tell us that they are of interest to a wide range of stakeholders, organisations and individuals, so contributing to wider political debate in Wales. Viewing figures have grown rapidly since the blog's launch in October 2013, with 65,200 views of the English blog and 6,003 of the Welsh blog. Some of the most re-tweeted blog articles have included maps and infographics showing budget and financial information and topical issues in a more engaging, visual graphic format.

The new, more efficient Senedd.tv platform, launched in September 2014, provides further opportunities to promote the work of the Assembly. It allows users to watch, pause and replay live broadcasts on different devices including tablets and smartphones. Users can also choose their own clips of meetings – by start and end time, or by a specific agenda item – which can be easily shared with others via social media and email, or embedded into other websites. The launch of Senedd.tv has attracted new people to the service and the viewing figures are far higher than previously.

The launch of the Assembly's bilingual mobile app in March 2015 at the TEDx reception held in the Senedd adds another online method for people to find out more about what is happening in the Assembly. Launching the app, Peter Black AM, the National Assembly Commissioner with responsibility for ICT, broadcasting and e-democracy, said:

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“With more of our users than ever before viewing our content on mobile devices, including nearly 60 per cent of videos watched on our YouTube channel, the creation of this new app is a natural progression in our online engagement activity.”

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The Assembly was one of the first organisations to take the top-level .wales/.cymru internet domain names for Wales, marking one of the biggest changes to the internet landscape in Wales since the launch of the worldwide web in 1989. This historic move and the successful migration of 120,000 pages and 100,000 documents on the Assembly's website to the new SharePoint platform provided an opportunity to rethink and refresh the structure and content plan for all Assembly websites. The website is now more mobile-friendly and easier for users to search and find out what goes on in the Assembly, whilst offering significant savings on maintenance and hosting costs.

## Informing debate

Since its launch in 2013, the Research Service blog In Brief/Pigion has continued to grow as a source of trusted and topical information for Assembly Members and other stakeholders, informing debate across Wales.



# 423

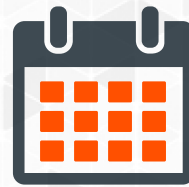
BLOG POSTS

# 71,203

TOTAL VIEWS ACROSS ENGLISH AND WELSH BLOG

THE BUSIEST DAY FOR IN BRIEF WAS

# 24 APRIL 2015



IT WAS VIEWED

# 703

TIMES

 THE FIVE BLOG POSTS ON *IN BRIEF* WITH THE GREATEST NUMBER OF DIRECT CLICKS ARE:

General Election 2015: The battleground in Wales	<b>969</b> VIEWS
Obesity Levels in Wales	<b>886</b> VIEWS
The Welsh language and legislation – the latest position	<b>642</b> VIEWS
New figures for youth unemployment and young people not in education, employment or training released	<b>460</b> VIEWS
Drive time to major A&E hospitals	<b>456</b> VIEWS

 THE FIVE BLOG POSTS ON *PIGION* WITH THE GREATEST NUMBER OF DIRECT CLICKS ARE:

Y Gymraeg yn deddfwriaeth - y sefyllfa Diweddaraf	<b>129</b> VIEWS
Etholiad Cyffredinol 2015: y frwydr yng Nghymru	<b>108</b> VIEWS
Cyhoeddiad Newydd: Amseroedd aros rhwng Atgyfeirio a Thriniaeth yn y GIG Awst 2014	<b>64</b> VIEWS
Bwrw Mlaen – I'r cyfeiriad cywir er budd y Gymraeg?	<b>46</b> VIEWS
Adolygiad Donaldson: Ei feirnidaeth a'i weledigaeth	<b>37</b> VIEWS

## Taking the Assembly on the road with #SeneddWrexham

The Assembly's Events team held a successful engagement week in Wrexham during March 2015. #SeneddWrexham was a trial initiative to take the Assembly on the road and to relocate some of its activities to demonstrate how the Assembly works for the whole of Wales.

The event consisted of a pop-up Assembly in several locations across Wrexham, delivering outreach and engagement workshops to local organisations, youth engagement workshops with youth groups and educational sessions with schools in the local area. In addition, we also delivered a series of events that raised awareness of the Vote@16? national conversation and the Presiding Officer's Women in Public Life and Democratic Deficit initiatives.

Over the course of the week, Assembly staff spoke directly to over 2,000 people and saw considerable coverage in the local press. People who visited the stand and attended the various events throughout the week reacted positively to the Assembly's presence in Wrexham. A number of those who visited the bus and attended events said they felt that such initiatives tackled the perceived 'north/south' divide and showed how the Assembly's work directly affects people in north Wales.

rychioli chi?

you?



Mae Aelodau'r Cynulliad yn eistedd ar bwyllgorau hefyd. Grwpiau bach o Aelodau yw'r pwyllgorau, ac maen nhw'n ystyried yr hyn y mae Llywodraeth Cymru yn ei wneud am faterion penodol. Yna, maen nhw'n awgrymu sut y gall wella pethau.

I gael gwybod beth mae Aelodau'r Cynulliad yn gweithio arny'n nhw ar hyn o bryd, ewch i: [www.cynulliadcymru/pwyllgorau](http://www.cynulliadcymru/pwyllgorau)

Assembly Members also sit on committees. Committees are small groups of Assembly Members who look at what the Welsh Government is doing about certain issues.



## Addressing the democratic deficit – engaging with local community journalists

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The Presiding Officer has sought to tackle the gap in coverage of Welsh political life in the media through the Democratic Deficit campaign, launched in 2013 in a speech at the Royal Television Society annual Welsh lecture. Several events held throughout this year have created opportunities for us to engage with developing media to enhance reporting of the Assembly's work and attract potential new audiences.

In an event unique to any of the UK parliamentary bodies, the Assembly hosted a hyperlocal news day in October 2014, in partnership with Cardiff University's Centre for Community Journalism. Welsh hyperlocal and community journalists were invited to the Assembly for the day to report on how to make the Assembly's work more relevant to their local community, with a similar event held with community journalists in north Wales as part of the #SeneddWrexham week of events in March 2015.

These events with community journalists are the start of a process aimed at engaging new audiences in the work of the National Assembly for Wales.

There was great support for both events across social media and the stories produced on the day can be viewed here: <http://democraticdeficitwales.tumblr.com/>

## Campaigning for Women in Public Life #POWiPL

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The Presiding Officer's Women in Public Life campaign, now in its fourth year, has engaged women from all age groups and backgrounds to raise awareness about the need for more women to apply for and take up public roles and appointments.

Increasing women's parliamentary representation is one element of the campaign and this year saw the establishment of the Women in Democracy Caucus. Chaired by the Presiding Officer and made up of a cross-party group of Assembly Members, the Caucus set out to find and share best practice from other parliaments around the world on how to increase women's parliamentary representation. In March 2015, the Caucus published its report with ten recommendations outlining actions to tackle some of the barriers that women face in terms of entering public office.

In another notable achievement for the campaign, three out of the fourteen mentees who received training as part of Women in Public Life Development Scheme have successfully applied for positions in public life and another two are standing for elections, one for the Assembly election in 2016 and one for town council elections.

#POWiPL events have been held on the Assembly estate, including one to mark International Women's Day 2015, when the Senedd was lit up in purple lights as part of the global #PaintitPurple campaign to raise awareness of issues still surrounding gender equality. We also held a #POWiPL event in Wrexham as part of the #SeneddWrexham week of events in March.

# INTERNATIONAL VISITS

The Assembly has hosted a range of delegates from around the world, as well as undertaking visiting to our counterparts to promote Wales and the Assembly.



## Visits to the Assembly – April 2014-March 2015

<b>Ireland</b> 7 -11 April 2014	<b>India</b> 8 May 2014	<b>Namibia</b> 9 May 2014	<b>Mexico</b> 14 May 2014	<b>Greece</b> 14 May 2014	<b>Canada</b> 20 May 2014
<b>Jamaica</b> 20 June 2014	<b>India</b> 25 June 2014	<b>Germany</b> 26 June 2014	<b>Belarus</b> 2 September 2014	<b>Bangladesh</b> 11 September 2014	<b>New Zealand</b> 2 October 2014
<b>Italy</b> 16 October 2014	<b>Namibia</b> 21 October 2014	<b>Ireland</b> 27 October 2014	<b>Croatia</b> 12 November 2014	<b>Hungary</b> 19 November 2014	<b>USA</b> 25 November 2014
<b>Canada</b> 15 January 2015	<b>Fiji</b> 2 February 2015	<b>Netherlands</b> 10 February 2015	<b>Japan</b> 25 February 2015	<b>Latvia</b> 26 February 2015	<b>India</b> 10 March 2015
<b>France</b> 17 March 2015					

## Visits to other countries – April 2014-March 2015

<b>Ireland</b> 1 April	<b>Spain</b> 12 June	<b>Belgium</b> 20 June	<b>Belgium</b> 16 August	<b>Iceland</b> 17 September	<b>Belgium</b> 19 October
<b>Canada</b> 25 October	<b>Gibraltar</b> 6 February	<b>Cyprus</b> 24 May			



## Promoting Wales around the world

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The Commission acts as an ambassador for Wales in the wider world, ensuring that opportunities are maximised to promote Wales and the work of the Assembly in the UK and abroad. At European level, the Assembly has continued to play a positive role in engaging with the EU policy and law-making process on key areas of interest to Wales.

2014 was a year of transition in the EU Institutions, with a new European Parliament, new European Commission and European Council President, while in January 2015 a new Committee of the Regions mandate began. The Deputy Presiding Officer met with all four Welsh MEPs during the autumn to discuss engaging them effectively in the Assembly's work, and a number of Assembly committees have held evidence sessions with Welsh MEPs, including the Enterprise and Business Committee during its inquiry into EU funding opportunities 2014-2020.

Assembly committees have also sought to develop a 'legislature to legislature' dialogue with the European Parliament to influence new EU legislation. In an excellent example of this, the Chair of the Health and Social Care Committee, David Rees AM, was invited to participate in a stakeholder event organised by the European Parliament's UK Office in London to share the Committee's key findings from their inquiry report into New Psychoactive Substances.

David Melding AM, as Deputy Presiding Officer and Chair of the Constitutional and Legislative Affairs Committee, represented the Assembly at the two meetings of the EC-UK Forum during the year. This forum brings together the Chairs of the European Committees (or equivalent) of the UK and devolved legislatures to discuss relevant issues on the EU agenda.

In their roles as the Assembly's representatives on the Brussels based Committee of the Regions (CoR), Mick Antoniw AM and Rhodri Glyn Thomas AM have both been particularly active. Mick Antoniw has been heavily involved in the Committee's response to the Ukrainian crisis, holding a bilateral meeting with the Deputy Vice-Prime Minister of the Ukraine, and speaking on behalf of his political group during the plenary session debate in Brussels in April 2014. He also visited the Ukraine as part of a high-level political CoR delegation, meeting with the Ukrainian Prime Minister.

Rhodri Glyn Thomas chaired a seminar at the Open Days Week of the Regions in October 2014, which focused on the role of European Investment Bank funding in supporting regional and local investments. This seminar was a follow up to his report on this topic adopted at CoR plenary in January 2014.

In March 2015, both were appointed as CoR rapporteurs under the new mandate: Mick Antoniw's report is on Standards of Remuneration in Employment; and Rhodri Glyn Thomas' (the fourth since becoming a member in 2010), is on Developing the Potential of Ocean Energy.

The EU Office and the Research Service have continued to produce publications to support Members' work on EU issues, including the EU Weekly Update, EU Policy Updates and blog posts, and making effective use of the @SeneddEurope Twitter feed. Much of this content is finding a wider readership among stakeholders and the wider public in Wales as it aims to raise awareness of key priorities for

Wales, explaining their relevance and potential impact, as well as tracking dossiers through the EU decision-making process.

The quality of these outputs has been recognised externally. A joint Research Paper on implementation of Common Agricultural Policy in the UK and Ireland, prepared by the respective research services of the four UK parliaments and assemblies and the Irish Houses of the Oireachtas, was shortlisted for a Communicating CAP 2014 Award by the European Commission.

Throughout the year, the Presiding Officer, Assembly Commissioners and Assembly Members have represented the institution and participated extensively in the work of international networks and fora, including the Commonwealth Parliamentary Association (CPA), the British Irish Parliamentary Assembly (BIPA) and the Conference of European Regional Legislative Assemblies (CALRE). Through continuing high profile work to promote Welsh democracy to international audiences, the Assembly is seen increasingly as a distinct, innovative and progressive international legislature.

In May 2014, the National Assembly for Wales' Branch of the CPA hosted the British Isles and Mediterranean Regional (BIMR) Conference at the Senedd. The conference theme was Equality of Access to Democracy, reflecting some of the strategic priorities of the Presiding Officer and Assembly Commission. Participants took part in sessions on enhancing the participation of women in public life and democracy; bilingualism and the role of official languages in Parliament, and engagement of young citizens in the democratic process.

This was the first time the Assembly had hosted this prestigious conference since 2002, attracting over 50 delegates from 15 UK and international legislatures. Feedback was overwhelmingly positive, reflecting the success of the conference as a whole.

## British Isles and Mediterranean Regional (BIMR) Conference

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The Isle of Man Branch congratulated the Commission on the **"...friendly efficiency with which all arrangements were made...Your welcome has set everyone else a hard standard to emulate.... Cardiff Castle was a special treat, but the setting of the dinner in the Senedd was magnificent and we were honoured to be part of the first group to dine there as well as to use your Chamber"**

Andrew Tuggey, Secretary and Chief Executive to the CPA UK/BIMR described it as **"An excellent conference, ran like clockwork, innovative, novel and... quite the warmest conference I have attended in the CPA BIMR – the CPA Wales Team have set a very high benchmark"**

The Scottish Parliament said: **"Congratulations on a great conference last week... thoroughly enjoyed it and the organisation was excellent. I know that you and your colleagues must have put a great deal of time and effort into the organisation of the conference and it really paid off!"**

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Assembly Commissioner Peter Black AM represented the Presiding Officer and gave a presentation of the Assembly's work at the CALRE Working Group on e-democracy in Seville in June 2014 and the Presiding Officer hosted this year's CALRE Working Group on Gender Equality in June this year.

There have also been a number of successful international visits. In October 2014, the Presiding Officer led a delegation, accompanied by Assembly Commissioners, on the first official visit to Canada, attending meetings at the Federal Parliament in Ottawa and visiting the Legislative Assembly of New Brunswick. To mark the 20<sup>th</sup> anniversary of the Srebrenica genocide in April 2015, Deputy Presiding Officer David Melding AM led a delegation, accompanied by Assembly Commissioners, to Bosnia Herzegovina, as part of the Lessons from Srebrenica education programme. We have also welcomed international delegations and diplomats representing Fiji, India, Mexico, Greece, Germany, Italy and France, as well as a visit in October 2014 by Irish President, Michael D. Higgins.

Recognising the importance of playing an active role in the development of parliamentary democracy overseas, the Commission gave their backing to our Director of Assembly Business in a secondment opportunity to provide expert advice to parliamentary strengthening programmes in Egypt, Jordan and elsewhere in the Middle East and North Africa. Having now returned to the Assembly, he continues this work part-time, helping the development of democratic systems of government overseas and raising the profile and influence of the Assembly in the process.

## **International commemorations**

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The Presiding Officer and Party Leaders took part in international commemorations this year, visiting Flanders to attend the Service of Dedication of the new Welsh National Memorial in Pilckem Ridge, Langemark, where the Presiding Officer laid a wreath on behalf of the Assembly.

The Presiding Officer and Assembly Commissioners Sandy Mewies AM and Rhodri Glyn Thomas AM, attended a special commemoration in Flanders at the invitation of the President of the Flemish Parliament Jan Peumans. The Deputy Presiding Officer, David Melding AM, also led a cross party delegation of Assembly Members, as part of the British-Irish Parliamentary Assembly (BIPA) Conference visit to Flanders. During the visit, he laid wreaths at the Welsh Memorial in Langemark and at the Menin Gates in Ypres.





# Using resources wisely – a strategic review

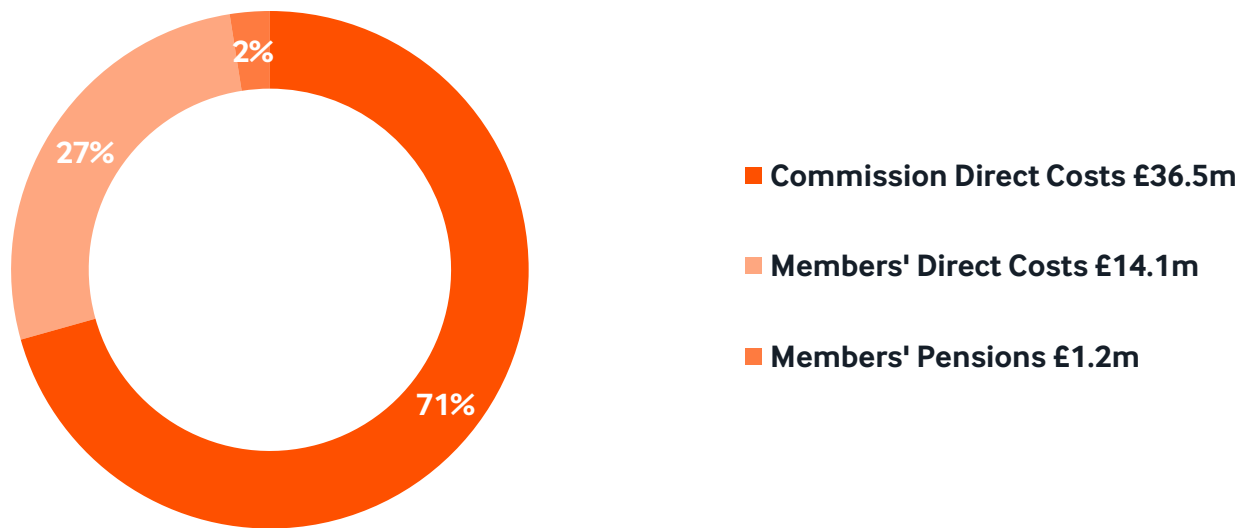
## An efficient and effective budget strategy

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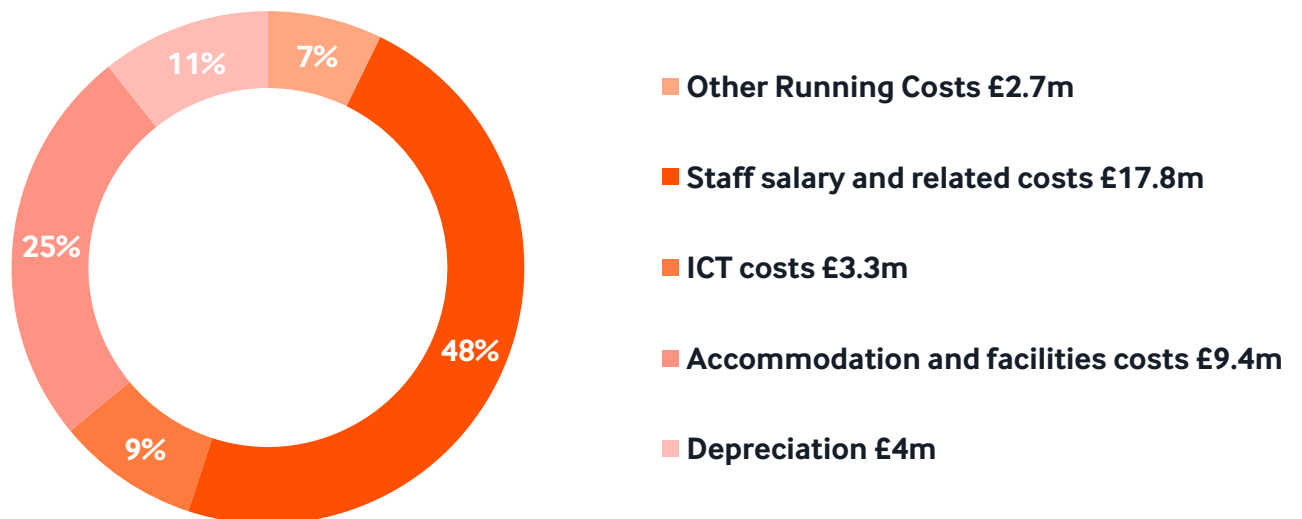
The Commission has taken a strategic approach to budget planning, with a budget strategy for the full duration of the Fourth Assembly and multiple year budgets. In 2011, the Commission set a clear three-year budget strategy for enhancing the capacity and capabilities of Assembly services to deliver the Commission's strategic goals: in support to Members and their new legislative responsibilities; in the estate as a venue for Wales; in communications and technology; and in how the Assembly works as an efficient corporate body. Detailed plans underpin the budget strategy allowing us to take a long-term view of spending requirements. This approach has delivered greater clarity, transparency and consistency.

The Commission has ensured sufficient financial resource is available through its robust annual budget process. This results in a final budget presented to Assembly Members every autumn following scrutiny by the Assembly's Finance Committee. The 2014-15 budget was approved in Plenary on 20 November 2013. It covered three separate funding streams for which the Chief Executive and Clerk of the Assembly is accountable (see figures 1 and 2). In July 2014, the Commission was also invited to give further evidence to the Finance Committee about its work in delivering the ICT service transition and bilingual services. We are very proud of our achievements and the staff commitment that has enabled us to deliver these flexible, tailored services with less financial resource.

**Figure 1: 2014-15 Revised Budget**



**Figure 2: 2014-15 Commission direct costs**



The Commission's focus has been to increase efficiency whilst securing value for money, supported by strong governance and financial management processes. This allows for continuing innovation and improvement to the quality of services to Members and the public, while delivering our commitment to work within public sector funding constraints. The Commission will be facilitating a smooth transition to the next Commission by having financial management strategies in place for resourcing in the Fifth Assembly.


































## Transparency, accountability and assurance

We publish regular Corporate Performance Reports. These include Key Performance Indicators on service delivery, budgetary performance, governance and assurance, demonstrating the Commission's commitment to operating in an open and transparent manner. The reports give a breakdown of performance against detailed measures and targets, comparisons to earlier periods and narrative commentaries to set the context and explain any concerns, such as gaps between performance and expectations. The traffic-light overview gives a clear indication of overall performance.

### Corporate Performance Measures – summary of achievement against strategic goals

		April 2013 - March 2014	April 2014- March 2015	Comment
<b>Providing outstanding parliamentary support</b>				
1	Member Satisfaction	 amber	 green	Members increased scores for the ability to work in their language of choice have contributed to this improvement.
2	Timeliness and Service Delivery	 green	 green	Consistently high performance on timeliness of issuing committee papers, research briefings, Record of Plenary and committee transcripts.
3	Professional Development	 green	 amber	A slight decrease over the year in the number of AMs and AMSS engaging more than once in CPD accounts for the change; however there was an increase in Jan-Mar 2015. Work is underway on an evaluation and on CPD plans for the Fifth Assembly.
4	Progress on Corporate Plan Priorities	 green	 green	Further progress towards world class committees. Upgraded technology has improved access to information and proceedings. Efficiencies realised from use of improved translation tools.
<b>Engaging with the people of Wales and promoting Wales</b>				
5	Member Satisfaction	-	 amber	Score of 6.7 against a target of 8 This is a new measure with no comparator from previous surveys. The Commission has agreed full plans on engagement for the remainder of this Assembly.
6	Engagement at the Assembly	 green	 green	Visitor numbers have been maintained and visitor satisfaction levels have improved (90% good/satisfactory ratings).
7	External Profile of the Assembly	 green	 green	Significant increases in social media interactions, particularly for Twitter, YouTube and Senedd TV.

		April 2013 - March 2014	April 2014- March 2015	Comment
8	Progress on Corporate Plan Priorities (better engagement)	 green	 green	Good levels of engagement with Assembly business, particularly with young people and for committee work. Significant increases in social media interactions.
<b>Using resources wisely</b>				
9	Member Satisfaction	 green	 green	Improved scores across each category with significant increases to ICT scores.
10	Budgetary Performance	 green	 green	Strong position delivering an under spend of £64k or 0.1% of the budget. Annual savings target achieved during December.
11	Staff	 amber	 amber	Sickness absence rate is at 3.3%, just over its target of 3% or less. Reasons for absences are being analysed and addressed.
12	ICT Customer Service	 amber	 amber	Overall achievement of SLA targets for incident handling was down due to temporary staff shortages now resolved. Customer satisfaction score remains high.
13	Governance	 green	 green	Payments remaining within target times. Improvement in % FOI requests answered to deadline (94% against a target of 100%).
14	Sustainability	 amber	 green	New target of reducing energy emissions by a further 30% by 2021 have been introduced.
15	Progress on Corporate Plan Priorities (making the most of the estate)	 green	 green	Priorities in Forward Investment and Maintenance Plan completed.

## Key



**RED:** There are significant issues impacting the achievement of business objectives. To achieve delivery, changes must be made to timing, costs, and/or scope.



**AMBER:** There are issues or risks which must be addressed. However, successful delivery is achievable without major impacts to budget, service standards, or target dates.



**GREEN:** Work is meeting agreed standards or is proceeding to plan. All known risks are being managed.

Challenge and review for all resource decisions is undertaken by the Investment and Resourcing Board. The Board, which has been operating since 2012 as the decision-making body for resourcing in the Assembly, meets fortnightly and is chaired by the Chief Executive and Clerk of the Assembly. Throughout the financial year, the Board balances the availability of funds with the needs of projects and services over multiple years to ensure its investment in the Assembly is properly scrutinised, prioritised and managed.

The work undertaken by the Investment and Resourcing Board during the year included:

- Reviewing the budget, expenditure and commitments;
- Scrutinising business cases seeking investment funding to ensure value for money. Some examples include: the future broadcasting services contract; telephone system replacement; public address system replacement; IT server farm re-cabling; installation of additional automatic door controls in Tŷ Hywel; refurbishment of the Pierhead Seminar room; conference room refurbishment; office blind refurbishment; ICT Infrastructure and software improvements; mobile interpretation facility to support the Assembly in the community; installation of PIR lighting and LED light fittings; Security barrier at Tŷ Hywel car park and fire alarm and CCTV integration.
- Deciding on the relative priorities for investment and agreeing the allocation of investment funds;
- Overseeing the annual capacity planning exercise;
- Reviewing and approving/rejecting business cases for all recruitment activity;
- Providing governance for significant change initiatives and projects;
- Prioritising projects and change initiatives where investment funding is required;
- Agreeing the appointment and remit of senior responsible owners and project managers for significant Assembly projects and change initiatives;
- Overseeing the contracts register and procurement plans.

The Commission has established strong assurance arrangements to ensure that we deliver on our obligations to stakeholders and achieve our strategic objectives, including the appropriate management of the budgets agreed for the Commission by the Assembly. Our Assurance Framework, praised by the Audit and Risk Assurance Committee and by our auditors, outlines the way in which the Commission's management obtains their assurance that internal controls are working effectively.

## An example of how Investment and Resourcing Board provides challenge and review for resource decisions

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The Building Management System (BMS) for Tŷ Hywel is a computer system which centrally controls the heating system, air conditioning, ventilation systems and alarms for critical systems. The existing BMS was commissioned 22 years ago and had exceeded its operational life. Replacement of the BMS was identified in the 10 year Forward Maintenance Plan, drawn up for the Commission by independent experts, as a capital replacement requirement.

The Board considered the business case to replace the BMS in July 2014 and agreed the final costs in December. They reviewed three options: remaining with the existing BMS, extending the BMS installed in the neighbouring Senedd building; or purchasing and installing a new BMS.

In reaching their decision, the Board weighed up evidence on:

best value for money over the expected lifetime of 10 years or more;

benefits including the potential to reduce operational and energy costs, energy consumption and maintenance costs;

reliability and effectiveness of the environmental controls;

potential to help manage the working environment and contribute to improving our position as a green and sustainable organisation.

The Board also examined the procurement and project management arrangements and received assurance that there would be an open market tender exercise. They approved the business case and called for exact costs to be confirmed following the receipt of competitive tenders. Specialists were engaged to assist with the development of the specification and analysis of tenders. Following receipt of competitive tenders, the highest quality, lowest cost tender was for £348,122 (including VAT and fees).

At their review in December 2014, the Board checked that the proposed system would fully meet the requirements of the tender specification and deliver the benefits identified in the original business case. The Board agreed funding from the 2014-15 budget, and determined that the work should take precedence over other calls on investment funding for the financial year. The system was delivered on time and within budget.

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## Fraud incident

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In February 2014, the Commission was regrettably the victim of a fraud in which criminals used deception to breach our governance processes and controls resulting in erroneous payments to them of £104,000. It was a deception that is the subject of a criminal investigation wider than the Commission's case. When the fraud was detected, the Commission's Fraud Response Plan was implemented and all key stakeholders were informed. In addition, a detailed review was started straight away that provided assurance, confirmed by the Wales Audit Office, that the incident was an isolated one and that there was no internal wrong-doing. Commission's officials continue to work with the police to bring the culprits to justice. Any breach resulting in the loss of public funds is unacceptable. Going forward, we are confident that we have robust controls and governance arrangements in place and that our processes are fit for purpose. Further details are set out in the Statement of Accounts.

## Achieving value for money

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The Commission believes that securing value for money (VfM) is essential and VfM targets have been a feature of budget management every year. In March 2015, an internal audit report concluded that:

“the Assembly Commission has a well-developed value for money culture in place and this culture is embedded throughout the organisation.”

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We aim to ensure that every pound spent in supporting the Assembly represents good value for money and that resources are used in the most appropriate way to deliver effective services to the Assembly and the people of Wales. We have had three priorities:

- improving management information to better understand the activity and costs associated with Assembly services and what drives those costs;
- simplifying processes and how we work in order to maximise the effectiveness and efficiency of Assembly services and make even better use of resources;
- maximising the benefits and cost savings from procurement and robust contract management.

We have saved £4.6million since the beginning of the Fourth Assembly. Savings initiatives since 2011, included: combined in-year savings, cash releasing savings and the windfall from rates rebate which was returned to the Welsh Government through a supplementary budget.

Since 2012, we have set a savings target in each year of £500k. We achieved the target for 2014-15 by November 2014 and delivered £584k of new savings by the end of the year. A key challenge for the Commission is delivering a greater percentage of recurring savings to provide opportunities for sustaining our investment and continuous improvements whilst minimising the impact on the public purse. Until this year, most of the savings had single year impact as they consisted of staff vacancies. We are now achieving a growing percentage of savings that reduce our operating baselines for more than one year. In 2013-14, 43 per cent of the target was delivered through recurring savings and in 2014-15 this is now 60 per cent. An example of this is the procurement work where we delivered more procurement savings in 2014-15 than the previous two years put together.

In addition to these procurement figures, the most significant efficiency savings have come through changes in the Commission’s ICT service, with the move from an externally provided service to in-house provision. This has similarly reduced the baseline costs of the ICT service and made resources available to invest in improvements to infrastructure and business systems in support of Assembly Members and the Commission.

## Continuous improvement in efficiency

Our aim is to strive continuously for better value for money without compromising on the quality of services we deliver, or on our ability to be innovative in the support provided to Members. Our focus on efficiency is important so that we achieve the best possible value from the public money that we spend.

Our procurement efforts have focused on ensuring that goods and services are procured in an efficient, sustainable and environmentally and socially responsible manner. The emphasis is also on sourcing goods and services that deliver the quality and value for money that Members and the public have the right to expect. Particular support and encouragement is provided to potential suppliers that are small and are based in Wales. We currently have 49 contracts, each with a value in excess of £25k. These are re-tendered every 3 – 5 years.

The procurement savings achieved over the last three years are shown below. All of last year’s savings were cash releasing and, all came from ICT contracts. The increase in savings for last year is largely due to the new telephony solution being implemented. Once this is rolled out, and having taken into account implementation costs, we will be paying 72 per cent less than previous years.

### Procurement savings achieved 2012-15

Measure	2012-13	2013-14	2014-15
Contracts awarded	7	12	12
Savings to date	£83,563	£283,209	£557,126

We will be introducing a supplier development programme for those key suppliers who have staff working alongside Commission staff on our estate – broadcasting, facilities management, cleaning, and catering. The aim is to drive better efficiency and value for money from these contracts, encourage innovation and promote our organisational values. We want these suppliers to support our core values especially in the areas of equality, diversity and sustainability.

In terms of energy efficiency, the Commission has made good progress in reducing its carbon footprint and has made changes, reducing both consumption and emissions. This year, we reached a key milestone in our continued efforts to cut the carbon emissions from our estate’s most significant impacts. We concluded our Carbon Management Plan in December 2014, having achieved a 35 per cent reduction in energy emissions and 4 per cent reduction in business travel emissions compared to the 2008-09 baseline. To put this in a financial context, our annual cost for electricity for the first three years of the Fourth Assembly has increased by 9 per cent while our consumption in Kwh has reduced by a similar factor. Without the action taken, our costs would have been £20k higher over the

period. Managing our energy usage has enabled us to manage our utility budgets more effectively against a trend of annually increasing utility costs.

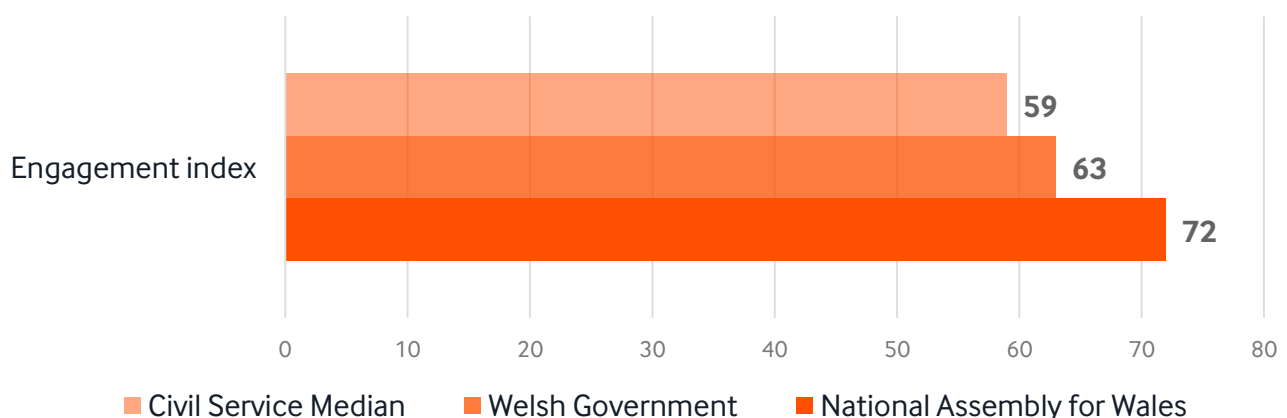
In 2015-16, we will be maintaining the focus on efficiency by undertaking a business efficiency review to provide assurance that what we do is fit-for-purpose and cost effective and to challenge us to increase that efficiency still further. As a first step, we are setting a VfM target based explicitly on service and contract savings. We expect the business efficiency review to result in a more comprehensive approach that will reinforce the commitment to efficiency and excellence in all aspects of the Commission's work, as well as providing a broader range of evidence of efficiency achievements in projects and programmes, business change, service delivery and in procurement and contract management. This will be supported by careful prioritising of investments and robust cost control disciplines. We also envisage introducing additional independent or external validation and benchmarking.

## Building a strong, integrated workforce

The Assembly continues to attract a range of prestigious awards. In 2014, we were listed as a Working Families Top 30 Employer and in The Times Top 50 Employers for Women. We improved our position in Stonewall's Top Employers for LGB people, now ranking 4th in the UK (up from 11th place last year). For the second year running, we were named Top Public Sector Employer in Wales and for the first time, we achieved the National Autism Society Access Award. We also retained our commitment to the Positive about Disabled People and Age Champion campaigns, the Action on Hearing Loss Louder than Words charter mark, and our Investors in People Gold Standard.

In December 2014, an Investors in People (IiP) specialist carried out an interim review to check whether we are on track to maintain our IiP Gold status. The specialist's conclusions were very positive, reinforced by his encouragement to us to aim for IiP Champion status when our next assessment is due in 2016. No staff survey was carried out in 2014-15 but early analysis of the one conducted in May 2015 shows exceptionally high levels of staff engagement. 84 per cent of staff completed the survey, compared to 62 per cent for the Civil Service and Welsh Government (in 2014). The results show a higher Engagement Index than the other organisations and scores higher in Leadership and Managing change.

### National Assembly for Wales Engagement Index





The Commission's priority continues to be ensuring that consistently strong, integrated support is provided to meet the needs of individual Assembly Members and committees. This means continuously improving upon the high quality parliamentary services provided by Commission staff. We also need to plan and prepare for the future. We know that the volume and complexity of legislative scrutiny the Assembly is undertaking is increasing significantly and we expect it to become the norm in the Fifth Assembly. The natural conclusion of the increased pace of constitutional change and the implications for further devolution contained in the St David's Day Announcement, mean that the Commission will need effective workforce planning to ensure that the Assembly and its Members are properly supported in their work.

During the year, we introduced new annual business cycle activities to specifically address and identify the Commission's short to medium term resourcing needs and to assess options for meeting these, including the implications of changing ways of working and prioritising the use of existing resources. One of the key ways we do this is through the twice yearly capacity planning review where we consider changes to service plans and priorities for new development, identify risks and opportunities and assess the implications for the Commission's budget and resource needs. Effective challenge forms a significant part of this review process, which involves peer challenge, further review by Investment and Resourcing Board and oversight and assurance from the Audit and Risk Assurance Committee. Ultimately, the output of this exercise is integrated into the annual budget planning cycle and is reflected in the review of the Commission Strategy. To assist us in this work, the use of comparator benchmarking, baseline measures and measures of success is also being explored.

Through capacity planning we:

- review key skills and manage re-alignment in the workforce more strategically;
- future proof the skills mix of the workforce by ensuring that skills are aligned to new requirements;
- determine how many employees will be needed;
- manage employment expenditure by anticipating changes;
- provide information to predict and address peaks and troughs in supply and demand for specific skills;
- confirm plans to remove potential barriers to equality and bring about specific demographic improvements in line with the findings of the Commission's Annual Equality Report.

Changes this year within Human Resources (HR) have helped improve the level of support for Commission employees and managers. The HR and payroll system has been improved to automate core processes, and considerable effort invested to deliver a bilingual system that allows staff to work through their language of choice, which we understand to be a first for this system. There have been improvements to the recruitment authorisation process, case management and job evaluation support is more readily available, and changes to build stronger links between performance review and the competency framework are progressing well. We have developed a refreshed approach to welcoming new staff to the organisation with our corporate induction, work to review our corporate policies is underway, and Commission staff have been able to take up a range of secondment

opportunities (over 122 throughout the year), management development training and coaching and mentoring opportunities.

We were shortlisted as a finalist for Apprenticeship Awards Cymru this year, building on the success of our apprenticeship scheme launched two years ago. Our scheme provides opportunities for young people to earn while they learn and gain qualifications, and we work to prepare all apprentices to apply for suitable posts. Our second group finished their apprenticeship scheme in May 2015, and all six successfully achieved their NQF qualification in Business and Administration. Five of the six apprentices have found either substantive or temporary posts within the Commission, and all six are continuing to pursue opportunities following their apprenticeship with us.

## **Creating opportunities and efficiency in ICT services**

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The Future ICT Services Transition Programme was completed on time and under budget in July 2014. The vision was:

- to provide the Assembly and Commission with an ICT service specifically designed for its needs;
- to return control over investment and development to the Commission;
- to introduce flexibility and innovation into ICT solutions supporting the business;
- to do all of this within the existing ICT budget and, in addition, to release funds to deliver the ICT Strategy.

We are delighted that our efforts have achieved all elements of this vision and proud that the way in which the transition was planned, managed, governed and delivered has been recognised as an exemplar by external auditors and the Assembly Commission's Audit and Risk Assurance Committee. We gained a great deal of valuable learning from this 18-month journey and we are now regularly asked to share this with other organisations considering both outsourcing and insourcing of their ICT services.

Having full control over time, cost and delivery has provided the Commission with the capability and capacity to address new ways of working. We recognise that for Assembly Members and many of their staff, an office-centric way of working is far from ideal. Constituency offices have distinct needs that a one-size-fits-all service will not satisfy and being very mobile in Wales and being dependent on a very variable internet service can mean limited or no access to office-based information and applications. We will increasingly deliver applications and information via secure cloud services as this improves accessibility and resilience and over time, will reduce costs to the Commission. The network to constituency offices is being upgraded to improve services at lower cost and we have started a significant development to address the end-to-end lifecycle of Assembly information to improve the production, sharing, publication and archive of the Assembly's business.

In returning the ICT service in-house, we recognised the need for a different approach to providing the Assembly with the ICT applications. We therefore established an in-house applications management and development function and where we need additional expertise, we engage with Wales-based SME software specialists. This means, wherever possible, we no longer have to buy off-

the-shelf products which required significant configuration work by the supplier, at great cost and time, but which rarely fully met our needs.

Adopting an agile approach to development has already proven itself in the building of a replacement Plenary Business System, due for deployment in 2016. This approach has actively facilitated involvement by Members, Commission staff, our business analysts and applications experts to build and agree the application in incremental stages, ensuring we get what is needed at a fraction of the cost on the open market. We will continue this approach as the core methodology for future applications development.

As well as gaining greater flexibility, control and choice around ICT services, the financial benefits realised provide quantitative assurance of the Commission's decision to move provision in-house. In the financial year 2013-14 (the last year of the outsourced ICT arrangements), ICT Services cost the Commission £5m, of which £2.3m was directly paid to our outsourcing provider for the managed ICT service. By comparison, for 2014-15 (the first year of in-house operation), the outturn position shows a cost of £4.3m of which £545k was for contracted-out services. This £4.3m is the cost of the new ICT service including 43 staff delivering ICT support, broadcasting and audio-visual services, as well as direct support to Members and constituency office staff. During 2014-15, £0.4million was released from the ICT running costs for reinvestment into the Assembly ICT infrastructure; in previous years, such investment would have been funded from new money. This investment has improved the reliability and resilience of the ICT infrastructure and reduced future operational support and maintenance costs. The freedom to determine how to supply services has also delivered real benefits; for example, we have replaced the previous audio-visual equipment support contract with an in-house solution which has delivered savings of around £400,000 per annum and the replacement of the old telephony contract will save in the order of £180,000 per annum when completed in July 2015.

Looking forward, we will continue to provide flexible, cost-effective solutions, dictated by user needs. Flexibility will be the cornerstone of the ICT Strategy as we face the potential of an expanded Assembly which will require increased services.

## Enhancing the estate

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One of the Commission's strategic priorities is to make the most of our estate so that it reflects the Assembly's position nationally and internationally and positions the Senedd and the Pierhead at the heart of Welsh public life. To make sure we achieve this, the Investment and Resourcing Board endorsed a long-term investment plan for maintenance and refurbishment. This was developed for us by experts who reviewed the condition of all our buildings, equipment and plant, together with forecast lifespans and timetables for refurbishment and replacement. As a result, we have a schedule of the work required over a ten-year period, which we use to inform our investment decisions for the estate.

In addition to the routine maintenance works scheduled over the year, we have completed several lifecycle replacement projects including a new Building Management System and server farm air conditioning replacement. As well as helping us deliver reductions in energy usage through investments in more sustainable technology, these projects will deliver more efficient and effective plant and system management. Over the course of the year, we have invested in improvements in a number of other areas:

- refurbishing conference and meeting rooms to project a more fitting impression of the Assembly for the wide range of visitors and organisations that use them;
- increasing the availability of event space on the ground floor of Tŷ Hywel during times of peak demand, with a glass screen and doors installed adjacent to the Tŷ Hywel reception;
- refurbishing toilets to improve plumbing, pipework and a number of sustainable improvements including LED lighting and sensor activation;
- redecorating and re-carpeting the stairwells for the first time since the building's construction, and fitting low energy LED lighting to support our sustainability objectives;
- improving the lifts in line with accessibility requirements, the Equality Act 2010 and building regulations;
- installing a cashpoint, with the support of the in-house Post Office, which has proved to be a valuable and well used additional facility;
- replacing the air conditioning in Members' Offices, which were 14 years old, and approaching the end of their lifecycle. The new units are more sustainable because of the refrigerant gas used and energy efficient, contributing to our carbon reduction targets.

Following the increase in the national security status in the wake of terrorist attacks around the world, we identified areas of estate security improvements, strengthening our perimeter security with the installation of a security rated car park barrier. We are also reviewing our security infrastructure and operational systems to identify priorities for future replacements and changes



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# Sustainability report

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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. We understand the key role we play in promoting sustainable development and minimising the environmental impacts of our operations.

This year, we reached a key milestone in our continued efforts to cut the carbon emissions from our estate's most significant impacts. We concluded our Carbon Management Plan in December 2014, following five and half years of hard work, investment and commitment. This delivered a 35 per cent reduction in energy emissions and 4 per cent reduction in business travel emissions compared to the 2008-09 baseline. The Carbon Trust recognised this as leading performance among the public sector in Wales and we achieved the award for the most sustainable organisation in Government at the UK Public Sector Sustainability Awards, in recognition of our collective efforts.

We also have plans in place for the future. Emissions from electricity and gas still amount to 84 per cent of our total carbon footprint so we have developed a targeted Energy Reduction Routemap to deliver a further 30 per cent reduction in energy emissions by 2021 compared to the 2012-13 financial year baseline.

We will continue to work to reduce our energy intensity, innovate and capitalise on opportunities to reduce the impacts of our business on the environment and set an example for others to follow.

As an open and transparent organisation, the Commission has publically reported sustainability performance data since 2007-08. We measure and report our emissions of greenhouse gases through an Annual Environmental Report.

## Summary of performance

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In this financial year, we have continued to make advances in reducing our single biggest environmental impact – energy use. Investment in and replacement of critical equipment, combined with targeted project management and energy monitoring, has helped maintain a downward trend in energy consumption. While our carbon footprint has increased by 18 per cent (primarily from refrigerant usage and replacement associated with our air conditioning and cooling systems), the replacement of 80 air conditioning units will deliver operational savings and efficiencies through our building services in the longer term.

We expect annual fluctuations in emissions consistent with unpredictable weather conditions, variable occupancy and improvements to plant, but the long term trend is of more interest to us. In the last few years, we have successfully exceeded our water reduction target following extensive refurbishment to our sanitary facilities across Tŷ Hywel and, although we fell short of our zero waste to landfill target by just 5 per cent, we have increased our recycle rate to 95 per cent. We continue to invest in the building fabric and plant of Tŷ Hywel, our most energy hungry building, and when we do so energy efficiency is a key requirement.



## Environmental management certification

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The Environmental Management Standard (EMS) drives environmental improvement and the consideration of sustainable development principles across the Assembly. We successfully retained Level 5 (the highest level attainable) of the Green Dragon (EMS) for the seventh year running. We are committed to achieving the annual renewal of this certification. This provides a system of third party assurance and recognises the Commission's continued priority to continuously improve and comply with relevant environmental legislation. The standard also helps us identify, monitor and manage our environmental impacts to enable informed decision-making, policy development and risk management.

## Energy

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Despite achieving a reduction of 2.4 per cent in electricity consumption compared to last year, an inflated carbon conversion factor (as a result of the high proportion of coal in the grid electricity fuel mix for the previous year), has led to an increase of 8.5 per cent in our estate electricity emissions. Conversely, gas consumption has dropped by 9.5 per cent equating to an emissions reduction of 10 per cent over the same period. This amounts to a cumulative energy emissions reduction of 4 per cent for the year.

Consumption trends largely arise from two key factors; reduced demand for both gas and electricity from a mild seasonal trend throughout the year; and continued upgrades to the equipment and controls in Tŷ Hywel. We have implemented energy saving interventions including:

- 01.** the installation of a new building management system (BMS);
- 02.** LED light replacements in meeting rooms and public spaces in Tŷ Hywel and the Senedd;
- 03.** improved heating controls and radiator valves;
- 04.** motion sensor lighting;
- 05.** improved insulation and energy efficiency in our office entrance; and
- 06.** the application of high performance solar film on windows where appropriate.

## Travel

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Business travel accounts for 12 per cent of our total carbon footprint. In 2014 -15, our transport related emissions increased by 13 per cent compared to 2013-14. This is almost exclusively attributable to a rise in air travel mileage from 126,922 miles last year to 333,192 miles this year in support of the Commission's goal of promoting Wales and our work to the wider world.

Almost a quarter of all business travel is now undertaken by bus or train and we have continued to increase the use of the low emission pool car by 18 per cent compared to last year and by 30 per cent over the last five years. In response to the increasing number of cyclists commuting to work, the bike storage facilities in Tŷ Hywel have been refurbished and improved, increasing capacity and improving access and layout. Carbon emissions from our private car use fell by 8 per cent compared to last year.

Although it continues to represent the primary contributor to transport emissions, proportionately this figure fell by 14 per cent to 56 per cent of the total over the same period.

## Waste

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Following a steady rise in occupancy rates, the volume of waste disposed has increased by 6 per cent compared to 2013-14. However, there has been a further 26 per cent reduction in the volume of waste sent to landfill which now consists of just 5 per cent of the total. Despite this reduction, waste emissions remain consistent with last year at 3tCO<sub>2</sub>e, representing just 0.1 per cent of our total carbon footprint.

- The recycling rate continues to improve, and now stands at 95 per cent of the total waste arising, while also benefitting from improvements to our contractor's facilities for post separation and sorting of waste to increase recycle volumes.
- We are working with onsite contractors to improve the quality of the waste data we capture from refurbishment projects to ensure we collect the full spectrum of waste sources attributable to the operation of the site.

## Water

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Our primary aim is to reduce our direct water consumption as this is the area where we can exert the greatest influence. We have reduced our mains water consumption by 16 per cent compared to last year and 18 per cent since the baseline year of 2010 -11 by installing water saving devices. This achievement exceeds our target of a 10 per cent reduction by 2015 and results in the equivalent of a 12 per cent reduction in emissions associated with the supply and treatment of our water compared to the baseline year.

Initiatives undertaken in 2014-15 include:

- Refurbishing 36 washrooms in Tŷ Hywel and installing waterless urinals, sensor taps and flushes;
- Improved metering, monitoring and management of our grey water tanks to maximise usage during dry periods, resulting in an increase in the consumption rate of 19 per cent compared to last year and 110 per cent compared to 2010-11.

## Continual improvement

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

## About our data

The emissions figures contained in this report are calculated on the Department for Environment, Food and Rural Affairs (DEFRA) 2014 Conversion Factors which are specific to the UK. In accordance with Defra guidance, reported Greenhouse Gas Emissions are not weather corrected.

Greenhouse Gas Emissions		2011-12	2012-13	2013-14	2014-15
Non-financial indicators (tCO <sub>2</sub> e)	Total gross emissions scope 1	292	329	273	561
	Total gross emissions scope 2	1,501	1,470	1,366	1,480
	Total gross emissions scope 3	439	432	427	465
	Total outside of scopes emissions	313	298	167	130
	<b>Total gross emissions</b>	<b>2,548</b>	<b>2,588</b>	<b>2,287</b>	<b>2,636</b>
	<b>Total net emissions</b>	<b>2,235</b>	<b>2,290</b>	<b>2,120</b>	<b>2,506</b>

	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 <sup>1,2</sup>		2011-12	2012-13	2013-14	2014-15
Non-financial indicators (kwh)	Electricity (non-renewable)	3,320,599	3,194,890	3,067,778	2,995,138
	Gas	1,203,866	1,741,299	1,431,017	1,295,506
	Biomass (renewable)	885,500	840,438	470,750	372,225
Non-financial indicators (tCO <sub>2</sub> e)	Total energy emissions	1,885	1,956	1,786	1,881
Financial Indicators (€)	Total energy expenditure	445,005	458,168	459,093	448,586

<sup>1</sup> Includes costs for electricity and air conditioning in offsite server farm from 2010 onwards.

<sup>2</sup> All energy data now contains current and retrospective transmission and distribution emissions and well to tank emissions where applicable.

<b>Official Travel<sup>3,4</sup></b>		<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Non-financial indicators (miles)	Business travel	811,842	858,809	884,176	1,061,374
	Owned and leased vehicles	36,434	25,707	31,949	26,440
Financial Indicators (£)indicators (tCO2e)	Expenditure on official business travel	265,217	266,576	349,775	393,509
<b>Waste</b>		<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Non-financial indicators (tonnes)	Total waste arising	156	121	118	125
	Recycled/Reused	116	103	111	119
	Landfill	39	17	6.4	4.7
	Waste composted	14.2	11.3	5.5	5.5
	Hazardous waste	0.05	0.29	0.5	1
	Paper purchased (A4 and A5) (per million sheets)	2.17	2.77	2.7	2.6
Financial indicators (£)	Expenditure on all waste disposal	28,271	21,312	26,561	26,930
<b>Water consumption</b>		<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Non-financial indicators (m3)	Water consumption:				
	Supplied (direct)	7,669	9,449	7,315	6,117
	Collected (indirect)	747	2,407	1,301	1,554
	Abstracted (indirect)	0	0	0	0
Financial indicators (£)	Expenditure on supply and sewerage	22,777	31,773	23,681	22,245

<sup>3</sup> Includes AMSS travel from 2011-12 onwards and travel purchased through the corporate credit card.

<sup>4</sup> All travel data now contains current and retrospective well to tank emissions for fuel use.

## Notes

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- The information contained above has been developed for our Annual Report and Accounts in accordance with HM Treasury’s Sustainability Reporting Guidance for the 2013-14 financial year.
- Emissions are reported based on a financial control approach for the core administrative estate only.
- 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 (tCO<sub>2</sub>e) for reporting purposes. CO<sub>2</sub>e is a universal unit of measurement that allows the global warming potential of different GHGs to be compared.



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# Remuneration report and Directors' report

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## Remuneration Board

The Remuneration Board (the Board) established by the National Assembly for Wales Remuneration Measure 2010 has responsibility for setting Members' Pay and Allowances. The Board became operational in September 2010. Four members of the Board (Mary Carter, Stuart Castledine, Professor Monojit Chatterji and Professor Laura McAllister) receive a day rate of £185. The Chair of the Board, Sandy Blair CBE DL, receives a day rate of £243. Appointments to the Board are normally for a five year term. However, Professor McAllister was appointed for one year only who was appointed in July. All the contracts are due to end in 2015.

The Board's report, Fit for Purpose, published in March 2011, concluded that the 2010-11 Assembly Members' salary of £53,852 should be fixed for four years from the start of the Fourth Assembly, This level of salary has been confirmed in subsequent Determinations on Members' Pay and Allowances, the latest in August 2014. The Board has set Members' base salary for 2015-16 financial year at £54,391. The following positions were entitled to additional salaries as follows:

	From 1 April 2014	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 <sup>5</sup>	£12,420	£12,420
Chairs of other committees <sup>6</sup>	£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 the office holders' allowance is £17,420 - £26,420.

From April 2011, the start of the Fourth Assembly, political groups appointed Business Managers. 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 the office holders' allowance is £7,460 - £12,420.

Of the members entitled to additional salaries in 2014-15, 3 did not draw their full entitlement for the full year (in 2013-14 16 Members also did not draw their full entitlement for the full year).

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<sup>5</sup> Committees were Children and Young People; Environment and Sustainability; Health and Social Care; Communities, Equality and Local Government; Enterprise and Business; Constitutional and Legislative Affairs; Finance Committee; Public Accounts.

<sup>6</sup> Other committees were; Petitions; Standards of Conduct.



The Commission does not provide any benefits-in-kind.

Assembly Members are members of the National Assembly for Wales Members' Pension Scheme for which separate annual accounts are published via the Assembly website [www.assembly.wales](http://www.assembly.wales).

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.

In its review of the remuneration package available to Assembly Members in the Fifth Assembly, the Board reviewed the base salary and noted that the significant increase in ordinary Members' responsibilities was not reflected in the previous Determination. In its Determination for the Fifth Assembly, which was published May 2015, one year before the Welsh General elections, the Board concluded that base salary should be set at £64,000 from May 2016. It has set salaries to reflect the changing weight of the additional responsibilities they carry and has increased the salaries paid to office holders in the legislature relative to those in the Government. The changes the Board is making to the Members' pension scheme will reduce the range and size of benefits provided by the scheme and the cost to the taxpayer, while requiring Members to pay more. Overall, the total cost of additional salaries for office holders will reduce.

## Commission Office Holders

The Commission was established in May 2007 under Section 27 of the Government of Wales Act 2006 (the 2006 Act). The Commission is made up of five Commissioners; the Presiding Officer, who chairs the Commission and four other Assembly Members appointed by the Assembly.

Name	Title
<b>Dame Rosemary Butler</b> Elected 11 May 2011	Rosemary Butler has attended 14 out of 14 Commission meetings
<b>Angela Burns AM</b> Appointed 25 May 2011	Due to unforeseen circumstances during the year, Angela Burns attended 5 Commission meetings as agreed with the Presiding Officer.
<b>Peter Black AM</b> Reappointed 25 May 2011	Peter Black has attended 14 out of 14 Commission meetings.
<b>Sandy Mewies AM</b> Appointed 25 May 2011	Sandy Mewies has attended 14 out of 14 Commission meetings.
<b>Rhodri Glyn Thomas AM</b> Appointed 25 May 2011	Rhodri Glyn Thomas has attended 13 out of 14 Commission meetings.

A Register of Financial and Other Interests of Assembly Members is available at [www.assembly.wales](http://www.assembly.wales) and [www.cynulliad.cymru](http://www.cynulliad.cymru).

The Commission has portfolio arrangements with Commissioners taking a lead interest in specific issues. These are explained in the Annual Report. Commissioners have other Assembly responsibilities which prevent them from attending Commission meetings from time to time.

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 in the details below because only part of their remuneration relates to their roles as Commissioners. Their accrued pension and Cash Equivalent Transfer Values (CETV) as Commissioners cannot be disaggregated from the total amounts accrued.

The salary costs for the Presiding Officer and Deputy Presiding Officer are a direct charge on the Welsh Consolidated Fund.

Name and title	Salary 2014-15	Salary 2013-14	Real increase in pension <sup>1</sup>	Total accrued pension <sup>2</sup>	CETV at 31 March 2015	CETV at 31 March 2014	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dame Rosemary Butler AM – <i>Presiding Officer</i>	95-100	95-100	2.5-5.0	30-35	464	428	36
David Melding AM – Deputy Presiding Officer (service started 12/5/2011)	80-85	80-85	0-2.5	20-25	315	278	18

<sup>1</sup>Real increase in pension and related lump sum at pension age

<sup>2</sup>Total accrued pension at pension age and related lump sum at 31 March 2015

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 are appointed under paragraph 3 of Schedule 2 to the 2006 Act. The Commission is independent of Ministers of the Welsh Government (Welsh Ministers).

The Commission has a duty to ensure that the Assembly is provided with the property, staff and services it requires to undertake its statutory obligations. This ensures the Assembly and its committees can convene, encourages public awareness of and engagement with the democratic process and supports the aspiration to make the Assembly an accessible and effective parliamentary body that inspires the confidence of the people of Wales.

## Independent Advisers

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The Commission has appointed advisers to provide independent, constructive challenge to the Assembly Commission. They do this through attending the Commission meeting, Audit and Risk Assurance Committee and the Remuneration Committee as well as providing input to other areas of the Commission's work. There are five independent advisers. The advisers receive non-pensionable emoluments of £5,000 per annum with £7,000 per annum for the Chair of the Audit and Risk Assurance Committee, and £6,250 per annum for the Chair of the Remuneration Committee.

### **Mair Barnes**

(November 2007 - November 2016)

*Mair Barnes has attended 6 out of 14 Commission meetings*

### **Eric Gregory**

(November 2012 – October 2015)

*Eric Gregory has attended 5 out of 5 Audit and Risk Assurance Committee meetings, 1 out of 14 Commission meetings and 1 out of 1 Remuneration Committee meetings*

### **Helena Feltham**

(November 2012- October 2015)

*Helena Feltham has attended 2 out of 14 Commission meetings and 1 out of 1 Remuneration Committee meetings*

### **Keith Baldwin**

(November 2012 – October 2015)

*Keith Baldwin has attended 4 out of 5 Audit and Risk Assurance Committee meetings and 0 Remuneration Committee meetings*

### **Hugh Widdis**

(November 2013 –October 2016)

*Hugh Widdis has attended 5 out of 5 Audit and Risk Assurance Committee meetings*

## Remuneration Committee

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The Commission has a Remuneration Committee comprising of at least three members who are independent of the Assembly Commission and its staff and do not have personal or business interests in the functions of the Committee. One or two members must be drawn from the Assembly Commission's Audit and Risk Assurance Committee. The Remuneration Committee ensures that the Commission 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 2015 were:

- Helena Feltham - Chair of the Remuneration Committee (from April 2014) and Independent Adviser.
- Keith Baldwin, Independent Adviser
- Eric Gregory, Independent Adviser

During the year the Committee met once on 03 April 2014.

## Senior Management

Appointments of Commission staff, on terms and conditions set by the Commission, are made on merit on the basis of fair and open competition. 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).

A review of the Commission's structure at senior level resulted in a number of changes. A Director of Commission Services was appointed and was the first director-level post where the ability to work bilingually was an essential requirement for the post. The Director of ICT post, held by Dave Tosh, became Director of Resources to reflect the increased responsibility in adding several support services (estates, security, governance, procurement and human resources) to the existing ICT remit. These director-level posts were agreed in accordance with the Commission's Instrument of Delegation. Directors have declared that they hold no significant third party interests that may conflict with their duties.

The senior managers 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.

Name	Title
<b>Claire Clancy</b>	Chief Executive and Clerk of the Assembly <i>Claire Clancy has attended 5 out of 5 Audit and Risk Assurance Committee meetings, 14 out of 14 Commission meetings and 1 out of 1 Remuneration Committee meetings</i>
<b>Adrian Crompton</b>	Director of Assembly Business <i>Adrian Crompton has attended 3 out of 14 Commission meetings</i>
<b>Dave Tosh</b>	Director of ICT <i>until 2 December 2014</i> , Appointed Director of Resources <i>from 3 December 2014</i> <i>Dave Tosh has attended 5 out of 5 Audit and Risk Assurance Committee meetings and 9 out of 14 Commission meetings</i>
<b>Elisabeth Jones</b>	Director of Legal Services <i>Elisabeth Jones has attended 1 out of 14 Commission meetings</i>
<b>Steven O'Donoghue</b>	Head of Assembly Resources and Director of Finance <i>until 25 April 2014</i> <i>Steven O'Donoghue has attended 1 out of 1 Audit and Risk Assurance Committee meetings</i>
<b>Craig Stephenson</b>	Director of Commission Services <i>from 6 May 2014</i> <i>Craig Stephenson has attended 14 out of 14 Commission meetings</i>
<b>Nicola Callow</b>	Director of Finance <i>from 26 April 2014</i> <i>Nicola Callow has attended 5 out of 5 Audit and Risk Assurance Committee meetings and 4 out of 14 Commission meetings</i>

Aside from the Chief Executive and Clerk of the Assembly, the directors do not attend all Commission and Committee meetings. The directors attend relevant meetings that correspond to their distinct portfolio of responsibilities. Unless otherwise stated the Directors hold appointments which are open-ended.

## 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	Travel and Subsistence incurred 2014-15 £	Travel and Subsistence incurred 2013-14 £
Claire Clancy	572	1,112
Adrian Crompton	179	3,550
Dave Tosh	7,434	279
Elisabeth Jones	935	1,514
Steven O'Donoghue	-	1,316
Craig Stephenson	1,499	-
Nicola Callow	211	-

This table was subject to audit. A further breakdown of these figures can be found in the notes to the accounts.

The increase in travel costs is due to the shared cost of air travel relating to advisory IT services provided to parliamentary bodies overseas.

## Single total figure of remuneration

Name	Salary (£'000)			Pension benefits <sup>1</sup> (to the nearest £1000)			Total (£'000)		
	2014-15	2013-14	2012-13	2014-15	2013-14	2012-13	2014-15	2013-14	2012-13
					Restated	Restated		Restated	Restated
Claire Clancy	145-150	140-145	140-145	37,000	-3,000 <sup>3</sup>	61,000	180-185	140-145	205-210
Adrian Crompton <sup>2</sup>	120-125	115-120	110-115	35,000	40,000	42,000	155-160	155-160	155-160
Dave Tosh	105-110	85-90	80-85	104,000	43,000	33,000	205-210	130-135	115-120
Elisabeth Jones	95-100	90-95	45-50	34,000	85,000	44,000	125-130	175-180	85-90
Steven O'Donoghue	5-10	70-75	65-70	16,000	16,000	21,000	20-25	85-90	90-95
Craig Stephenson	70-75			57,000			125-130		
Nicola Callow	60-65			43,000			105-110		

<sup>1</sup> The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

<sup>2</sup> During 2014/15 seconded work (£98k) was reimbursed.

<sup>3</sup> This negative figure is due to a pay freeze in 2013-14.

Salary includes gross salary, overtime, recruitment and retention allowances.

The value of pension benefits for 2012-13 and 2013-14 were reported incorrectly as accrued pension last year. The information is now restated correctly in the table above. The change, annotated with restated, also affects the total column.

The Chief Executive and Clerk of the Assembly and the Directors do not receive any bonus payments or benefits in kind.

## Senior Management – Pension Benefits

Name and title	Real increase in pension <sup>1</sup>	Total accrued pension <sup>2</sup>	CETV at 31 March 2015	CETV at 31 March 2014	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
<i>Chief Executive and Clerk of the Assembly</i>					
Claire Clancy	0-2.5 plus lump sum of 2.5-5	65-70 plus lump sum of 200-205	1,403	1,305	33
<i>Director of Assembly Business</i>					
Adrian Crompton	0-2.5 plus lump sum of 5-7.5	35-40 plus lump sum of 115-120	657	600	24
<i>Director of Resources</i>					
Dave Tosh	5.0-7.5	30-35	379	295	62
<i>Director of Legal Services</i>					
Elisabeth Jones	2.5-5.0	30-35	538	475	27
<i>Head of Assembly Resources nominated Director of Finance</i>					
Steven O'Donoghue	0-2.5	25-30	338	328	10
<i>Director of Commission Services</i>					
Craig Stephenson	2-5.5 plus lump sum 5-10	30-35 plus lump sum of 95-100	566	498	43
<i>Director of Finance</i>					
Nicola Callow	0-2.5 plus lump sum of 5-10	10-15 plus lump sum of 40-45	213	173	28

<sup>1</sup>Real increase in pension and related lump sum at pension age

<sup>2</sup>Total accrued pension at pension age as at 31 March 2015 and related lump sum.

This table was subject to audit.

## Cash Equivalent Transfer Values (CETV)

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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 service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service Pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked 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

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This reflects the increase in CETV that is funded by the Commission. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Pensions

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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 salary-related and range between 1.5% and 6.85% of pensionable earnings for **classic** and 3.5% and 8.85% for **premium**, **classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the



accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. 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**.

New Career Average pension arrangements will be introduced from the 1<sup>st</sup> of April 2015 and the majority of classic, premium, classic plus and nuvos members will join the new scheme. Further details of this new scheme are available at **Civil Service Pensions : The new pension scheme - alpha**.

### **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. Pension scheme benefits are outlined in the Remuneration Report and in the notes to the financial statements.

## Commission staff salary

The relationship between the remuneration of the highest-paid director and the median remuneration of the Commission staff is disclosed in the following table. 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 were no benefits in kind or performance related bonuses payable in 2014-15 or in 2013-14.

	2014-15 Salary £	2013-14 Salary £
Band of highest paid director	145,000-150,000	140,000-145,000
Median total remuneration	29,475	26,988
Ratio	5.0	5.3

The banded remuneration of the highest-paid director in the National Assembly for Wales Commission in the financial year 2014-15 was £145,000 to £150,000 (2013-14 £140k-£145k). This was 5.0 times (2013-14 5.3) the median remuneration of the workforce, which was £29k (2013-14 £27k). The increase in the median total remuneration is due to additional professional staff moving the median to a higher band.

In 2014-15, and 2013-14 there was no remuneration paid in excess of the highest-paid director. Remuneration ranged from £15,000, which ensured that employees received a Living Wage, to £150,000 (2013-14 restated £15k to £145k).

Total remuneration includes salary. It does not include severance payments, employer pension contributions and cash equivalent transfer value of pensions

## Staff numbers

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

	31 March 2015	Restated 31 March 2014
Employed staff*	391.24	369.53
Seconded	6.0	1.0
Casual / Agency	25.12	19.35
Female*		
Directors	3	2
Staff	233	211
Total	236	213
Male*		
Directors	3	3
Staff	207	191
Total	210	194

*\*In the table above staff employed are reported as full time equivalent numbers and the gender breakdown is reported as actual numbers.*

*Independent Advisers are not included in the FTE figures above, details of their attendance at meetings are in the Remuneration Report.*

## Equality and diversity

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

The Assembly Commission produces an Annual Equality Report, which provides an update on progress made on actions set out in the Equality Plan 2012-16. The Report covers work that teams across the Assembly undertake to promote equality over the last year to meet requirements under the Equality Act 2010.

One of the successes in delivering our plan is meeting our obligations under the Equality Act 2010. Our Equality Plan assists this work to promote equality, value, diversity and to identify and remove potential barriers to equality for our staff, Assembly Members, their staff and members of the public.

The headline achievements this year include:

- The Assembly was ranked at No. 4 in Stonewall’s Workplace Equality Index of Top 100 UK employers for 2015 and was named this year’s Top Welsh Public Sector Employer for the second year running. We also received recognition from a number of other organisations such as Action on Hearing and the National Autism Society and accreditation as a Working Families Top 30 Employer and The Times Top 50 Employer for Women in 2014;
- We have also gained external recognition from Action on Hearing, the National Autistic Society and Top Employers for Working Families.
- The appointment of a BME Action Plan Coordinator taking forward our commitment to support the recruitment, retention and advancement of BME staff.
- Improvements to the Assembly estate have enhanced accessibility;
- The launch of online equality training for Members and their staff, and training on Dementia Friends, Disability Confidence, and Supporting LGB staff;
- Introducing a more formalised system of Equality Impact Assessments (EQIAs) to ensure that we have a consistent approach across the organisation;
- A review of our equality functions carried out by the internal auditor which recognised very good practice and highlighted some areas for improvement;

More detailed information is available in Annual the Equality Report 2014-15.

## Health and safety

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We invest in the health, safety and wellbeing of all Commission staff, Assembly Members and their staff, contractors and all visitors to the Assembly estate and we ensure that the organisation is in statutory compliance with current legislation.

During the year, the wellbeing strategy concentrated in particular on healthy backs and stress. A series of health promotion programmes were run, including healthy back week and work life balance week encouraging staff engagement and guidance on best practise to achieve good wellbeing.

## Sickness absence data

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The overall sickness absence rate for the year was 7.26 average working days per person, which is 3.0% (5.48 working days, 2.49% 2013-14) against a target for the year of seven working days per person.

Whilst we have performed better than the public sector average of 7.9 days, information gathered through HR Business Partners has given us better insight into the reasons for those absences and work is under way to address those issues.

## Personal data related incidents

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There were no incidents or personal data losses which needed to be reported to the Information Commissioners Office during the year. There were several minor incidents of personal data breaches or potential breaches internally which were investigated and managed in line with the Commission's policy, with recommendations made where appropriate. Given that the likelihood of damage or distress to the data subjects in these cases was considered to be low, no further escalation was required.

## Pension liability

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Pension scheme benefits are outlined in the Remuneration Report and in the notes to the financial statements.

## Auditor

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The Accounts of the National Assembly for Wales are audited by the Wales Audit Office, the Audit Report is presented in the Annual Accounts at page 114.

The agreed external audit cost for the audit of these statements is £66,250(2013-14 £62,540). In addition cost of £3,636(nil 2013-14) for additional non statutory audit were incurred in 2014-15.

## Disclosure of audit information to the Wales Audit Office

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So far as I am aware:

- There is no relevant audit information of which our auditor is unaware; and
- I have taken all the steps that I ought to have taken in order to make myself aware of any relevant audit information, and to establish that our auditor is aware of that information.

## Accounts direction

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The accounts set out in pages 120 to 164 have been prepared in accordance with the Treasury Direction issued under Section 137 of the Government of Wales Act 2006. The financial statements comply with the requirements specified in H M Treasury's Financial Reporting Manual and are supported by explanatory notes. These accounts set out the financial impact of decisions made by the Commission both within the financial year and arising from previous financial years.

Information about the Assembly and Commission is also available on the Assembly website at [www.assembly.wales](http://www.assembly.wales) and [www.cynulliad.cymru](http://www.cynulliad.cymru).

**Claire Clancy**  
**Chief Executive and Clerk of the Assembly**  
**Date: 09 July 2015**



# Statement of the Commission's and the Principal Accounting Officer's responsibilities

The Chief Executive and Clerk of the Assembly is, by virtue of Section 138 of the Government of Wales Act 2006, the Principal Accounting Officer for the Commission. The Principal Accounting Officer has prepared the statement of accounts in accordance with the Direction issued by the Treasury and with the accounting principles and disclosure requirements set out in the Financial Reporting Manual. The Resource Accounts are prepared on an accruals accounting basis and give a true and fair view of the Commission's state of affairs at the year-end and of its net resource outturn, resources applied to objectives, statement of comprehensive net expenditure, statement of financial position, cash flows and statement of changes in taxpayers' equity for the financial year.

In preparing the accounts the Chief Executive and Clerk has:

- complied with the accounts direction issued by the Treasury;
- complied with the relevant accounting and disclosure requirements, and applied suitable accounting policies on a consistent basis;
- made judgements and estimates which are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepared the accounts on a going concern basis.

The relevant responsibilities of the Principal Accounting Officer, including the responsibility for the propriety and regularity of the finances of the Commission and for the keeping of proper records, are set out in a memorandum issued by the Treasury.

**Claire Clancy**  
**Chief Executive and Clerk of the Assembly**  
**Date: 09 July 2015**





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# Governance Statement

## 2014-15

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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**

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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**

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The governance framework comprises the systems and processes, and culture and values, by which the organisation is directed and controlled and the activity through which it accounts to and engages with the Assembly and the people of Wales. It enables the Commission to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

## **Governance framework**

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The Commission comprises the Presiding Officer who is its Chair together with four other Assembly Members appointed by the Assembly. The Commissioners are charged with the governance of the organisation and are accountable to the Assembly. They set the organisation's strategic aims, provide the leadership to put them into effect and oversee and report on their delivery.

The Commission's Principal Accounting Officer is the Chief Executive and Clerk of the Assembly. She is accountable to the Commission for the delivery of their strategic goals. As Principal Accounting Officer, she is personally accountable to the Assembly for the organisation and quality of management in the Assembly Commission, including its use of public money and the stewardship of its assets. Assembly staff are employees of the Commission.

As part of the organisation's governance framework, the Commission has an Audit and Risk Assurance Committee and a Remuneration Committee. An independent Remuneration Board determines the salaries and other financial support available for Assembly Members.

## **Decision taking and business management**

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The Commission meets on a regular basis to provide direction and to oversee delivery of the Commission's strategy and objectives. The Commission has delegated many of its day-to-day management functions to the Chief Executive.

Delivery of services within the Commission is managed through an organisational structure of Directorates and Service areas reporting through to the Chief Executive. The Directors and Heads of Service make up the Management Board, which coordinates policy and operational matters. The Management Board regularly meets formally and informally to review and coordinate activity. The Board is required to act corporately in the interest of the Assembly as a whole.

An Investment and Resourcing Board, consisting of the Chief Executive, Director of Assembly Business, Director of Resources, Director of Legal and Director of Finance, provides direction to and governance oversight of major improvement investments across the Commission.

Resource management is controlled through a governance system of delegated authorities covering finance, staffing and other resource responsibilities, such as procurement. Established review and reporting mechanisms are in place, co-ordinated and supported by central support teams.

Formal processes exist for providing information to the Commission; the Management Board; and the Investment and Resourcing Board, to ensure that they are provided in a timely manner and to an agreed standard. Papers are required to set out the context of the matter being discussed and include relevant evidence to inform the decision making process. An internal quality assurance arrangement prior to submission adds a further level of scrutiny as to the relevance and the quality of the information being provided.

## Planning and performance measurement

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At the beginning of the fourth year of the Fourth Assembly the Assembly Commission met to discuss progress and achievements against the Commission's strategic goals and priorities for change, innovation and investment since 2011 and to establish what needed to happen next. Commissioners acknowledged progress in all areas during the Fourth Assembly and established their priorities for the remainder of the Assembly, including wishing to: reinforce awareness of the Assembly across Wales; develop and tailor our services to Members; and plan effectively for the Fifth Assembly. The Commission's strategic goals and priorities for change, innovation and investment (the strategic priorities), were updated but did not undergo significant change. The outcomes from the Commission's discussion were incorporated into our strategic plan and shared with all staff so that they could be reflected in service plans and individual performance objectives.

The Commission continued to publish **Key Performance Indicators**, to demonstrate corporate performance across all key areas of activity. These continued to show improvement for almost all indicators and a picture of high, sustained performance across many services and rapid improvement where efforts have been targeted. The Commissioners and the Assembly's Finance Committee find the reporting helpful and useful. Whilst some further work is required to improve the process for gathering the base data to generate the reports, the current set of indicators is fit for purpose for the remainder of this Assembly. We plan to review and refresh the suite of KPIs for the Fifth Assembly to reflect the corporate strategy that will be established by the new Commission.

## Progress and performance

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Progress on the delivery of strategic priorities, as well as areas identified for strengthening in the 2013/14 statement, is outlined below.

A key activity has been progressing work on the Commission's ambition for **World Class Assembly Committees**, with the focus on making integrated teams the basis of delivery of improvements. Work continues to better understand Members' preferences to inform priorities for improvement. Feedback indicates that support for committee work has improved substantially in this Assembly.

Progress against improvements identified in the review of committee support also created greater breadth and depth of engagement with the people of Wales, especially young people.

A continuing focus for the delivery of our strategic priorities over the course of the year has been the **transition of our ICT services** from an external provider to in-house support which was concluded successfully in July 2014. The internal and external governance arrangements for the transition project were commended by KPMG and the new ICT budget was subject to scrutiny by the Assembly's Finance Committee. In its annual report, the Commission's Audit and Risk Assurance Committee stated that: 'The Committee is encouraged by the Commission's increasing professionalism in managing key programmes and projects, and would highlight the ICT Transformation programme as an exemplar here'. The changes are already providing a high level of value for money savings and enabling us to be more agile in our response to the ICT needs of Members and staff.

The Assembly's websites were upgraded or replaced during the year – the main website was moved to a Sharepoint platform, which will offer significant savings on maintenance and hosting costs, and the new Senedd.tv service was launched. The Assembly was also a lead partner in the launch of the new .wales and .cymru Top Level Domains, introducing the new assembly.wales / cynulliad.cymru addresses to our website and to users' email addresses.

A number of changes have been made to improve the resilience of our systems, including installing new uninterruptible power supplies (UPS) in the Senedd, moving to a new back-up system, moving business-critical systems onto new servers and retiring equipment that was beyond its serviceable life. The installation of a digital archive of the Assembly's proceedings also provides a backup of the master broadcast-quality footage for the first time.

The Commission has developed a long term prioritised investment programme for the **Assembly estate**, overseen by the Investment and Resourcing Board. An ambitious programme of work has been delivered to improve security arrangements and enhance the visitor experience, with the investment programme delivered to time and to budget.

Within the Strategic Transformation Service, a dedicated resource has been established to consider issues around **constitutional change** and their implications for the Commission in terms of capacity, sovereignty and reserved powers. The work of this team has been focused around ensuring future changes meet the needs of the Assembly, raising awareness of and our readiness for change. The team also manages support to the **Remuneration Board**, which is considering the full package of remuneration for Members in the Fifth Assembly. We consider that the Remuneration Board provides invaluable independent assurance to the Assembly and ensures probity, accountability, value for money and transparency in the use of public funds.

A Procurement Team manages the Commission's procurement process and supports the delivery of contracts above £25k. This centralised approach enables the Commission to achieve substantial savings on contract procurement. Furthermore, the Commission's Procurement Team also assists service areas to procure and manage contracts up to £24,999. The Procurement Team has issued detailed Value for Money procurement guidance and has issued a standardised template for contract management meetings.

Procurement savings of £557k have been achieved in 2014-15. Procurement and contract management training has been delivered in the year to improve understanding of procurement rules and strategy. A quarterly report, updated contract schedule, contract review template and procurement savings are presented to the Investment and Resourcing Board for forward planning and contract decisions.

The Commission agreed and implemented an action plan following the review of its effectiveness by the Assembly Commission's Head of Internal Audit.

The report concludes that progress has been made across all areas and that the Commission continues to operate as a high performing 'governing board'.

## **Compliance with governance principles**

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The Commission has adopted a set of governance principles and supporting provisions, which are consistent with the UK Corporate Governance Code and the Good Governance Code for Public Services and are used to guide the work of the Commission and its staff. The Assembly Commission has complied with these principles.

## **Risk identification and management**

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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.

Key areas of focus for our corporate risks during the year have been around our readiness for transition of ICT services, capacity and resources to deliver our corporate priorities and key reputational risks. During the year, the Assembly Commission identified two new risks for inclusion on the Corporate Risk Register in respect of social media and the telephony project. As with all corporate risks, risk owners were allocated to these risks. The risk owner reports on the adequacy of the current controls, the degree of acceptance of any gaps and any further actions that are required to improve the controls.

An internal audit of our risk management arrangements reported the controls surrounding the Risk Management Framework as 'Strong'. Indeed, the careful management of risks was instrumental in the successful implementation of our Official Languages Scheme

The Audit and Risk Assurance Committee maintained an overview of the effectiveness of risk management arrangements and considered selected corporate risks in more detail throughout the year.

The next two years will present a range of challenges for the Assembly Commission and present risks that will require effective risk management. There will be a period of further significant constitutional change and our focus will be to influence the new Draft Wales Bill and to ensure that the Presiding Officer's priorities for institutional reform are delivered. At the same time, we will need to ensure the Assembly is well-placed for the start of the new financial powers coming into effect with the

implementation of the Wales Act 2014. 2016-17 will be the first year of the 5th Assembly and a programme of work is already underway for dissolution and the transition to the new Assembly. The UK election in May 2015, and the next UK government spending round, could have implications for our future budgets and strategy. The appointment of a new Commission following the Assembly elections in May 2016 is also likely to lead to a new strategic direction for the Commission. Internally there will be important projects such as the changes to the Senedd's Siambwr and other estates and ICT work.

## Assurance

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The Assembly Commission's **Audit and Risk Assurance 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. The Committee also held one extended meeting in which it considered the strategic context of constitutional change and invited a senior Cabinet Office official to discuss complex programme and stakeholder management.

Following an assurance mapping exercise, we formally set out our Assurance Framework for the first time to add clarity and further understanding on how we get assurance that our internal controls are robust and effective. This framework was considered by the Audit and Risk Assurance Committee to be excellent and an exemplar. The Audit and Risk Assurance Committee provided valuable feedback to the Assembly Commission. They have encouraged officials to review the framework, on a periodic basis, to validate the existing arrangements and address existing gaps in assurances.

The Audit and Risk Assurance Committee welcome the increasing profile enjoyed by Internal Audit throughout the Assembly Commission. They remain satisfied with the assurances from the Head of Internal Audit and welcome the sharper focus on prior year recommendations and risk based approach that Internal Audit adopts. The Committee also appreciates the formalisation of the joint working protocol between the Wales Audit Office and Internal Audit, which underpins their strong working relationship. This ensures that collectively, they deliver a focussed and co-ordinated audit and assurance service to the Audit and Risk Assurance Committee and Assembly Commission Management.

The Head of Internal Audit's Annual Report concludes that...'the Assembly Commission has adequate and effective risk management, control and governance processes to manage the achievement of its objectives.'

The Assembly Commission also utilises a variety of external sources of assurance. During the year KPMG, a former Chief Information Officer for Wales, a senior official from the DVLA and some of the Assembly Commission's own Independent Advisers have been used to help provide assurance and support to Assembly Commission projects.

The results of independent external assurance are also important to the Assembly Commission as they reflect the culture and environment in which Assembly Commission staff work. The Assembly

Commission continues to enjoy gold accreditation from Investors in People (IIP); was named in the Times' list of the top 50 employers for Women; and is number four in Stonewall Workplace Equality Index of top employers for 2015.

## **Fraud incident**

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The Commission was the victim of a fraud in which criminals used deception to breach our governance processes and controls. The fraud was detected by our Finance Team in May 2014. They immediately involved the Police and Security Services, the bank, the Wales Audit Office (WAO) and the Commission's Audit and Risk Assurance Committee. Key stakeholders, as set out in the Commission's Fraud Response Plan, were also informed and other Welsh public sector organisations were made aware of the risks.

The deception is the subject of a criminal investigation that is wider than the Commission's case; we have been working with police to bring the culprits to justice. There was no internal wrong-doing. Work was started straight away to provide assurance that the incident was an isolated one. We carried out an extensive review and verification of all changes that had been made to suppliers covering 75 supplier changes (amounting to 96% of the monetary value of all 2013-14 payments). The results of this review provided assurance that the fraud was an isolated case. The work was reviewed by the WAO who agreed with this conclusion. Immediately following the fraud, we evaluated and strengthened the controls applied to the recording and verification of supplier data. Our routine checks within the existing process for supplier changes were bolstered in order to ensure the integrity of our payments system and minimise risks from external sources. Any breach resulting in the loss of public funds is unacceptable but the action that has been taken since the fraud has confirmed that we have robust controls and governance arrangements in place and that our processes are fit for purpose. The amounts involved have been fully disclosed in Note 16 of the 2014-15 Annual Report and Statement of Accounts. (2014-15 £29,000; 2013-14 £71,000).

The Head of Internal Audit has refreshed the Fraud Response Plan, and the Audit and Risk Assurance Committee endorsed this new plan in November 2014. Focussed Internal Audit work on key financial controls and processes, which will seek to validate the effectiveness of the new arrangements, forms part of the 2015-16 Internal Audit Plan.

## Review of effectiveness of internal control and governance arrangements

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The core of the review of effectiveness of the governance arrangements was a self-review process completed by the Management Board in February 2015. This took on board the outcome of the assurance mapping exercise and covered assurances on:

- progress against key achievements;
- awareness of and compliance with governance principles, rules and procedures and the effectiveness of the governance arrangements
- management of risks;
- progress against areas for improvement; and
- how the delivery of service plan objectives has been monitored.

The outcome of the review was used to inform this statement and was considered by the Audit and Risk Assurance Committee after the end of the financial year, prior to signing the financial statements.

In terms of governance arrangements, progress against areas identified for improvement in the 2013-14 statement or during the year is outlined below.

The Commission's continuous improvement ethos has been reflected consistently in financial management and performance. Further improvements in financial reporting and forecasting have provided flexibility to make best use of our available budget. The key financial performance indicator was again set at the challenging target of delivering the outturn within 1% of the budget. The Commission's focus on delivering Value for Money continued and for the fourth consecutive year we exceeded our target savings and increased the contribution from operating expenditure other than staff. Recruitment proposals continue to require a business case to be prepared and approved in advance of any recruitment activity; these are now assessed and approved by the Investment and Resourcing Board.

The role of the **Investment and Resourcing Board** as the strategic decision making body for resourcing in the Assembly has been extended to include governance of significant change initiatives and projects and an executive role in overseeing staffing resources, including the approval of business cases for recruitment. This, along with improvements in the provision of information to the Board, has strengthened the strategic approach to resourcing of programmes and projects.

This year we have changed the process for managing the investment budgets for the two services with the biggest spend - Estates and Facilities Management (EFM) and ICT. The change has seen their investment budgets retained centrally and both service areas have produced strategic investment plans – 10 years for EFM and 3 years for ICT. Release of funding for investment has been subject to Investment and Resourcing Board approval of individual business cases and this has allowed the



Board to prioritise spend more effectively and to be more flexible in responding new requirements such as the capacity planning exercise.

Another new feature is that, for the first time, we have undertaken a formal capacity planning exercise in response in part to the significant and known increase in the legislation programme. The exercise revealed the need for additional resources to support the preparation and passage of Bills and to support the work of Committees in exercising effective scrutiny. Specific focus has been given to better support for Assembly Members by providing increased research and legal resources.

In order to increase the effectiveness of forward planning and enable better identification and sharing of links between service plans, the Management Board has committed to adopting a more structured annual cycle of business planning and in-year reviews. In order to better support resource and capacity planning at a strategic level the annual Service Planning process will now be linked to the formal approach to capacity planning.

We have made further progress towards finalising the Assembly Commission's **Business Continuity Plan**. All service plans have been reviewed through the year; work has been undertaken to develop a major incident response plan; and we completed our first corporate business continuity exercise in April 2015.

We have moved forward well with the delivery of the requirements of the **Official Languages Scheme**. On consideration of the annual report on compliance, the Commissioners agreed that good progress had been made throughout the year and set priorities to further embed good practice across the organisation. There have been a number of significant achievements during the year, such as the launch of the Microsoft Translator, developing different ways of supporting Members in their committee work, awareness training for all Assembly Commission staff and the work carried out by the official languages scheme coordinators in each service area.

We have reviewed and refreshed our Fraud Response Plan, in line with best practice and evolving threats and strengthened controls to help ensure the on-going integrity of our payments system and minimise risks from external sources.

Further progress has also been made this year in strengthening information governance arrangements at the Assembly. Progress includes the development of an information governance framework, which comprises an overarching document setting out the Assembly's commitment to, and responsibilities for, managing and protecting information, and a series of new supporting policies.

An internal audit report in July 2014, recorded a satisfactory rating and noted significant progress having been made on raising awareness, across the Assembly, and re-enforced the importance and responsibility for effective information governance.

There were no incidents or personal data losses requiring reporting to the Information Commissioners Office during 2014-15. A number of minor incidents of personal data breaches or potential breaches internally, were investigated and managed in line with the Assembly Commission's policy.

## Areas of Focus and Development for 2015-16

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Drawing on the outcomes of audit and assurance work, and building on progress over the last year, areas of focus and development for 2015-16 will include:

- Business continuity – considerable headway has been made and full testing will be carried out.
- Information governance – an Information Governance Framework has been agreed and will be implemented and enforced across service areas by Information Asset Owners.
- Project and programme management capability, and Benefits Realisation – the volume and complexity of projects has continued to increase and we intend to introduce a new framework within which projects can operate and succeed, while allowing freedom to Senior Responsible Officers and Project Managers to deliver their projects in the most effective and proportionate way.
- Capacity planning – new arrangements were implemented this year and will be fully integrated with budget and service planning in the coming year.

A plan setting out the actions needed to address these areas will be prepared and progress will be reported to the Assembly Commission's Audit and Risk Assurance Committee.

## Concluding Statement

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In summary, I am satisfied that the weaknesses that have been identified through our assurance processes have been addressed, or are in the process of being addressed. I am also satisfied that the systems and processes within our governance framework have been operated and developed effectively over the course of the year.

**Claire Clancy**  
**Chief Executive and Clerk of the Assembly**  
**Date: 09 July 2015**





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

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I certify that I have audited the financial statements the National Assembly for Wales Commission (the Commission) for the year ended 31 March 2015, under the Government of Wales Act 2006. These comprise the Statement of National Assembly for Wales's Supply, Statement of Comprehensive Net Expenditure, Statement of the Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity, and related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## **Respective responsibilities of the Accounting Officer and auditor**

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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 Financial Reporting Council's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

## Opinion on Financial Statements

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In my opinion the financial statements:

- give a true and fair view of the state of the Commission’s affairs as at 31 March 2015 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

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In my opinion, in all material respects, the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

## Opinion on other matters

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In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government of Wales Act 2006; and
- the information which comprises the Annual Report is consistent with the financial statements.

## Matters on which I report by exception

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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;
- the financial statements are not in agreement with the accounting records and returns;
- 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

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I have no observations to make on these financial statements.

**Huw Vaughan Thomas**  
**Auditor General for Wales**  
**15 July 2015**

24 Cathedral Road  
Cardiff  
CF11 9LJ





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# Statement of National Assembly for Wales' Supply

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## a) Summary of Outturn 2014-15

		2014-15			£'000			Outturn 2013-14	£'000
Note	Budget			Outturn			Net total outturn compared with budget: under spend/ (excess)		
	Expend	Income	Total	Expend	Income	Total			
Resources for use by the National Assembly for Wales Commission	SOS 02	36,900	(400)	36,500	37,434	(223)	37,211	(711)	35,455
Resources in respect of Remuneration Board decisions	SOS 02	14,100		14,100	13,325		13,325	775	13,261
Annually Managed Expenditure	SOS 02	1,200		1,200	932		932	268	1,054
		52,200	(400)	51,800	51,691	(223)	51,468	332	49,770

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

## b) Net cash requirement 2014-15

			2014-15	2013-14
			£'000	£'000
			Net total outturn compared with budget: under spend /(excess)	
	Note	Budget	Outturn	Outturn
Net cash requirement	SOS 04	46,450	45,804	45,408

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

## c) Income payable to the Welsh Consolidated Fund

The income payable to the Welsh Consolidated Fund comprises bank interest and excess income received in year. In 2014-15 no excess income or interest has been received (£31,327.67 2013-14, representing the excess income received).

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

## SOS 01.Statement of accounting policies

The National Assembly for Wales Commission's budget is authorised by the Assembly via formal budget motions. These motions authorise the Commission's capital and revenue expenditure, as well as retainable income and the amount that may be drawn from the Welsh Consolidated Fund. The Statement and supporting notes have been prepared in accordance with the 2014-15 Government Financial Reporting Manual (FRM) suitably adapted for the constitution of the National Assembly for Wales and the Commission as specified by the Government of Wales Act 2006.

### Accounting convention

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

### Comparison with IFRS-based accounts

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

### Receipts in excess of HM Treasury agreement

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This applies where HM Treasury has agreed a limit to income retainable by the Commission, with any excess income scoring outside of budgets, and consequently outside of the Statement of National Assembly for Wales' Supply. IFRS-based accounts will record all of the income, regardless of the budgetary limit. This situation may arise in the following areas: (i) profit /loss on disposal of assets; (ii) income generation above department Spending Review settlements; and (iii) income received above netting-off agreements.

### Provisions

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Provision recognised in IFRS-based accounts are not recognised as expenditure until the actual payment of cash (or accrual liability) is recognised. A reconciliation is provided in SOS 03.

## SOS 02. Analysis of net resource outturn 2014-15

	Outturn	Analysis of	Outturn	Analysis of	Outturn	Outturn
		Approved	compared	Revised	compared	2013-14
		Budget	with	Budget	with	
			Approved		Revised	
	£'000	£'000	Budget	£'000	Budget	£'000
			£'000		£'000	
<i>Revenue expenditure</i>						
Staff salaries and related costs	17,664	17,380	(284)	17,380	(284)	15,770
Accommodation and facilities costs	9,356	7,643	(1,713)	7,643	(1,713)	7,380
ICT costs	3,343	3,221	(122)	3,221	(122)	4,971
Other costs	1,568	1,237	(331)	3,073	1,505	1,319
Training and development costs	370	390	20	390	20	384
Promoting awareness and understanding	286	452	166	452	166	217
Staff travel and subsistence costs	159	138	(21)	138	(21)	128
Other HR costs	119	103	(16)	103	(16)	113
Depreciation and amortisation charges	4,009	4,400	391	4,000	(9)	3,734
<b>Gross Revenue Expenditure</b>	<b>36,874</b>	<b>34,964</b>	<b>(1,910)</b>	<b>36,400</b>	<b>(474)</b>	<b>34,016</b>
<i>Revenue Income</i>						
Sales - the Assembly Shop	(13)	(15)	(2)	(15)	(2)	(12)
Accommodation rental income	(80)	(90)	(10)	(90)	(10)	(116)
Miscellaneous income	(130)	(145)	(15)	(295)	(165)	(122)
<b>Gross Revenue Income Applied</b>	<b>(223)</b>	<b>(250)</b>	<b>(27)</b>	<b>(400)</b>	<b>(177)</b>	<b>(250)</b>
<b>NET REVENUE EXPENDITURE</b>	<b>36,651</b>	<b>34,714</b>	<b>(1,937)</b>	<b>36,000</b>	<b>(651)</b>	<b>33,766</b>
<b>CAPITAL EXPENDITURE</b>	<b>560</b>	<b>1,786</b>	<b>1,226</b>	<b>500</b>	<b>(60)</b>	<b>1,689</b>
Creation of fixed assets						
<b>RESOURCE OUTTURN</b>	<b>37,211</b>	<b>36,500</b>	<b>(711)</b>	<b>36,500</b>	<b>(711)</b>	<b>35,455</b>
Members' salaries allowances and related costs	13,325	14,100	775	14,100	775	13,261
<b>RESOURCE OUTTURN</b>	<b>50,536</b>	<b>50,600</b>	<b>64</b>	<b>50,600</b>	<b>64</b>	<b>48,716</b>
Members' Pension Finance Costs	932	750	(182)	1,200	268	1,054
<b>Net Resource Outturn</b>	<b>51,468</b>	<b>51,350</b>	<b>(118)</b>	<b>51,800</b>	<b>332</b>	<b>49,770</b>

## Analysis of net resource outturn – notes

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The resource out-turn for 2014-15 was £50.536million against a budget of £50.598 giving an underspend of £64k (0.1%). This was well within the target of an underspend of less than 1% (<£501k) and reflects the proactive and efficient approach to budget management.

One of the primary contributing factors to enable such close control of the finances was the utilisation of forward work plans of services with large budget allocations - primarily Estates and Facilities Management and ICT. Both services have large remits and extensive on-going budget commitments. Working with these services to prioritise their plans enabled flexible management of expenditure such that resource could be used in the most appropriate way.

The Capacity Planning exercise which was undertaken during the year to assess the current staff resource against current and future work pressures, identified a need to further invest in this area. A mixture of permanent and temporary new posts were approved during the year to support the Commission going forward. The financial impact of these will be felt more in the next financial year as we move towards the Fifth Assembly and an increase in the roles and responsibilities of the Commission.

The underspend on the Members' Salaries and Allowances budget was £775k (5.8%). This underspend was reallocated to the maintenance and upkeep of the Estate for which there is a comprehensive and extensive rolling programme of works. There has also been investment in readiness for moving to a new Telephony system, an upgrade to the security radio system and the completion of the project to improve the heating system in the Senedd.

The move from an external ICT provider to an in-house team has reduced the baseline operational costs of ICT services during 2014-15. This reduction enabled over £400k to be reinvested back into the service to improve the service delivery. The result is that the Commission has an in-house ICT service which is robust, fit for purpose and able to respond to changing needs in a timely and efficient manner whilst delivering real value for money for the organisation.

Capital expenditure for the year was lower than originally anticipated, primarily due to a reclassification of ICT expenditure from capital to revenue. This was due to the significant business change in the ICT service with the successful transition to a complete in-house service provision.

Income was lower than previous years primarily due to a change in the treatment of secondment income. The Commission continues to give staff opportunities to gain experience outside of the Commission via a secondment or by provision of expertise to external organisations. This income is now shown as a reduction in staff expenditure.

The liability for the Members' Pension cost (£932k) has been met from the Annually Managed Expenditure budget of £1.2million. This is the budget set aside solely for this purpose with the costs arising from the accounting treatment set out in International Accounting Standard 19. The £0.268million underspend arising on this budget cannot be used for any other purpose.

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

	Note	2014-15	2013-14
		£000	£'000
Net Resource Outturn	SOS 02	51,468	49,770
Capital expenditure	4 & 5	(560)	(1,689)
Direct charges on the Welsh Consolidated Fund		645	624
Income payable to the Welsh Consolidated Fund	SOS 06	-	(31)
Net operating cost		51,553	48,674

The direct charges on the Welsh Consolidated Fund £645,340 (£624,222 for 2013-14) are in respect of the salary costs of the Presiding Officer, Deputy Presiding Officer, Auditor General for Wales, Standards Commissioner, Public Services Ombudsman for Wales and the Wales Audit Office Chair. These salaries are paid by the Commission but, as a direct charge on the Fund, are excluded from the net resource outturn.

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

	31 March 2015	31 March 2014
	£'000	£'000
Net cash requirement	(45,804)	(45,408)
From the Consolidated Fund (Supply) – current year	46,450	45,850
Amounts due from the Consolidated Fund not drawn	(527)	(219)
Amounts paid to the Consolidated Fund	(223)	(630)
Decrease in cash	(104)	(407)

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

	Note	Budget £'000	Outturn £'000	Net total outturn compared with budget: under spend / (excess) £'000	Outturn 2013-14 £'000
Net Resource Outturn	SOS 02	51,800	51,468	332	49,770
<u>Accruals adjustments</u>					
Non-cash items	See below	(5,200)	(5,257)	57	(4,788)
Changes in working capital other than cash		(150)	(407)	257	426
Net cash requirement		46,450	45,804	646	45,408

<i>Non-cash items</i>	Note	Budget £'000	Outturn £'000	Outturn compared with budget 2014-15 £'000	Outturn 2013-14 £'000
Depreciation and amortisation and de-recognition	4 & 5	(4,000)	(4,325)	325	(3,734)
IAS 19 Pension Finance Cost and other provision movements		(1,200)	(932)	(268)	(1,054)
		(5,200)	(5,257)	57	(4,788)



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

	Budget	Outturn	Outturn
	2014-15	2014-15	2013-14
	£'000	£'000	£'000
Retainable operating income	400	223	281
Subtotal	400	223	281
Amount retained	400	223	250
Amount payable to the WCF	-	-	31

There has been no other operating income in 2014-15 (nil 2013-14).

# Statement of Comprehensive Net Expenditure

## For the year ended 31 March 2015

		2014-15	2013-14
	Note	£'000	£'000
<b>Administration Costs</b>			
Members', Office holders and staff salary costs	2a	23,604	21,715
Members' Other Costs	2b	8,030	7,940
Members' Pension Finance Cost	10	932	1,054
Other administration costs	3	19,210	18,246
<b>Gross Administration Costs</b>		<b>51,776</b>	<b>48,955</b>
Operating income	SOS 06	(223)	(281)
<b>Net Operating Costs for the year ended 31 March 2015</b>		<b>51,553</b>	<b>48,674</b>
<b>Other Comprehensive Expenditure</b>			
<b>Net gain on revaluation of Property Plant and Equipment</b>		-	(4,601)
<b>Total Comprehensive Expenditure for the year ended 31 March 2015</b>		<b>51,553</b>	<b>44,073</b>

All activities are continuing.

# Statement of Financial Position

As at 31 March 2015

		31 March 2015	31 March 2014
	Note	£'000	£'000
<b>Non-current assets:</b>			
Property, plant and equipment	4	65,646	68,969
Intangible assets	5	631	1,073
<b>Total non-current assets</b>		<b>66,277</b>	<b>70,042</b>
<b>Current Assets</b>			
Inventories	6	23	19
Trade and other receivables	7	1,608	2,426
Cash and cash equivalents	8	119	223
<b>Total current assets</b>		<b>1,750</b>	<b>2,668</b>
<b>Total assets</b>		<b>68,027</b>	<b>72,710</b>
<b>Current liabilities</b>			
Trade and other payables	9	(4,012)	(4,520)
Provisions	10	(37)	(36)
<b>Total current liabilities</b>		<b>(4,049)</b>	<b>(4,556)</b>
<b>Non-current assets plus net current assets</b>		<b>63,978</b>	<b>68,154</b>
<b>Non-current liabilities</b>			
Provisions	10	(9,216)	(4,876)
<b>Total non-current liabilities</b>		<b>(9,216)</b>	<b>(4,876)</b>
<b>Assets less liabilities</b>		<b>54,762</b>	<b>63,278</b>

**Taxpayers' Equity and other reserves**

General Fund	51,434	55,575
Pension Fund Reserve	(9,147)	(4,772)
Revaluation Reserve	12,475	12,475
	<b>54,762</b>	<b>63,278</b>

**Claire Clancy**  
**Chief Executive and Clerk of the Assembly**  
**Date: 09 July 2015**

# Statement of Cash Flows

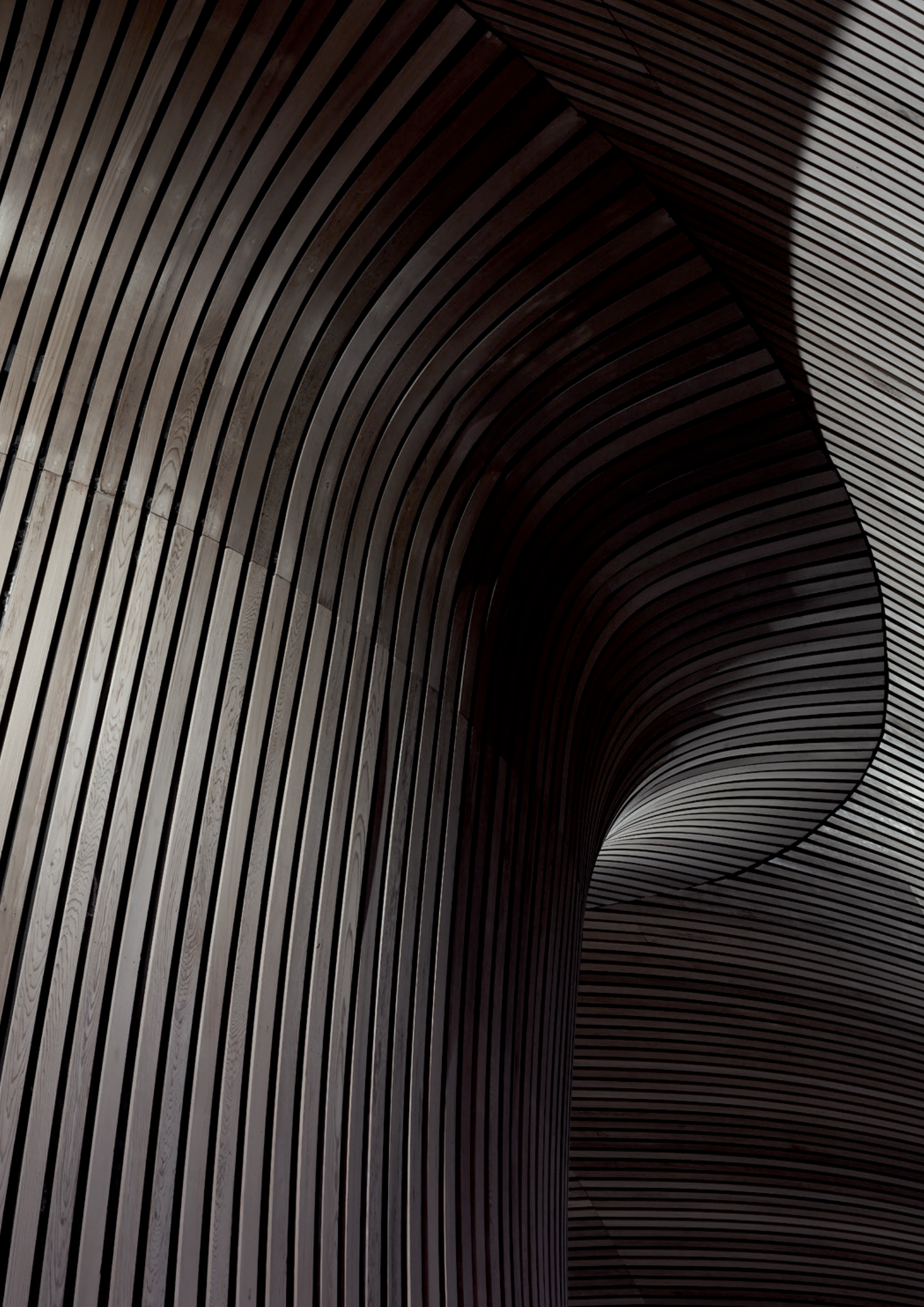
For the year ended 31 March 2015

	Note	2014-15 £'000	2013-14 £'000
<b>Cash flows from Operating Activities</b>			
Net operating cost	SOS 03	(51,553)	(48,674)
<b>Adjustments for non-cash transactions:</b>			
Depreciation, amortisation and impairment	4 & 5	4,009	3,734
Disposal	4	316	-
(Increase) in inventories	6	(4)	(3)
Decrease/(Increase) in trade and other receivables	7	818	(919)
<i>Increase in provision</i>	10	3	-
(Decrease) in trade and other payables	9	(194)	(134)
<i>Less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>		135	380
Utilising of Provision	10	(37)	(36)
Pension Finance Costs	10	932	1,054
<b>Net cash outflow from Operating Activities</b>		<b>(45,575)</b>	<b>(44,598)</b>
<b>Cash flows from Investing Activities</b>			
Purchase of property plant and equipment	4	(874)	(1,416)
Purchase of intangible assets	5	-	(17)
<b>Net cash outflow from Investing Activities</b>		<b>(874)</b>	<b>(1,433)</b>
<b>Cash flows from Financing Activities</b>			
From the Welsh Consolidated Fund (Supply)		45,923	45,630
From the Welsh Consolidated Fund (direct charges)		645	624
Payments to the Welsh Consolidated Fund		(223)	(630)
<b>Net cash inflow from Financing Activities</b>		<b>46,345</b>	<b>45,624</b>
Net decrease in cash and cash equivalents	SOS 04	(104)	(407)
Cash and cash equivalents at beginning of year	8	223	630
<b>Cash and cash equivalents at end of year</b>	8	<b>119</b>	<b>223</b>

# Statement of Changes in Taxpayers' Equity

## For the year ended 31 March 2015

	Note	General Fund	Revaluation Reserve	Pension Reserve	Total Reserves
		£'000	£'000	£'000	£'000
<b>Balance at 31 March 2013</b>		57,194	7,874	(5,051)	60,017
Pension Fund Reserve Movement		-	-	-	-
Pension Fund cost	10	-	-	1,333	1,333
<b>Total recognised income and expense for 2013-14</b>		(48,674)	-	-	(48,674)
<b>Transfer between reserves</b>	10	1,054	4,601	(1,054)	4,601
<b>Welsh Consolidated fund</b>		-	-	-	-
-Supply		45,850	-	-	45,850
-Direct Charges	SOS 03	624	-	-	624
<b>Amount payable to the Welsh Consolidated Fund</b>		(31)	-	-	(31)
<b>-Supply</b>	SOS 05	(442)	-	-	(442)
<b>Balance at 31 March 2014</b>		55,575	12,475	(4,772)	63,278
Adjustment for prior year WCF Supply		31	-	-	31
<b>Pension Fund Cost</b>	10	-	-	(3,443)	(3,443)
<b>Total recognised income and expense for 2014-15</b>		(51,553)	-	-	(51,553)
<b>Transfer between reserves</b>	10	932	-	(932)	-
<b>Welsh Consolidated fund</b>					
-Supply	SOS 3	46,448	-	-	46,448
-Direct Charges		645	-	-	645
<b>Amount payable to the Welsh Consolidated Fund</b>					
<b>CFERs payable to the Consolidated</b>		-	-	-	-
<b>-Supply</b>	SOS 05	(644)	-	-	(644)
<b>Balance at 31 March 2015</b>		51,434	12,475	(9,147)	54,762







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# Notes to the Resource Accounts

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# 01. Statement of accounting policies

These financial statements have been prepared on an accruals basis in accordance with the 2014-15 Financial Reporting Manual (FReM) suitably adapted for the constitution of the National Assembly for Wales and the Commission as specified by the Government of Wales Act 2006. The accounting policies contained in the FReM follow International Financial Reporting Standards (IFRS) to the extent that it is meaningful and appropriate to the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The Commission's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts. In addition to the primary statements prepared under IFRS the FReM also requires the National Assembly to prepare two additional statements of supply.

A review of all new standards and interpretations issued and effective in 2014-15 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.

## Accounting convention

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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).

## Property, Plant and Equipment

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

The IT threshold (previously £5,000 for the grouped value of assets) is now £5,000 for a single item, inclusive of irrecoverable VAT

This policy change is due to ICT services coming in-house, resulting in a change in working practices. The new service operates by delivering continual business improvements rather than the large scale changes seen previously under the fully outsourced contract. Grouped items purchased in prior years were fully depreciated during the year we exited the contract. These items have been derecognised.

Professional valuations are obtained for Land & Buildings every three years as a minimum. Other tangible assets are not revalued but held at fair value as, in the opinion of the Commission; the amounts involved would not be material.

## Asset impairment

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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.

## 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.

## 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).

## 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

## 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:

Asset	Asset life
Buildings:	50 years or an alternative period provided by a qualified (RICS) 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

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

## Asset Components

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Property assets are reviewed through the triennial professional valuations to confirm whether any part of the asset has a significantly different useful life. Where this is the case the asset will be split into components and the differing parts will be depreciated over their respective useful lives.

Assets purchased in the interim period are reviewed by the Finance team and Asset Managers. ICT Assets are 'grouped' into ICT, Audio Visual & Broadcasting Equipment, ICT Infrastructure and Intangible Assets, the differing parts will be depreciated over their respective useful lives.

## Statement of Comprehensive Expenditure

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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.

## Inventories

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

## Foreign Exchange

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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.

## Pensions

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**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. The valuation of the Principal Civil Service Pension Scheme was completed as at March 2012 on 17 July 2014.

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

**The Assembly Members' Pension Scheme (AMPS)** - A pension scheme for the Members of the Assembly was originally established under the Government of Wales Act 1998 and continues in force under the Government of Wales Act 2006. The scheme is a defined benefit scheme, and applies to the salary of Members and to any Office Holder salary. The cost of pension cover provided for the Members is by payment of charges calculated on an accruing basis, with liability for payment of future

benefits charged to the accounts of the AMPS. Any liabilities of the fund arising from a deficit on assets will be met through increased funding by the Commission. In reporting on the assets and liabilities of the Scheme, the Commission has followed International Accounting Standard 19. In accordance with IAS 19, the Scheme Trustees are required to undertake a sensitivity analysis for each significant actuarial assumption as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption at that date.

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

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

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## Operating Lease Charge

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

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## 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.

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## 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.

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## 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.

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## 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.

## Provisions

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The preparation of the financial statements requires various estimates and assumptions to be made that affect the application of accounting policies and reported amounts. We recognise a provision in full in the year that the obligating event occurred. All such estimates and judgments are reviewed on an ongoing basis and any revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. The most significant areas of estimation and critical judgments are:

- Assembly Member Pension Scheme. Details of the actuarial assumptions can be found in Note 02.A and the annual report and accounts for the pension scheme.
- Provisions for compensatory payments to staff are based on projections of expected future pension payments. We use the relevant discount rate as set by HM Treasury.
- Dilapidation provision is the assessment of the likely cost of rectifying dilapidation under lease terms of Tŷ Hywel. The Commission consider that the standard of its leased building is kept to such a standard that with the minimal backlog of maintenance and the annual review and agreement to the ten year forward work programme there is no need to make a provision for dilapidation.

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

### Staff costs comprise:

	Staff	Members and Office Holders	Total 2014-15	Total 2013-14
	£'000	£'000	£'000	£'000
<b>Salaries</b>				
Staff, Members and Office Holders	13,753	4,430	18,183	16,703
Seconded staff	278	-	278	162
<b>Social security costs</b>				
Staff, Members and Office Holders	1,106	482	1,588	1,485
<b>Other pension costs</b>				
Staff, Members and Office Holders	2,649	1,028	3,677	3,365
Subtotal Members, Office holders and staff salary costs	17,786	5,940	23,726	21,715
Less recoveries in respect of outward secondments	(122)	-	(122)	-
<b>Total Members, Office holders and staff salary costs</b>	<b>17,664</b>	<b>5,940</b>	<b>23,604</b>	<b>21,715</b>

All staff costs are charged to administration costs

The Commission pays the salary and related costs of Welsh Ministers, as explained in the Remuneration Report within these accounts. Amounts paid to the Welsh Ministers are disclosed within the Welsh Government's consolidated resource accounts. As at the 31 March 2015 there were 60 serving Assembly Members. At the year-end there were 25 Office Holders (other than Ministers), 1 First Minister, 7 Welsh Ministers, 4 Deputy Ministers and 1 Counsel General; changes due to a Cabinet Reshuffle during the year are disclosed within the Welsh Government's consolidated resource accounts.

The Commission consists of the Presiding Officer and four elected Members (see Remuneration Report for detail). The role of a Commissioner is remunerable at £12,420 per annum from 1 April 2011.

All senior managers and staff are employees of the Commission. The average number of whole-time equivalent persons employed by the Commission across the year (including senior management) was as follows:

Staff type	2014-15	Restated 2013-14
Permanent Staff	383.17	357.21
Seconded Staff	3.5	.50
Temporary/Casual Staff	21.48	15.63
Fixed Term Appointments	-	-
Total	408.15	373.34

The increase in staff numbers is mainly due to IT services being provided in-house

## 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.

The Government Actuaries Department (GAD) were appointed as Scheme Actuary to carry out an actuarial valuation of the Scheme as at 31 March 2012. The valuation was taken in accordance with the Public Service Pensions Directions 2014. The Directions required the existing PCSPS and new scheme being introduced for the civil service workforce on 1 April 2015 to be taken into account in aggregate. The valuation results specify the employer contribution rate payable for the four year period from 1 April 2015 (the implementation period) and the employer cost cap, both of which are set in regulations. The key results of the valuation are as follows:

20.9% Employer contribution rate payable for the implementation period

18.5% Employer cost cap

Total Scheme liabilities of £132.7 billion and notional assets of £127.3bn, giving a notional past service deficit of £5.5bn

For 2014-15, employer's contributions of £2.641 million (£2.313million 2013-14) 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. 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.

New employees since 30 July 2007 are eligible to join either Nuvos or partnership. Nuvos is a career average defined benefit pension scheme, partnership is a defined contribution pension scheme. A Partnership pension is a stakeholder pension, employees can choose not to make a contribution as the employer will make an age related contribution. Employer's contributions of £7,469 (£7,965 2013-14) 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 £469 (£494 2013-14) 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 £500 (£708 2013-14). 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 1 April 2014 by the Government Actuaries Department. The scheme is funded and the employer contribution rate is unchanged at 23.8% following the valuation. The Remuneration Board of the National Assembly for Wales is the independent body responsible for setting the pay, allowances and pensions for Assembly Members and their staff. Details of pay and allowances are contained in the Board's Determination published in July 2013 and August 2014.

During 2014-15 the Board has continued its work on the review of Assembly Members' pension with a further two consultations held in April 2014 and July 2014. Whilst details still need to be formally approved, the new scheme will be a career average scheme with an accrual rate of 1/50th and pension age linked to State Pension Age. The indicative contribution rates, although not finalised, are a member contribution rate of 11%, an increase of 1% compared to the current final salary scheme and an employer contribution rate of 16.6%, a decrease of 7.2%.

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

	Note	31 March 2015	31 March 2014
		£'000	£'000
Present value of scheme liabilities		(38,176)	(30,258)
Fair value of scheme assets		29,029	25,486
Net liability		(9,147)	(4,772)
Amount in the Statement of Financial Position			
Liabilities		(9,147)	(4,772)
Net liability	10	(9,147)	(4,772)

## Analysis of amount charged to the Statement of Comprehensive Net Expenditure

	2014-15	2013-14
	£'000	£'000
Current service cost	1,710	1,802
Interest on pension liability	1,343	1,281
Interest on scheme assets	(1,142)	(1,046)
	<u>1,911</u>	<u>2,037</u>
Allocated in the account as;		
Other pension costs	979	983
Pension finance costs	932	1,054
	<u>1,911</u>	<u>2,037</u>

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

	2014-15	2013-14
	£'000	£'000
Actual return less interest on scheme assets	1,478	(282)
Experience gains and losses arising on pension liabilities	1,306	720
Changes in assumptions	(6,227)	895
Net actuarial (losses) / gains recognised in SCITE	<u>(3,443)</u>	<u>1,333</u>

## Movement in liabilities during the year

	31 March 2015	31 March 2014
	£'000	£'000
Liabilities at 1 April	30,258	29,011
Current service cost (net of member contributions)	1,710	1,802
Member contributions (including net transfers- in)	431	424
Past service cost		
Benefits paid during the year	(488)	(645)
Interest on pension liability	1,343	1,281
Actuarial gains/(losses)	4,921	(1,615)
Liabilities at 31 March	38,175	30,258

## Movements in assets during the year

	31 March 2015	31 March 2014
	£'000	£'000
Assets at 1 April	25,486	23,960
Interest on scheme assets	1,142	1,046
Actual return less interest on scheme assets	1,478	(282)
Contributions by NAFW	979	983
Contributions by Members (including net transfers-in)	431	424
Benefits paid and expenses	(488)	(645)
Closing fair value of scheme assets 31 March	29,028	25,486

The Commission expects to contribute £955,793 to the Members' Pension Scheme in 2015-16.

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

	2014-15	2013-14
Equities	46.33%	45.01%
Alternative Investments	22.44%	21.17%
Fixed Interest and Cash	31.23%	33.82%

The scheme assets do not contain any property directly or indirectly. The scheme assets include, indirectly through investment in unitised funds, gilts issued by the UK government with a fair value of £2,817,702 in 2014-15 (£2,277,471 in 2013-14).

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 2014-15 was a gain of £2.619 million (£0.761 million gain in 2013-14).

**Principal actuarial assumptions at the Statement of Financial Position date:**

	31 March 2015	31 March 2014
Discount rate	3.3%	4.4%
Future salary increases	-0.9%	-0.1%
Future pension increases	1.1%	1.9%
Expectation of life at age 65 (years)		
Men	25.5	25.0
Women	27.5	26.2

The principal financial assumptions are the real rates of return in excess of pension increases and earnings growth. A key demographic assumption is pensioner mortality. The indicative impact on the total liability as at 31 March 2015 with respect to changes in these assumptions is outlined below.

**Sensitivity to main assumptions**

If the assumed rate of return in excess of earnings changes by ½% a year, the total actuarial liability would change by about 2% and the change in total liabilities by circa £0.8million

If the real rate of return in excess of pension changes by ½% the total actuarial liability would change by about 10% and the change in total liabilities by circa £3.8million

If longevity at retirement were assumed to be 2 years greater, this would increase the total actuarial liability by about 6% and would increase total liability by circa £2.3million

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

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	38,176	30,258	29,011	23,984	21,095
Scheme assets	29,029	25,486	23,960	20,298	18,785
Actual return less interest on scheme assets	(9,147)	(4,772)	(5,051)	(3,686)	(2,310)
Experience gains and losses arising on pension liabilities	1,307	720	1,125	(436)	617
Actual return less interest on scheme assets	1,477	(282)	1,524	(497)	618

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 2015.

## 02. B - Members' Other Costs

Members' Other Costs of £8.030million (£7.940million 2013-14) in the Statement of Comprehensive Net Expenditure consist of:

	2014-15	2013-14
	£'000	£'000
Office Costs	791	766
Additional Costs	218	243
Members' Staff Costs	6,768	6,681
Travel costs	253	250
Total Members' other costs	8,030	7,940

*Staff Costs include 3 severance payments totalling £22k*

## 02. C - 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 2014-15, a total of £21,985 (£21,244 2013-14) was incurred in relation to the Commissioner's work.

- 241 hours at a cost of £18,984 (232.75 hours at a cost of £18,424 2013-14) for the Commissioner's cost for 2014-15 was charged to the Welsh Consolidated Fund.
- 91.5 hours at a cost of £3,001 (88 hours at a cost of £2,820 2013-14) for Staff Costs incurred in supporting the Commissioner.

### 03. Other Administration Costs

Other administration costs of £19.210 million (£18.246 million 2013-14) in the Statement of Comprehensive Expenditure consist of:

	2014-15	2013-14
	£'000	£'000
<i>Accommodation and facilities costs</i>		
Leases – Buildings	2,830	2,839
Maintenance*	3,579	1,934
Rates*	1,236	716
Security	574	573
Utilities	524	507
Catering	328	306
Leases photocopier	132	134
Car parking	102	103
Furniture and fittings	51	268
<i>ICT costs</i>		
ICT Contracted-Out Services*	704	2,404
Broadcasting	637	578
Telephone	382	265
Licence and maintenance costs	730	520
IT Projects	549	795
Website	86	117
ICT consumable purchases	255	292
<i>Other costs</i>		
Other administrative expenses*	625	202
Translation	242	276
Printing, Stationery and Postage	217	242
Insurance and Specialist Advice	132	130
Publications	99	102
Accounting and Financial service	27	77
Audit	89	128



	2014-15	2013-14
	£'000	£'000
Committee Advisors	80	117
Hospitality	57	45
<i>Training and development costs</i>	370	384
<i>Promoting awareness and understanding</i>	286	217
<i>Staff travel and subsistence costs</i>	159	128
<i>Other HR costs</i>	119	113
<i>Depreciation, amortisation and impairment charges</i>	4,009	3,734
	19,210	18,246

The agreed external audit cost for the audit of these statements is £66,250 (2013-14 £62,540). In addition cost of £3,636 (nil 2013-14) for additional non statutory audit were incurred in 2014-15 the balance of the audit expenditure was Internal Audit charges.

\*Further explanation of the movement between 2014-15 and 2013-14 is included in SOS 02. Analysis of the net resource outturn is on page 124.

## 04. Property, plant and equipment

	Land and Buildings	Information Technology	Furniture and Fittings*	Vehicles	Assets under construction	2014-15 £'000 Total
<b>Cost or valuation</b>						
At 1 April 2014	63,140	13,636	1,876	80	798	79,530
Additions	116	106	71	-	267	560
Reclassification	208	370	185	-	(763)	-
De-recognition	-	(427)	(458)	-	(35)	(920)
At 31 March 2015	63,464	13,685	1,674	80	267	79,170
<b>Depreciation</b>						
At 1 April 2014	-	(9,490)	(991)	(80)	-	(10,561)
Charged in year	(1,657)	(1,784)	(126)	-	-	(3,567)
Impairment	-	-	-	-	-	-
De-recognition	-	427	177	-	-	604
At 31 March 2015	(1,657)	(10,847)	(940)	(80)	-	(13,524)
<b>Carrying amount at</b>						
31 March 2015	61,807	2,838	734	-	267	65,646
<b>Carrying amount at</b>						
1 April 2014	63,140	4,146	885	-	798	68,969

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

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

The 2014-15 de-recognition charge of £427k arise from ICT services completing its transition from being out-sourced to an in-house service and a classification error in furniture and fittings where correcting the position has required £281k net book value to be charged to Other administrative expenses Note 03.

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

## 05. Intangible assets

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

	Software	2015 Total £'000
Cost or valuation		
At 1 April 2014	2,367	2,367
Additions	-	-
Reclassification	-	-
At 31 March 2015	2,367	2,367
Amortisation		
At 1 April 2014	(1,294)	(1,294)
Charged in year	(442)	(442)
At 31 March 2015	(1,736)	(1,736)
Carrying amount at 31 March 2015	631	631
Carrying amount at 1 April 2014	1,073	1,073

	Software	2014 Total £'000
Cost or valuation		
At 1 April 2013	2,289	2,289
Additions	17	17
Reclassification	61	61
Disposals	-	-
Revaluation	-	-
At 31 March 2014	2,367	2,367
Amortisation		
At 1 April 2013	(868)	(868)
Charged in year	(426)	(426)
At 31 March 2014	(1,294)	(1,294)
Carrying amount at 31 March 2014	1,073	1,073
Carrying amount at 1 April 2013	1,421	1,421

## 06. Inventories

	31 March 2015 £'000	31 March 2014 £'000
Inventories for the Commission's Shop	23	19

## 07. Trade receivables financial and other assets

	31 March 2015 £'000	31 March 2014 £'000
Amounts falling due within one year:		
Trade receivables	40	743
Other receivables	10	7
Prepayments	1,246	1,200
Recoverable VAT	312	476
	1,608	2,426

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

## 08. Cash and cash equivalents

	31 March 2015 £'000	31 March 2014 £'000
Balance at 1 April	223	630
Net change in cash and cash equivalent balances	(104)	(407)
Balance at 31 March	119	223

The following balances at 31 March were held at:

Citibank	95	50
Commercial banks and cash in hand	24	173
Balance at 31 March	119	223

## 09. Trade payables and other current liabilities

	31 March 2015 £'000	31 March 2014 £'000
Amounts falling due within one year		
VAT	20	12
Other taxation and social security	622	600
Trade payables	590	464
Other payables	-	-
Accruals	2,661	3,190
Amounts due to the Welsh Consolidated Fund	119	254
	4,012	4,520

There were no creditor amounts falling due after more than one year

## 10. Provisions for liabilities and charges

Under International Accounting Standard 19, a liability of £9.147 million is recognised for the Assembly Members' Pension Scheme. Further information on this is provided under Note 2.

	AM Pension Scheme £'000	Provision for compensatory payment to staff £'000	2014-15 Total £'000	2013-14 Total £'000
Balance at 1 April	4,772	140	4,912	5,224
(Decrease)/Increase	4,375*	3	4,378	(276)
Utilised in-year	-	(37)	(37)	(36)
Balance at 31 March	9,147	106	9,253	4,912

\*This includes the pension finance cost £.932 million (£1.054 million 2013-14) and the net actuarial loss £3,443million (£1.333 million – 2013-14) Further information is in Note 2a.

From the total £9.253million (£4.912million in 2013-14) provision, £0.037 million for compensatory payment is expected to crystallise within one year.

## 11. Capital commitments

There were no contracted capital commitments at 31 March 2015 (nil at 31 March 2014).



## 12. Commitments under leases

### (a) Operating leases

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which payments are incurred

	31 March 2015	Restated 31 March 2014
	£'000	£'000
Obligations under operating leases comprise:		
Not later than one year	2,794	2,794
Later than 1 year but not more than 5 years	11,127	11,161
Later than 5 years	33,188	35,880
	<u>47,109</u>	<u>49,835</u>
Other – car, printers and copiers:		
Not later than one year	89	92
Later than 1 year but not more than 5 years	158	17
	<u>247</u>	<u>109</u>

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

The Leases as at 31 March 2014 were restated due to a new format requirement from Treasury to analyse the information according to the period costs incurred instead of the period that the lease expires.

### (b) Finance leases

There are no obligations under finance leases.

## 13. Other financial commitments

Historically the Commission has held two contracts deemed to be non-cancellable. These are contracts where a cancellation outside the contract terms would incur a charge. Therefore the Commission is considered to have a financial commitment in relation to this type of contract. During the year formal notice of termination of one of the contracts, for the ICT support was concluded. The remaining contract is now included under Note 12 Commitments under leases.

<b>Obligations under non-cancellable contracts comprise:</b>	<b>2014-15</b>	<b>2013-14</b>
	<b>£'000</b>	<b>£'000</b>
Expiry within 1 year	-	840
Expiry after 1 year but not more than 5 years	-	10
Expiry thereafter	-	-
	-	850

The Commission has other contracts that make reference to early termination but do not quantify charges for such an event. Early termination would be a breach of contract and the contractor would be entitled to damages representing the loss of profit on the work which would have been done under the contract if it had run its full course. As this figure is variable for each contract, such contracts have not been included in this note.

## 14. Financial Instruments

The Commission does not issue or trade in financial instruments such as loans and has no borrowings. It relies primarily on funding from the Welsh Consolidated Fund for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits, and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

## 15. Contingent liabilities

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

Pension contributions for AM Support Staff who:	Amount outstanding 31 March 2015 £'000	Amount outstanding 31 March 2014 £'000	Amount paid out 2014-15 £'000	Comments
Are currently employed but not contributing to a pension scheme	2	2	-	Remote
Have left employment without ever joining a pension scheme	49	54	-	Remote

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

## 16. Losses and special payments

The number and value of losses and special payments made during 2014-15 are as follows:

(a) Losses Statement	2014-15		2013-14	
	No. of cases	Value £'000	No. of cases	Value £'000
Total	31	32	16	72
Fruitless Payments and Constructive Loss	30	3	13	1
Losses of pay, allowances and superannuation benefits	-	-	2	-
Losses of Accountable Stores – (Refer to Governance Statement)	1	29	1	71

(b) Special Payments	2014-15		2013-14	
	No. of cases	Value £'000	No. of cases	Value £'000
Total	3	40	6	1
Compensation	3	40	6	1

Compensation payments include 2 severance payments totalling £19k.

## 17. Travel and Subsistence by Directors

Claims made by and on behalf of the Chief Executive and Directors for travel and subsistence and other business expenses over the last two years were as follows:

	Claire Clancy		Adrian Crompton		Dave Tosh		Elisabeth Jones		Steven O'Donoghue		Craig Stephenson	Nicola Callow
	<i>Chief Executive and Clerk of the Assembly</i>		<i>Director of Assembly Business</i>		<i>Director of Resources</i>		<i>Director of Legal Services</i>		<i>Head of Assembly Resources with Director of Finance responsibilities (until 25 April 2014)</i>		<i>Director of Commission Services (from 6 May 2014)</i>	<i>Director of Finance (from 26 April 2014)</i>
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2014-15
	£	£	£	£	£	£	£	£	£	£	£	£
Car mileage		21	-	-			29	59	-	-	-	-
Taxi / Car hire / associated costs	95	24	-	45	-	-	108	54	-	-	167	-
Air travel / associated costs	265	371		3,091	5,943	227	243	541	-	89	418	-
Public transport		171	179	144	409	-	305	403	-	478	201	-
Accommodation	212	468	-	826	52	191	307	-	279	-	524	-
Subsistence / expenses		57		315	211	-	59	150	-	470	189	211
<b>Total</b>	<b>572</b>	<b>1,112</b>	<b>179</b>	<b>3,550</b>	<b>7,434<sup>1</sup></b>	<b>279</b>	<b>935</b>	<b>1,514</b>	<b>-</b>	<b>1,316</b>	<b>1,499</b>	<b>211</b>

<sup>1</sup> The increase in travel costs is due to the shared cost of air travel relating to advisory IT services provided to parliamentary bodies overseas.

## 18. Related-party transactions

The Commission has a number of transactions with the Welsh Government and with other government departments and public bodies, including HM Revenue & Customs. Additionally, regular transactions take place with the Assembly Members' Pension Scheme, see note 2. Standing Orders of the National Assembly for Wales require the Assembly, on a motion proposed by the Commission, to elect Trustees to the Members' Pension Scheme.

The Assembly may give special or general directions to the Commission for the purpose of, or in connection with, the exercise of the Assembly Commission's functions.

The Commission has not undertaken any material transactions directly with Commissioners, senior managers or their close family members nor with any organisations where Commissioners, senior managers or members of their close family hold positions of control or influence. The Deputy Presiding Officer, David Melding, and Peter Black, one of the Commissioners, are also trustees of the Assembly Members' Pension Scheme.

For transparency the following minor transactions are reported:

- Payments of £4,368.42 (£274.50 2013-14) were made to the City and County Swansea for services rendered e.g. waste collection and rates. Peter Black is a councillor for City and County of Swansea
- Payments of £6,000.00 (£11,876.40 2013-14) were made to Swansea University for WVN support licences. Peter Black is a member of Court of Governors of Swansea University

An independent Remuneration Board was established by the National Assembly for Wales Remuneration Measure 2010. The Remuneration Board determines the salaries and allowances of all Assembly Members and office holders. The Assembly Members, may employ family members as their support staff, however, this is only permitted where the Assembly Member plays no part in the fair and open selection process, which is conducted by Commission staff on their behalf.

The Commission decides the policies on salary and conditions for Commission staff. There are no restrictions in place relating to the employment by the Commission of family members of Commissioners or senior management.

Directors have declared that they hold no significant third party interests that may conflict with their duties.

A Register of Financial and Other Interests of Assembly Members is available at [www.assembly.wales](http://www.assembly.wales) and [www.cynulliad.cymru](http://www.cynulliad.cymru).



