

National Assembly for Wales
Finance Committee

Report on the National Assembly
for Wales – Assembly Commission
Draft Budget Proposals (post
Spending Review 2010) 2011–12

November 2010



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Finance Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

Tel: 029 2089 8026
Fax: 029 2089 8021
email: Finance.Comm@wales.gov.uk

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Finance Committee

The Finance Committee's remit is to ensure that proper scrutiny is given to the budget and expenditure of the Welsh Government, the Assembly Commission, the Ombudsman, the Children's Commissioner, the Older People's Commissioner and various Welsh Government Sponsored Bodies and NHS Bodies.

The Committee has, in broad terms, three main functions:

- to consider and report on Assembly budget proposals;
- to consider and, where it sees fit, report on the financial information presented in support of Assembly Measures;
- to consider any other matter relating to, or affecting, expenditure by the Government or out of the Welsh Consolidated Fund.

Powers

The Committee was established on 26 June 2007. Its powers are set out in the National Assembly for Wales's Standing Order 14. These are available at www.assemblywales.org

Committee Membership



Angela Burns (Chair)
Carmarthen West and South
Pembrokeshire
Welsh Conservative Party



Lorraine Barrett
Cardiff and South Penarth
Labour



Peter Black
South Wales West
Welsh Liberal Democrats



Andrew Davies
Swansea West
Labour



Chris Franks
South Wales Central
Plaid Cymru



Brian Gibbons
Aberavon
Labour



Ann Jones
Vale of Clwyd
Labour



Nick Ramsay
Monmouth
Welsh Conservative
Party



Janet Ryder
North Wales
Plaid Cymru

Summary of Conclusions and Recommendations

Paragraph	Conclusions and Recommendations
8	<p>The Finance Committee notes and welcomes the changes in the presentation of the Commission’s draft budget for 2011-12 which follow from the recommendations made by the committee in its report last year. It appreciates the Commission’s positive response to these recommendations and feels that the presentation of the draft budget for 2011-12 is much clearer.</p>
15	<p>The Finance Committee welcomes and acknowledges the comprehensive system for assessing and managing the Commission’s work within a strong corporate governance framework. The Assembly Commission clearly has in place a well-planned system which ensures that progress with activities and projects is monitored and likely outturn forecast – and, in turn, priorities adjusted to ensure delivery. The Committee notes the five strategic objectives, or goals, that the Assembly Commission has set. While it fully accepts that delivery of these should be a priority for the Commission, they are very much about how the Assembly Commission will operate rather than statements of the ultimate end product it is trying to deliver with the resources made available to it. Moreover, many of them are overlapping.</p>
16	<p>The Finance Committee is still unclear as to how the systems referred to above relate to the strategic outcomes that the Assembly Commission is seeking to achieve – or, indeed what are those strategic outcomes, how progress in relation to them is measured and how the Assembly Commission makes decisions on the allocation of resources between them. The Committee seeks greater clarity in this important area. It asks the Assembly Commission to detail the methodology it intends to employ to measure performance against the outcomes it is planning to deliver and to set out how these will contribute to meeting their strategic objectives. This should include a transparent mapping of resources against the strategic priorities showing the outcomes to be delivered from this expenditure.</p>

20	<p>The Finance Committee agrees the importance of having regard to what is happening in the wider world. And, with an established organisation or an established methodology, it is often possible to see things that can be done differently or, with the experience one has, look to make cost savings in a different way. At the same time, the role of the Assembly, and its place in the governance of Wales, is developing. While upholding the principle of reflecting changes in the Welsh block, it is important not to allow such considerations to risk strangling the democracy that is growing in Wales. It is important to ensure that whatever changes are made, and having regard to any changes in the powers of the Assembly that might result from the future referendum, the Assembly Commission must have the resources and the approaches to deliver the services necessary to support the Assembly's effective scrutiny of Government and other work.</p>
23	<p>The Finance Committee welcomes the efforts made by the Assembly to use the voluntary early severance scheme in a way that retained skills essential to its work. It welcomes also the efforts being made to encourage flexible working and to provide opportunities for staff to develop and broaden their skills.</p> <p>Nonetheless, while multi-skilling can lead to efficiencies by allowing the flexible deployment of staff, the reduction in overall staff numbers should be closely monitored to ensure that the effectiveness of the Assembly as a legislature is not adversely affected.</p>
26	<p>The Committee welcomes the wide range of ways in which staff can express views to management and acknowledges the Commission's recent award of Gold Status as an Investor in People. It does however note that the routes by which staff can indicate concerns are generally going to be on agendas set by senior officers or management and require individuals to be identified. Effective and constructive challenge of senior management should be the hallmark of a healthy organisation, yet there seems no mechanism by which staff who are uncomfortable in meetings, particularly when they have concerns that they fear might displease management, can express their views.</p>

27	<p>Moreover, while discussions with groups are a good way of understanding the detail of issues, they do not provide a mechanism by which an employer can obtain an overall assessment of the views of staff within the organisation and the overall level of satisfaction. A staff attitude survey does not need to be costly or bureaucratic and the Finance Committee recommends that the Assembly Commission undertakes one on a regular basis. Given that scale of cuts and changes ahead there are good reasons for embarking on one now in order to establish a clear baseline position.</p>
30	<p>The Finance Committee notes and welcomes the developments supported by the restructuring fund and the change programme and the use of resources for 'invest to save'. It asks the Assembly Commission to let it have a note by the end of January setting out in more detail the range of projects in hand and a quantified assessment of the improvements to the efficiency and effectiveness of service delivery that will result.</p>
34	<p>The Finance Committee notes that the Commission's response refers to two types of collaboration. The first is the sharing of knowledge, expertise and good practice in order to develop new and better ways of delivering services to Members. The Finance Committee strongly welcomes and supports this form of partnership although the benefits that flow from it are more likely to be in the form of better services than direct cost savings. The Committee regrets that too often the generally modest costs attached to such collaboration is viewed and criticised without regard to the qualitative benefits that will accrue.</p>
35	<p>The type of collaboration that is most likely to deliver direct financial savings is the sharing of the delivery of services through joint ventures and other forms of operational partnership. The Committee notes that so far the Assembly Commission has delivered only modest savings through this kind of collaboration and urges it to see this as a priority for the coming year.</p>
39	<p>The Finance Committee notes the difficulty budgeting for the future cost of Members' pay and allowances and agrees that it is</p>

	sensible at this stage to include an indicative figure in the budget and await the outcome of the deliberations of the Independent Review Panel.
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GEN-LD8272 - National Assembly for Wales - Assembly Commission Revised Draft Budget Proposals (post Spending Review 2010) 2011-12

Background

1. Standing Order 27 states:

27.7 Not later than 24 September in each financial year, a member of the Commission must lay before the Assembly a draft budget for the Commission setting out the amounts of resources and cash which the Commission proposes to use for the following financial year and provisional amounts for the subsequent two years or for such other period as the Commission has agreed with the Welsh Ministers.

27.8 The Finance Committee must consider and report to the Assembly on the draft budget for the Commission no later than three weeks after it has been laid before the Assembly...

2. Because of the 2010 Comprehensive Spending Review, which was not scheduled to report until 20 October 2010, Standing Order 27.8 was amended by Standing Order 27A, which in turn was amended on 20 October 2010, to revise the deadline for the Finance Committee laying its report to 29 November 2010.

3. The National Assembly for Wales Commission laid *GEN-LD8228 - National Assembly for Wales Assembly Commission Draft Budget Proposals 2011-12* on 24 September 2010. Following the publication of the conclusions of the Comprehensive Spending Review, the Assembly Commission on 1 November 2010 laid revised draft budget *GEN-LD8272 - National Assembly for Wales - Assembly Commission Revised Draft Budget Proposals (post Spending Review 2010) 2011-12*. The Finance Committee has focused on this revised draft budget.

Introduction

4. The Finance Committee considered the National Assembly for Wales Commission Draft Budget for 2011-12 at its meeting on 8 November 2010.

5. At the meeting the Finance Committee took evidence from:

- Lord Dafydd Elis-Thomas - Presiding Officer, Chair of the National Assembly for Wales Commission
- Claire Clancy - Chief Executive and Clerk of the Assembly
- Dianne Bevan - Chief Operating Officer

6. Following the meeting the Chair of the Finance Committee wrote¹ to the Presiding Officer with some further questions which arose from the oral evidence given in the meeting. The Presiding Officer and Chief Executive and Clerk of the Assembly responded² on 16 November 2010.

Overall approach

7. In its budget submission the Assembly Commission refers³ to the establishment of the "Remuneration Board" to make decisions on all aspects of financial support for Assembly Members. As a consequence of this the Assembly Commission's budget now contains two separate ambits. One is for the expenditure which will continue to be under the Commission's direct control (the Assembly Services Budget); the other is for expenditure that will be determined by the Remuneration Board (the 'Assembly Members' Budget'). The ambits were dealt with separately in the Commission's draft budget proposal.

8. Comment: The Finance Committee notes and welcomes the fact that some of the changes in the presentation of the Commission's draft budget for 2011-12 follow from the recommendations made by the committee in its report last year. It appreciates the Commission's positive response to these recommendations and does feel that the presentation of the draft budget for 2011-12 is much clearer.

¹ Finance Committee FIN(3)-21-10 (p3), *Assembly Commission Draft Budget 2011-12 – Correspondence between the Chair of the Finance Committee and Presiding Officer*, 2 December 2010

² Ibid

³ National Assembly for Wales, *Assembly Commission Draft Budget Proposals (post Spending Review 2010) 2011-12*, para 15

Assembly Services Budget

9. The Assembly Commission's budget document⁴ says that this budget for 2011-12 and thereafter will be prepared on the basis of year-on-year reductions, which as a minimum reflect the impact of public spending cuts on the Welsh block. Assuming the most recent Treasury forecasts for general economy inflation the Commission will deliver real terms cuts:

	% cut
2011-12	5
2012-13	2
2013-14	3
2011-14	12

10. Overall, these will deliver a cumulative reduction of 12 per cent by March 2014 compared with 11% in the Welsh block overall.

11. The document goes on to say⁵ that achieving this reduction will present a significant challenge and will require a clear focus on priorities so that the Commission can continue to deliver high standards where it matters most. However, changes to the breadth, timing and quality of service are inevitable and Members and other service-users will notice these changes. Some work will be reduced or curtailed to enable delivery within a more constrained resource base.

Outcomes

12. The Commission's draft budget document⁶ says that decisions and resource allocations are guided by the Commission's strategic objectives for the Third Assembly:

- to promote and widen engagement in devolution;

⁴ National Assembly for Wales, Assembly Commission Draft Budget Proposals (post Spending Review 2010) 2011-12, para 16

⁵ National Assembly for Wales, Assembly Commission Draft Budget Proposals (post Spending Review 2010) 2011-12, para 18

⁶ National Assembly for Wales, Assembly Commission Draft Budget Proposals (post Spending Review 2010) 2011-12, para 3

- to show unity, leadership and a bold response to constitutional change;
- in all our work, to demonstrate respect, probity and good governance;
- to work sustainably; and
- to ensure that the Assembly has the best service, provided in the most effective way.

13. The Presiding Officer told the Committee⁷ that they had looked at the services they provide and had prioritised within these 5 strategic goals. The Committee asked⁸ how the Commission decided to allocate relative priorities to these five strategic objectives in financial terms. The Chief Executive and Clerk of the Assembly⁹ said they look at what is being delivered and how it relates to the five strategic goals. Asked whether they had a performance framework, the Chief Executive and Clerk of the Assembly said¹⁰ they had key performance indicators, key risks, key milestones and a dashboard for each. There is a high level of monitoring against the strategic objectives and the entire risk framework is linked to the five strategic goals.

14. In their subsequent letter to the Committee¹¹ the Presiding Officer and the Chief Executive and Clerk of the Assembly set out the processes in more detail and how a Strategic Plan is agreed between the Commission and the Management Board headed by the Chief Executive setting more detailed objectives for the year. The letter said that the Strategic plan it was structured round the five strategic goals. It went on to explain¹² how resources were allocated in the light of achievements and in response to decisions to increase resources in particular areas. It said that the Management Board reviews a monthly Financial Management Report which includes a risk assessment on the forecast outturn. Through all the processes, decisions are taken based on risks and benefits on where to re-prioritise spend which is done by accelerating projects, postponing them or changing their scope.

⁷ RoP p12, 8 November 2010, Finance Committee

⁸ RoP p20, 8 November 2010, Finance Committee

⁹ RoP p21, 8 November 2010, Finance Committee

¹⁰ RoP p25, 8 November 2010, Finance Committee

¹¹ Finance Committee FIN(3)-21-10 (p3), *Assembly Commission Draft Budget 2011-12 – Correspondence between the Chair of the Finance Committee and Presiding Officer*, 2 December 2010

¹² Ibid

15. **Comment:** The Committee welcomes and acknowledges the comprehensive system for assessing and managing the Commission's work within a strong corporate governance framework. The Assembly Commission clearly has in place a well-planned system which ensures that progress with activities and projects is monitored and likely outturn forecast – and, in turn, priorities adjusted to ensure delivery. The Committee notes the five strategic objectives, or goals, that the Assembly Commission has set and, while it fully accepts that delivery of these should be a priority for the Commission, they are very much about how the Assembly Commission will operate rather than statements of the ultimate end product it is trying to deliver with the resources made available to it. Moreover, many of them are overlapping.

16. The Committee is therefore still unclear as to how these systems relate to the strategic outcomes that the Assembly Commission is seeking to achieve – or, indeed what are those strategic outcomes, how progress in relation to them is measured and how the Assembly Commission makes decisions on the allocation of resources between them. The Finance Committee seeks greater clarity in this important area. It asks the Assembly Commission to detail the methodology it intends to employ to measure performance against the outcomes they are planning to deliver and to set out how these will contribute to meeting their strategic objectives. This should include a transparent mapping of resources against the strategic priorities showing the outcomes to be delivered from this expenditure.

Managing with declining resources

17. The Committee asked¹³ about the way in which the scale of cuts in 2011-12 would impact on the delivery of services bearing in mind the need to protect the core business of legislation, the transition to the fourth Assembly and the changes that might follow the forthcoming referendum on future powers. Responding, the Presiding Officer said¹⁴ he did not look at it in that way. Changes in service were not driven by the funding base but the other way about. For the first time, after the forthcoming election, the Assembly will be in charge of

¹³ RoP p37, 8 November 2010, Finance Committee

¹⁴ RoP p38, 8 November 2010, Finance Committee

its own Standing Orders without having to refer to the Secretary of State. As a result of that process, they hope that they would have a streamlined and cost-effective way of operating and therefore, that is what will drive the consequences of this draft budget. He went on to say¹⁵ that it was not a case of cutting activity because of the resources available but of not spending “more on ourselves” than is available, proportionately, compared with our budget, for the people of Wales. In relation to the fourth Assembly and the changes that might follow from the forthcoming referendum, he said they were currently working to prepare for all eventualities. This might¹⁶ allow some reallocation of resources to reflect the changes powers of the Assembly but there was also a need to address the deficit of scrutiny in certain areas.

18. In relation to delivering these changes the Chief Executive and Clerk of the Assembly said¹⁷ that the biggest reductions will be in staffing where, because of the numbers of people who have left the net saving will be £700,000. The biggest changes would be in the areas of information technology, accommodation and also on the engagement budget. She pointed¹⁸ to the strong governance and performance management frameworks that are already in place which will help to ensure that crucial services are being delivered. They also had the “dashboard” and the outcome indicators referred to previously, a well-developed risk management framework, and virement policies.

19. The Chief Executive and Clerk of the Assembly pointed¹⁹ to the Commission’s dialogue with Members and the feedback they looked for to ensure that services were meeting needs on a day-to-day basis. They needed this to ensure everyone was doing their jobs effectively which, with less money, was even more important.

20. Comment: The Committee agrees the importance of having regard to what is happening in the wider world. And, with an established organisation or an established methodology, it is often possible to see things that can be done differently or, with the experience one has, look to make cost savings in a different way. At the same time, the role of the Assembly, and its place in the

¹⁵ RoP p46, 8 November 2010, Finance Committee

¹⁶ RoP p42, 8 November 2010, Finance Committee

¹⁷ RoP p39, 8 November 2010, Finance Committee

¹⁸ RoP p47, 8 November 2010, Finance Committee

¹⁹ RoP p48, 8 November 2010, Finance Committee

governance of Wales, is developing. While upholding the principle of reflecting changes in the Welsh block, it is important not to allow such considerations to risk strangling the democracy that is growing in Wales. It is important to ensure that whatever changes are made, and having regard to any changes in the powers of the Assembly that might result from the future referendum, the Assembly Commission must have the resources and the approaches to deliver the services necessary to support the Assembly's effective scrutiny of Government and other work.

Staff reductions

21. In their letter to the Committee²⁰ the Presiding Officer and the Chief Executive and Clerk of the Assembly said that 34 applications for early severance had been received and of these 25 had been approved. This equated to about 7% of Assembly Staff and all of these would have left by 1 December. In the oral evidence²¹ the Committee was told that when selecting the individuals to be released priorities in terms of skills, expertise and the need for particular individuals were placed at the top of the criteria. While it was partly about cost it was also about retaining the skills base the Assembly needed to carry on with the work – particularly in the next Assembly. The Committee welcomed this approach and endorsed the need to retain the knowledge base. Asked about whether the Assembly would have sufficient staff to do its work,²² the Presiding Officer said²³ that Commissioners had a statutory duty under the Government of Wales Act, 2006 to deliver resources to Members. Therefore, if they have not ensured a sufficient complement of staff and staff skills to be able to deliver, they would be in dereliction of their duty, statutorily, and they would not want to be in that position. He was confident when they told senior management team that these were the resources that we have. They emphasise certain themes, and collaboration across the institution is one theme that we have emphasised all along, since 2007. In particular they wanted to see more people who able to do more than one thing. He quoted as an example²⁴ the combination of

²⁰ Finance Committee FIN(3)-21-10 (p3), *Assembly Commission Draft Budget 2011-12 – Correspondence between the Chair of the Finance Committee and Presiding Officer*, 2 December 2010

²¹ RoP p51, 8 November 2010, Finance Committee

²² RoP p53, 8 November 2010, Finance Committee

²³ RoP p54, 8 November 2010, Finance Committee

²⁴ RoP p55 & 70, 8 November 2010, Finance Committee

security, reception, being a welcoming host, and communicating messages about the Assembly. He said he believed that the cultural change happening in relation to these functions was welcomed by our visitors.

22. Reinforcing these points²⁵ the Chief Executive and Clerk of the Assembly said the Commission was blessed with members of staff who were hugely committed to the Assembly and to Assembly Members, and many saw their work as a vocation. They understood the economic situation and the cuts that the public sector is facing and gave their goodwill as well as their expertise and skills. As well as having a very flexible way of working they also worked with people flexibly and aimed to allow people opportunities to broaden their skills.

23. Comment: The Committee welcomes the efforts made by the Assembly to use the voluntary early severance scheme in a way that retained skills essential to its work. It welcomes also the efforts being made to encourage flexible working and to provide opportunities for staff to develop and broaden their skills. Nonetheless, while multi-skilling can lead to efficiencies by allowing the flexible deployment of staff, the reduction in overall staff numbers should be closely monitored to ensure that the effectiveness of the Assembly as a legislature is not adversely affected.

Staff Morale

24. The Committee was concerned, as in previous years, about the maintenance of the morale of staff who are so vital to the Assembly's work and to the efficient and effective use of its resources. While the Committee endorses the focus of the voluntary early severance scheme on protecting the skills base of the Assembly it was concerned that there might be a negative consequence of the scheme in relation to staff who wished to leave but were refused. In their subsequent letter to the Committee²⁶ the Presiding Officer and The chief Executive and Clerk of the Assembly said that they had informed staff in advance

²⁵ RoP p56, 8 November 2010, Finance Committee

²⁶ Finance Committee FIN(3)-21-10 (p3), *Assembly Commission Draft Budget 2011-12 – Correspondence between the Chair of the Finance Committee and Presiding Officer*, 2 December 2010

of the criteria that would be used to assess applications to the scheme in order to manage and moderate expectations. Potential applicants had also been required to meet their Head of Service to discuss whether they would support an application on the basis of maintaining business continuity and skills. In the event there had been 34 applications and therefore only 9 of these had been refused.

25. The Committee asked how the Assembly Commission more generally managed staff morale and, in particular, about whether a regular survey of staff attitudes was undertaken. In the same letter the Presiding Officer and The chief Executive and Clerk of the Assembly said that they used a range of approaches to understand staff views including regular team meetings, 'one to one' meetings with staff including as part of the formal performance end development discussions. At the corporate level there were all-staff meetings, 'Cyfnewid' (which asks for staff feedback on specific topics) as well as direct feedback from trade unions through the partnership agreement they have with them. The Chief Executive and Clerk of the Assembly said she had also written to the Trades Unions suggesting they jointly develop some form of staff survey process around a periodic topic-specific review.

26. Comment: The Committee welcomes the wide range of ways in which staff can express views to management and acknowledges the Commission's recent award of Gold Status as an Investor in People. It does however note that the routes by which staff can indicate concerns are generally going to be on agendas set by senior officers or management and require individuals to be identified. Effective and constructive challenge of senior management should be the hallmark of a healthy organisation, yet there seems no mechanism by which staff who are uncomfortable in meetings, particularly when they have concerns that they fear might displease management, can express their views.

27. Moreover, while discussions with groups are a good way of understanding the detail of issues, they do not provide a mechanism by which an employer can obtain an overall assessment of the views of staff within the organisation and the overall level of satisfaction. A staff attitude survey does not need to be costly or bureaucratic and the Committee recommends that the Assembly Commission undertakes one on a regular basis.

Given that scale of cuts and changes ahead there are good reasons for embarking on one now in order to establish a clear baseline position.

Restructuring monies

28. The Committee asked about the purpose of the restructuring fund of £593,000 which appeared, to a large extent, to be to provide funding for early staff severance and retraining. Members wondered if there were plans to use some of these monies in other ways such as for pump-priming or for creating headroom for other efficiencies – perhaps along the lines of the Government’s Invest-to-save Fund.

29. Responding the Chief Executive and Clerk of the Assembly said²⁷ that it was possible, although they have not worked out what those costs might be. The principle reason for the budget was to fund a further voluntary scheme and to develop the skills of staff to allow them to redeploy people in different areas. She said she had been in organisations that had not kept an eye on what they were going to need three or four years down the line and had subsequently got into difficulties. The fund was about preparing for the future and, while there may be ways that the fund could be used to invest to save, they had not done the detailed work on that yet. There was also²⁸ funding of a “change programme” through which other defined projects to improve efficiency and effectiveness are funded and developed.

30. **Comment: The Committee notes and welcomes these developments. It asks the Assembly Commission to let it have a note by the end of January setting out in more detail the range of projects in hand and a quantified assessment of the improvements to the efficiency and effectiveness of service delivery that will result.**

Collaboration with other public sector bodies

31. The Committee asked about the extent to which the Assembly Commission was pursuing service provision jointly, or in collaboration, with other public sector organisations – and the savings that had or would come from these.

²⁷ RoP p74, 8 November 2010, Finance Committee

²⁸ RoP p80, 8 November 2010, Finance Committee

32. In their subsequent note the Presiding Officer and The chief Executive and Clerk of the Assembly said that their emphasis in such arrangements was wider than just sharing costs as frequently the collaborative approach allowed them to do more. They quoted as examples, coaching and mentoring opportunities that had been developed with colleagues in the NHS, the Ministry of Justice and the Welsh Government. There were also links via student secondments, sharing of good practice with library and legal professionals and access through various network opportunities to explore alternative service solutions. The note refers also to staff who have been seconded from the Scottish Parliament and Northern Ireland Assemblies.

33. In relation to sharing the delivery of services with other public bodies the note refers to savings of around £3,000 a year from a shared data centre with Companies House and the procurement of electricity through the Buying Solutions Framework Agreements.

34. Comment: The Committee notes that the Commission's response refers to two types of collaboration. The first is the sharing of knowledge, expertise and good practice in order to develop new and better ways of delivering services to Members. The Finance Committee strongly welcomes and supports this form of partnership although the benefits that flow from it are more likely to be in the form of better services than direct cost savings. The Committee regrets that too often the generally modest costs attached to such collaboration is viewed and criticised without regard to the qualitative benefits that will accrue.

35. However, the type of collaboration that is most likely to deliver direct financial saving is the sharing of the delivery of services through joint ventures and other forms of operational partnership. The Committee notes that so far the Assembly Commission has delivered only modest savings through this kind of collaboration and urges it to see this as a priority for the coming year

Assembly Members' budget

36. The Assembly Commission's budget document presents a draft budget for this ambit and notes²⁹ that as this draft budget is being laid in advance of the Remuneration Board's decisions, the Assembly Commission does not know the levels at which Assembly Members' pay and allowances will be set for 2011-12. The Remuneration Board will decide these levels. The Assembly Commission says that the draft Members' budget for 2011-12 reflects a 4 per cent real terms reduction on the equivalent budget in 2010-11, but also includes a separate amount estimated for those election costs which are covered in the Determination draft. Similar reductions as for the Assembly Service budget are included for the following two years.

37. The Finance Committee asked about how the actual figures emerging from the consideration of the Remuneration Board would be dealt with. Claire Clancy told the Committee³⁰ that they had done some calculations to see what was affordable within the amount of money available and so had a level of assurance in that respect. However, if the board came back with recommendations that cost more they would go for a supplementary budget, and if it came back with recommendations that meant they did not require it all, it would be handed back.

38. In relation to election costs³¹ Claire Clancy said they had used the average costs for members that they knew would not be returning and had grossed this up on the possibility that overall there would be 30 new members.

39. Comment: The Committee notes the difficulty budgeting for the future cost of Members' pay and allowances and agrees that it is sensible at this stage to include an indicative figure in the budget and await the outcome of the deliberations of the Independent Review Panel.

²⁹ National Assembly for Wales, Assembly Commission Draft Budget Proposals (post Spending Review 2010) 2011-12, para 30

³⁰ RoP p162, 8 November 2010, Finance Committee

³¹ RoP p164, 8 November 2010, Finance Committee

Conclusion

40. The Finance Committee welcomes and acknowledges the changes made by the Assembly Commission to the presentation of its draft budget for 2011-12 which it feels provides a significant improvement to its clarity.

41. The Assembly Commission, like most other public sector bodies, faces a challenging few years ahead in coping with the reduction in availability of resources. The Committee welcomes and acknowledges the comprehensive systems that the Assembly Commission has in place for managing performance and budgets but is unclear as how these systems relate to the strategic outcomes that the Assembly Commission is seeking to deliver or, indeed what those strategic outcomes are. While the Assembly Commission has identified 5 goals to assist it in setting priorities for service delivery, these relate more to the way in which services are delivered than to their outcomes and would like greater clarity in this.

42. The Committee welcomes the approach the Assembly Commission took with the recent 'early severance' scheme which focused on maintaining and protecting the skill base of the Assembly Commission and the efforts it took to ensure staff morale was maintained during a period of possibly difficult change. It acknowledges the Commission's award of Gold Star status as an Investor in People. It nonetheless feels that there are potential gaps in the way it gathers the views of staff and recommends the early introduction of a staff attitude survey.

43. The Committee welcomes the investment the Assembly Commission is putting into the new ways of working and the change programme and has asked for further information on the range of projects it has in hand to improve the efficiency and effectiveness of its services and for a quantified assessment of the improvements that will result.

44. The Committee welcomes the collaborative work the Assembly Commission has undertaken with other public sector bodies and urges it to pursue further the kind of collaboration that will lead to direct cost savings.

45. In relation to Members' pay, the Committee notes that at this time it is difficult to do other than include an indicative figure in the budget and await the outcome of the deliberations of the Independent Review Panel.

Angela Burns
Chair, Finance Committee