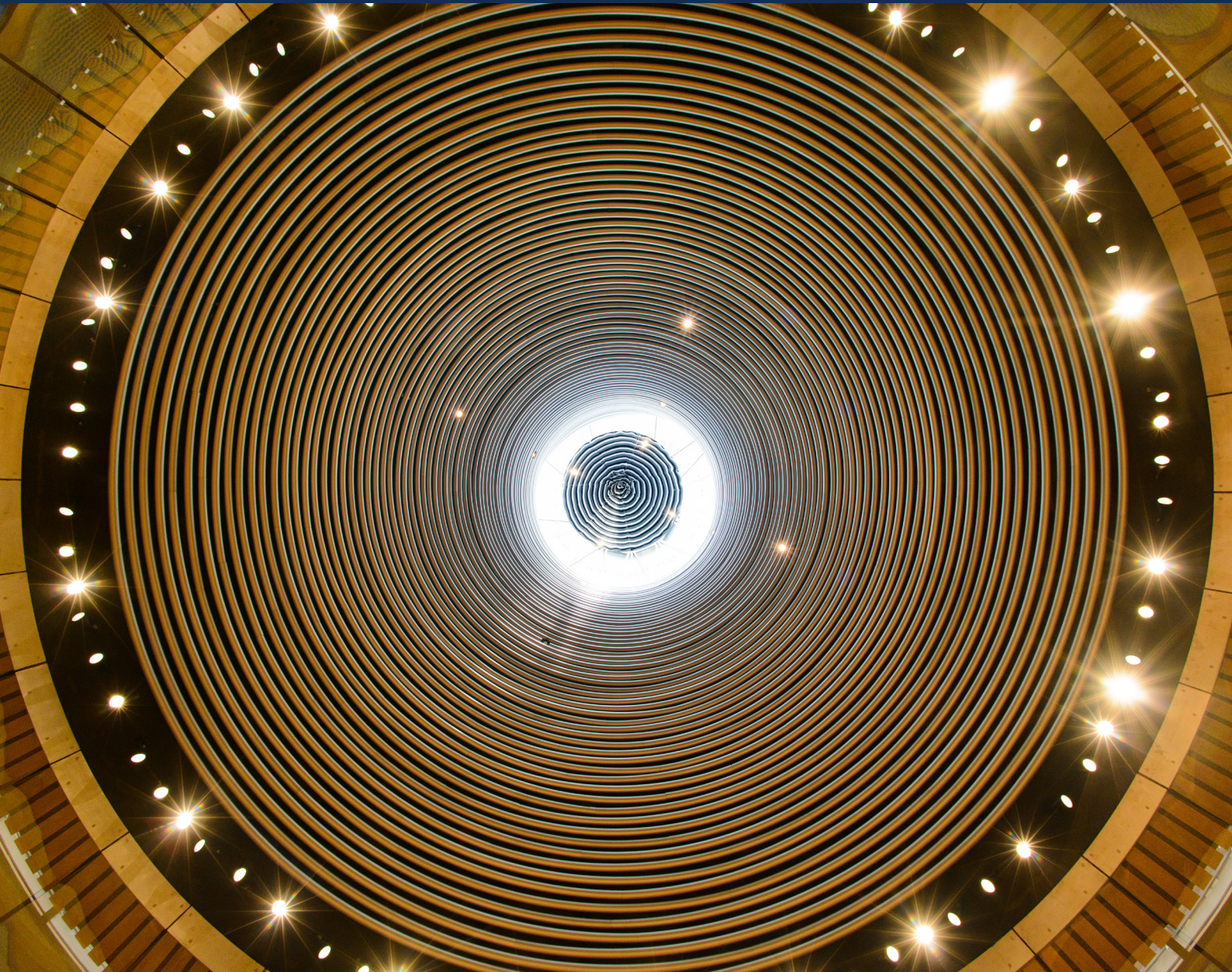


Accounts Scrutiny 2021-22

Senedd Commission

December 2022



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Accounts Scrutiny 2021-22

Senedd Commission

December 2022



About the Committee

The Committee was established on 23 June 2021. Its remit can be found at:
www.senedd.wales/SeneddPAPA

Current Committee membership:



**Committee Chair:
Mark Isherwood MS**
Welsh Conservatives



Mabon ap Gwynfor MS
Plaid Cymru



Natasha Asghar MS
Welsh Conservatives



Mike Hedges MS
Welsh Labour



Rhianon Passmore MS
Welsh Labour

The following Member was also a member of the Committee during this inquiry.



Rhys ab Owen MS
Independent Plaid Cymru
Member

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Recommendations

Recommendation 1. The Committee would like to hear from the Commission on an annual basis with a breakdown of the projects actioned as part of the project fund and the funding allocated to these individual projects. This information should be provided ahead of the Committee's annual scrutiny of the Commission's Accounts.Page 12

Recommendation 2. The Commission should keep the Committee updated about the work of the Risk Assurance Committee specifically in relation to future planning around Senedd reform, with a particular focus on future staffing and funding considerations.Page 17

Recommendation 3. The Committee recommends that the Commission provide an update to the Committee, ahead of the scrutiny of next year's Accounts, of the learnings from the review of the effectiveness of their response to the COVID-19 pandemic. The update should include details about how efficiencies, costs, and savings from changes to ways of working and how services were delivered during the pandemic have been incorporated into current practices, and how these savings have been made recurrent.....Page 17

Recommendation 4. The Commission should continue providing details about contract awarded to Welsh suppliers by the Commission. The Committee requests that this information be provided by size of contract in the future, to include contracts up to £10,000, between £10,000 and £50,000, between £50,000 and £100,000 and in excess of £100,000.Page 20

Recommendation 5. The Commission should share a summary of the results of each pulse survey, when available, with the Committee with a focus on mental ill health, indices of mental ill health and staff absences more generally. The Committee also looks forward to reviewing the results of the annual staff survey for 2022.Page 30

Recommendation 6. The Committee encourages the Commission to share updates, as and when they arise, of staff recruitment projects aimed at increasing the diversity of the organisations as a whole, as well as updates on the progress of the YMLAEN project, amongst others.Page 30

Recommendation 7. Data in relation to engagement during 2021-22 should be shared with the Committee, to evaluate the impact of online engagement tools. The Commission should provide a breakdown of the types of engagement activity with the Committee and the parts of Wales who are engaging or visiting the Senedd.Page 30

1. Introduction

1. The Senedd Commission (“the Commission”) is a corporate body whose purpose is to provide the Welsh Parliament with the property, staff and services it needs to fulfil its functions. The Commission itself is made up of five Members of the Senedd, including the Llywydd and four other Members nominated by the largest political groups in the Senedd. As a corporate body, the Commission owns property and employs staff to manage the Senedd’s estate and resources, to support parliamentary proceedings and to engage with the people of Wales.

2. The Commission’s budget is subject to scrutiny by the Senedd’s Finance Committee. The budget for 2023-24 has been laid and was scrutinised by the Finance Committee on 5 October 2022. Accordingly, due to a number of cross-cutting issues, there are likely to be a series of similar issues considered in the Public Accounts and Public Administration (PAPA) Committee and Finance Committee’s reports.

3. The Commission’s Annual Report and Account 2021-22 (‘the Accounts’) were laid at the Senedd on 30 June 2022. The Accounts were subject to audit and were given an unqualified audit opinion. The audit was conducted by Ann-Marie Harkin (Executive Director of Audit Services), who signed the audit certificate and report, on behalf of the Auditor General for Wales, on 30 June 2022. This audit considered the financial statements of the Accounts and specified tables within the Remuneration Report and Staff Report.

4. The audit did not consider the rest of the Annual Report, as they are not subject to audit. However, the Auditor is obliged to consider the other section and note any material inconsistencies with the financial statements and knowledge obtained during the course of the audit. No such issues are noted in the audit report.

5. During the financial year of the Accounts, the Senedd Election took place on 6 May 2021. The business also was affected by the ongoing impact of the COVID-19 pandemic during the financial year, which is reflected in the Annual Report and Accounts.

6. The Committee heard from Manon Antoniazzi (Chief Executive and Clerk of the Senedd), Ken Skates MS (Senedd Commissioner with responsibility for Budget and Governance) and Nia Morgan (Director of Finance, Senedd Commission) on 6 October 2022. The Committee’s findings are outlined below.

2. Financial and operational performance

Overall end-of-year position

7. The Commission reported an aggregate underspend of £1.1 million against its total net budget of £59.4 million, or 1.9% of the approved budget, excluding Annually Managed Expenditure ('AME'). When considering the net resource outturn related solely to Commission expenditure (excluding election Members costs and AME), the underspend amounted to £741,000, or 1.8% of the approved budget.

8. As part of these accounts, a £195,000 underspend is also reported for election-related costs, representing an outturn of £1,905,000 against a revised budget of £2,100,000. This outturn includes capital expenditure of £506,000 against a zero budget. These election costs are a ring-fenced budget, with any underspend to be returned to the Welsh Consolidated Fund.

9. The Commission also reported an underspend of £169,000 relating to the work of the Remuneration Board, against a revised budget of £15.6 million. This underspend is relatively low compared to previous years (£577,000 in 2020-21), although the Final Budget for 2021-22, which was laid at the Senedd in November 2022, included a figure of £16.8 million for the Remuneration Board's determinations.

10. The table of high-level outturn figures from the Accounts is reproduced below.

Table 1: High-level outturn, Senedd Commission Annual Report and Accounts 2021-22¹

	Outturn	Analysis of approved budget	Outturn compared with approved budget	Analysis of revised budget	Outturn compared with revised budget	Outturn 2020-21
Revenue expenditure	£'000	£'000	£'000	£'000	£'000	£'000
Staff salaries and related costs	25,367	26,325	958	26,325	958	24,833
Non staff costs	15,007	15,090	83	15,090	83	16,373
Gross revenue expenditure	40,374	41,415	1,041	41,415	1,041	41,206
Gross revenue income applied	(61)	(220)	(159)	(220)	(159)	(50)
Net revenue expenditure	40,313	41,195	882	41,195	882	41,156

¹ Senedd Commission Annual Report and Accounts 2021-22, page 152

	Outturn	Analysis of approved budget	Outturn compared with approved budget	Analysis of revised budget	Outturn compared with revised budget	Outturn 2020-21
Revenue expenditure	£'000	£'000	£'000	£'000	£'000	£'000
Capital expenditure*	641	500	(141)	500	(141)	418
Net resource outturn (Commission expenditure)	40,954	41,695	741	41,695	741	41,574
Members' salaries allowances and related costs	15,450	16,819	1,369	15,619	169	15,595
Election related costs - revenue	1,399	2,600	1,201	2,100	701	352
Election related costs – capital*	506	-	(506)	-	(506)	119
Resource outturn	58,309	61,114	2,805	59,414	1,105	57,640
Members' Pension finance costs	1,660	1,800	140	1,800	140	1,992
Total net resource outturn	59,969	62,914	2,945	61,214	1,245	59,632

This table is subject to audit. *Total Capital expenditure is £1,147,000 (2020-21 £537,000)

11. The Committee notes:

- An £83,000 underspend for non-staff costs, or 0.6%.
- £159,000 less income than budgeted for.
- £141,000 overspent on capital expenditure. It's to be noted that a separate capital figure of £506,000 was spent on election costs, which is noted above.

Staffing and salary costs

12. Commission staff salaries and related costs were underspent by £958,000, or 3.6%. The Commission wrote to the Committee on 13 June 2022, with a suggestion included in the letter that £250,000 of the underspend related to the accrual of Commission staff unused leave entitlement, as of 31 March 2022. The actual figure was £100,00 below budget. The Commission had ringfenced £150,000 in its budget to mitigate any further increases in levels.

13. When asked for further information about the breakdown of the overall staffing underspend, the Director of Finance told the Committee that the remainder of the figure related

to vacancies in staffing², with a figure of £1m budgeted for this. This budgeted figure was scrutinised by the Finance Committee during their scrutiny of the Commission's Estimate, with the Director of Finance explaining that this figure had been used for a number of years to reflect a "natural churn" in vacancies, whilst acknowledging the increased number of vacancies during 2021-22³. When asked for reasons for increased vacancies, she states:

*"...it was partly due to unexpected vacancies and the difference in patterns of staffing during the pandemic that we experienced. But, also, a portion of that was due to the active management of capacity and vacancies by the executive board in order to assess the future budgets and demand on the overall extent of the budget. As we got through the financial year, it became evident to us that, in future years, the budget might come under pressure from things like Senedd reform, so we did slow down the recruitment of vacancies at certain points during the year. So, this was to ensure that we were in a position to understand the pressures in future years, and not staffing up in posts where maybe the finance would need to be prioritised in other areas."*⁴

14. She also noted that a shortage of applicants had been an issue, in some areas, as well as delays in vetting candidates. The Chief Executive and Clerk described a "challenging time in terms of recruiting" but reaffirmed the point about maintaining flexibility and assessing the baseline for staffing, ahead of the "challenge of Senedd reform ahead"⁵.

15. The Committee also queried the proportion of unused leave at the Commission.

*"We did have a very busy year... with the preparation for the new Senedd term, and we found that staff were in some cases unable to take leave. There was also an element of staff preferring not to take leave when the coronavirus restrictions were at their height. Obviously, we have been working closely with colleagues to encourage people to take leave for well-being purposes...we're seeing things already returning to a more normal pattern, and in this current year we're on track to bring the leave levels down to a pre-pandemic level, even though we have allowed staff slightly longer to catch up with the untaken leave from the previous year."*⁶

² RoP [para 35], 6 October 2022

³ RoP [para 149], Finance Committee, 5 October 2022

⁴ RoP [para 36], 6 October 2022

⁵ RoP [para 39], 6 October 2022

⁶ RoP [para 41], 6 October 2022

Project fund

16. When questioned about the use of underspends, the Commission's Director of Finance noted that they maintained a project fund, with underspend reviewed to see if they can contribute to any work undertaken through the fund. This monitoring is done through evaluating forecasts, which are reported monthly to the Commission's Executive Board. The funds are allocated based on a project prioritisation exercise, which occurs annually. In the event there are any excess fund, the Commission noted they would submit a Supplementary Budget, with excess funding returned to the Welsh Consolidated Fund⁷.

17. The project fund included in the original budget for 2021-22 was "vastly reduced", therefore the majority of the underspends for the year in question were used to fund additional priority projects⁸. The use of the project fund for sustainability projects is discussed in Section 6 of this report. Other projects funded during the year include ICT enhancements, the Legislative Workbench software system, an upgrade to the finance system and on online engagement tools⁹.

Impact of the COVID-19 pandemic

18. The Commission has provided the Committee with periodic updates about the savings and additional costs incurred relating to the pandemic. The Commission most recently wrote to the Committee on 13 June 2022, to summarise some of these relevant savings and costs from 2021-22. The Commission also provided details about the underspends and decisions made to reallocate these underspends, in response to the Committee's recommendation following scrutiny of their Accounts in 2020-21. The most recent figures for 2021-22 are reproduced in the table below.

Table 2: Savings/Increased Costs against Budget, Senedd Commission Annual Report and Accounts 2021-22¹⁰

Savings against Budget	2020-21 (£)	2021-22 (£)
Reduced Utility costs	130,000	125,000
Police and Security Costs	175,000	72,000
Staff travel Costs	150,000	121,000
MS related Commission expenditure*	168,000	168,000

⁷ RoP [para 60], 6 October 2022

⁸ RoP [para 61], 6 October 2022

⁹ RoP [paras 66-67], 6 October 2022

¹⁰ Letter from Chief Executive and Clerk, Senedd Commission, 13 June 2022

Savings against Budget	2020-21 (£)	2021-22 (£)
External translation costs	47,000	76,000
Education and Events	78,000	202,000
Printing and Postage	117,000	222,000
Hospitality	31,000	22,000
Training and Recruitment	89,000	-
Total	985,000	1,008,000

* includes e.g. MS training, stationery and international engagement costs. All are funded from the Commission's operational budget.

	2021-22 (£)
Savings against budget as per Table 4	(1,008,000)
Depreciation	(150,000)
Expenditure greater than budget:	
▪ Cleaning	26,000
▪ Cloud services	118,000
▪ Consultancy and legal costs	49,000
▪ Archiving	29,000
▪ Broadband	55,000
▪ Recruitment	24,000
▪ Planned/reactive maintenance	37,000
Reduced income - net of costs	28,000
Total	792,000

19. As shown above, the Commission's service budgets reported £1.0 million of savings or reduced costs in 2021-22, up by £23,000 from 2020-21. These savings are offset by increased service costs of £366,000 and depreciation of £150,000, resulting in a net reduction in service area expenditure of £792,000 in 2021-22. A further £950,000 was also released from the staffing budget.

20. The Committee asked the Commission about the costs savings achieved during the pandemic and the ones that could be considered as potentially recurring for future years. The Chief Executive and Clerk told the Committee that whilst utility costs and staff travel costs had decreased significantly during the pandemic, utility costs had now returned to pre-pandemic levels, albeit with cost inflation a factor in that. Staff travel costs have remained at a lower level and the hope was that these would remain lower, as they explored new “agile ways of working”¹¹. She went on to say:

“In terms of our engagement budgets, there was a moderate increase in the year in question because it was a year of elections to the Welsh Youth Parliament, even though we weren't able to do much face-to-face engagement. That is now, in the current year, returning more to normal, and we're investing in online tools. So, we're trying to keep sight of the benefits that we realised during the pandemic years of being able to reach harder-to-reach audiences by online means. I think the other decrease that we noted was in printing, stationery and postage, and that, I hope, again, will be something that we can keep at a lower level as people get used to corresponding in different ways and we learn those lessons from the time of the restrictions.”¹²

Our view

21. The Committee is pleased to hear that underspends are subject to rigorous evaluation, with reinvestment being allocated to improve services for staff and members. The Committee would welcome further information on an annual basis about any projects funded through the project fund and, for the purposes of transparency, the funds allocated for these schemes.

22. The Commission's comments about savings during the COVID-19 pandemic, and the lessons learnt as a consequence, are welcomed. The Committee encourages the Commission to continue to develop opportunities for maintaining these savings, through initiatives such as online engagement and agile working to alleviate on transport costs. The Commission should keep the Committee updated about their progress in these areas.

Recommendation 1. The Committee would like to hear from the Commission on an annual basis with a breakdown of the projects actioned as part of the project fund and the funding

¹¹ RoP [para 46], 6 October 2022

¹² RoP [para 47], 6 October 2022

allocated to these individual projects. This information should be provided ahead of the Committee's annual scrutiny of the Commission's Accounts.

3. Governance and risk

Management structure and governance arrangements

23. Following the Senedd Elections in May 2021, the Commission adopted a series of updated governance principles and support provisions¹³. The Executive Board of the Senedd Commission retained the operation responsibility for managing the response to the COVID-19 pandemic, with the option to escalate to the Llywydd in the event of “political or significant decisions”.

24. A Covid Resilience and Monitoring (CRAM) group was established to support the Executive Board by monitoring changes to COVID-19 regulations and evaluating their impact¹⁴. Alternative arrangements were put in place during the Senedd Elections, with a shorter dissolution period.

25. During the course of the financial year, the Director of Senedd Resources for the Commission, David Tosh, retired. This resulted in a reorganisation of the directorates within the Commission, which took effect in September 2021¹⁵. This included:

- the ICT and Broadcasting Service moving from Resources to Communications and Engagement;
- the Commission and Members’ Support Service moving from Communications and Engagement to the Business Directorate; and
- the Information Governance team moved from Resources to Legal Services, within the Business Directorate.

26. The position of Chief Legal Adviser has remained vacant since 31 May 2019. During that time, Huw Williams of Geldards LLP has provided replacement support on a consultancy basis, at a cost of £104,000 in 2021-22, down from £120,000 in 2020-21¹⁶.

27. When asked if the Chief Executive and Clerk was content with the current system of senior management in the Commission, and its adequacy to respond to current and future challenges, she responded:

¹³ Senedd Commission Annual Report and Accounts 2021-22, page 113

¹⁴ Senedd Commission Annual Report and Accounts 2021-22, pages 116 and 119

¹⁵ Senedd Commission Annual Report and Accounts 2021-22, page 115

¹⁶ Senedd Commission Annual Report and Accounts 2021-22, page 139

*"I am content that we have an architecture, now, that is planned for forward planning. Through the medium of the ways of working project, we will be drawing together a lot of the work that we've undertaken during the pandemic looking at quick and flexible new ways of working, as well as a strategy for the estate, and our people strategy. Through that project, we will hopefully look at our staffing resources moving forward."*¹⁷

Risk management

28. The Accounts set out the Commission's identified corporate risks¹⁸ and their impact on its strategic goals and priorities. It also sets out areas identified for development and any progress made during the year. The risk register for 2021-22 identified the following main themes:

- Coronavirus;
- Cyber-security;
- Compliance with Data Protection legislation (Senedd Commission);
- Dignity and respect;
- UK-related constitutional change.

29. The following risks were added during the financial year:

- Senedd reform;
- Regulatory Framework;
- Compliance with Data Protection legislation (Senedd Members).

30. The Chief Executive and Clerk confirmed that the Commission's review into the effectiveness of their response to the COVID-19 pandemic will be finished by the end of the Autumn 2022 term and committed to providing the Committee with a copy of its findings¹⁹.

31. The Committee asked the Commission about their general preparedness in responding to risk not alluded to in the report, with examples provided including the devolution of justice to

¹⁷ RoP [para 92], 6 October 2022

¹⁸ Senedd Commission Annual Report and Accounts 2021-22, pages 45-47

¹⁹ RoP [para 54], 6 October 2022

Wales and the process of repealing retained European Law, along with the challenges identified above.

32. In response, the Chief Executive and Clerk told the Committee:

*"We put a lot of effort into our risk management procedures. Our corporate risk register is an organic document, an important document, and we keep it under the spotlight in every meeting of the executive board that we have. We also have the help of the risk assurance committee, which shines a deep-dive light on specific risks four times of year. They, for example, have helped us to scrutinise the risks relating to Senedd reform, back in June this year. And within the constitutional change risk, that encompasses elements such as the risk that you've mentioned that there are major new areas of responsibility that will be transferred to the Senedd."*²⁰

33. On the subject of internal capacity to respond to risk, she stated:

"We are reviewing our capacity on a regular basis, and the Commission has directed us to do that. It has happened twice in quite a radical way during my time as chief executive, and we have undertaken a further exercise this summer to ensure that we have the adequate resources in the right places to deal with current needs.

*As I said, even though we are trying to scrutinise on a horizon basis and see what's going to emerge, we can't put resources in place for challenges that we're not aware of. Of course, if there are more powers that are transferred to us, then we will need more capacity as officials to meet that demand. But that's an issue of forward planning, as we do consistently, and building those plans into our long-term planning."*²¹

Our View

34. The Committee notes the challenges faced by the Commission in respect of recruitment and the number of unfilled vacancies within the organisation. We accept that anticipating future staffing considerations, whilst managing future budgets, is difficult because of the uncertainty surrounding Senedd reform and other factors. The Committee notes the work of the Commission's Risk Assurance Committee and considers its work to be of vital importance.

²⁰ RoP [para 76], 6 October 2022

²¹ RoP [paras 80-81], 6 October 2022

35. The outcome of the Commission's review into the effectiveness of their response to the COVID-19 pandemic is awaited with interest, once it is concluded at the end of the Autumn 2022 term. The Committee would welcome a copy of this review, ahead of the scrutiny of next year's Accounts.

Recommendation 2. The Commission should keep the Committee updated about the work of the Risk Assurance Committee specifically in relation to future planning around Senedd reform, with a particular focus on future staffing and funding considerations.

Recommendation 3. The Committee recommends that the Commission provide an update to the Committee, ahead of the scrutiny of next year's Accounts, of the learnings from the review of the effectiveness of their response to the COVID-19 pandemic. The update should include details about how efficiencies, costs, and savings from changes to ways of working and how services were delivered during the pandemic have been incorporated into current practices, and how these savings have been made recurrent.

4. Procurement and Key Performance Indicators (KPIs)

General performance indicators

36. The Accounts include a Corporate Key Performance Indicator Report for 2021-22²². The report acknowledges the impact of the COVID-19 pandemic on some of these KPIs, in particular in respect of international parliamentary engagement activities and the number of in-house Welsh learners. KPIs for the new Senedd have been revised, following the Senedd Elections in May 2021, and the results will be report on for the first time in the 2022-23 Commission Accounts.

Procurement

37. The Committee, as part of its scrutiny of the Commission's Accounts 2020-21, recommended that the Commission should split its procurement contract, to increase the likelihood of bids from smaller Welsh-based companies, to increase spend on smaller Welsh suppliers²³. This recommendation was accepted by the Commission²⁴ and they agreed to provide a six-monthly update on their progress.

38. The Accounts reported an increase in spend with Welsh suppliers over the financial year, with 45% of Commission spend going to Welsh suppliers, up 7 percentage points from 2020-21 and exceeding the 43% target for the first time²⁵. The table from the Accounts is reproduced in

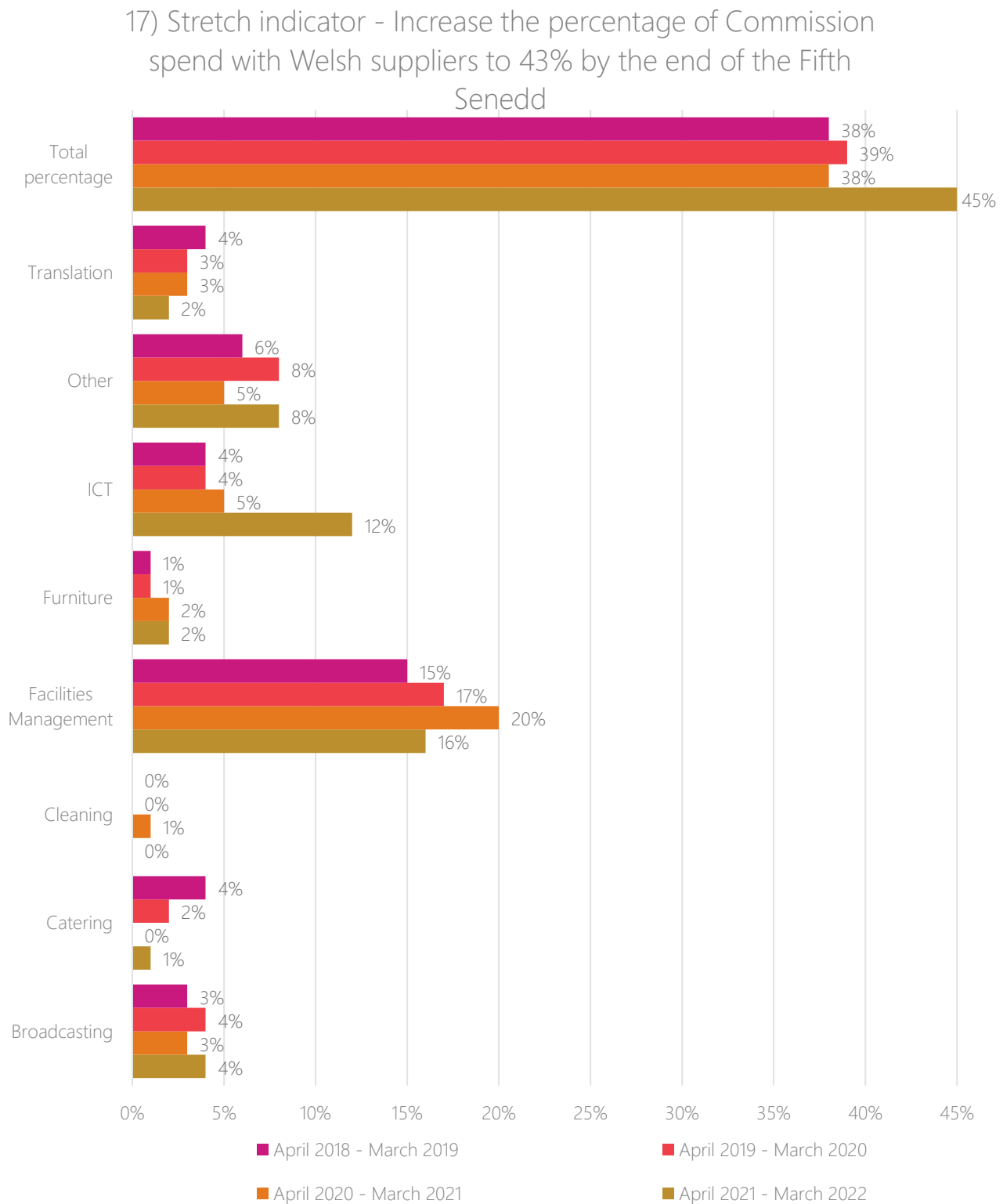
Figure 1.

²² Senedd Commission Annual Report and Accounts 2021-22, pages 35-43

²³ Scrutiny of Accounts 2020-21: Senedd Commission, Public Accounts and Public Administration Committee

²⁴ Letter from Chief Executive and Clerk of the Senedd, 2 February 2022

²⁵ Senedd Commission Annual Report and Accounts 2021-22, page 43

Figure 1: Commission spend with Welsh suppliers (%)

39. The Commission wrote to the Committee on 26 September 2022 with a further update, noting that 9 of the 15 contracts awarded by the Commission worth over £25,000 were to Welsh

suppliers²⁶. Almost two thirds of the Commission's expenditure in Wales was on facilities management or ICT services.

40. As a consequence of this early success, the Commission has set itself a new stretch target of 50%, with the aim of achieving this figure by the end of this Senedd. The Commission's letter sets out a series of strategies for achieving this goal, including market analysis, use of national frameworks, explaining processes to suppliers, ensuring main contractors provide opportunity to Welsh suppliers in their supply chains and assessing all contract renewals.

COVID-19 impact on contracts

41. The Accounts report that the increase in on-site activity during the financial year in question resulted in increased spend through the catering contract, compared to the practically nil spend during 2020-21²⁷.

42. In line with Cabinet Office directions, some payments were made by the Commission to contractors during the pandemic to support and secure supply contracts, even in the absence of services. This specifically applies to the catering contract, with £18,000 paid out for this purpose in 2021-22, compared with £363,000 in 2020-21.

Our view

43. The Committee welcomes the additional information provided by the Commission on the number of procurement contracts awarded to Welsh suppliers with a value in excess of £25,000 and the new stretch target of 50%, to be achieved by the end of this Senedd term. Accordingly, the Committee would appreciate continuing updates on the Commission's progress.

Recommendation 4. The Commission should continue providing details about contract awarded to Welsh suppliers by the Commission. The Committee requests that this information be provided by size of contract in the future, to include contracts up to £10,000, between £10,000 and £50,000, between £50,000 and £100,000 and in excess of £100,000.

²⁶ Letter from the Chief Executive and Clerk of the Senedd, 26 September 2022

²⁷ Senedd Commission Annual Report and Accounts 2021-22, page 43

5. Staffing

Previous scrutiny and recommendations

44. During previous scrutiny of the Accounts 2021-22, the Committee recommended that the Commission looks into the reasons for low representation within the workforce from ethnic minority communities and lower socio-economic groups²⁸. The Committee also called on the Commission to strengthen its policies in this area and to take action to reduce perceived barriers and pay gaps for these groups, and other diverse groups.

45. This recommendation on ethnic minority communities was accepted by the Commission, whilst the recommendation relating to lower socio-economic groups was noted²⁹. To justify its position in respect of the latter group, the Commission stated:

"...the Commission has included socio-economic data within its recruitment processes which will provide an understanding of the socio-economic diversity of the applicant pool in the first instance. The information will be reviewed alongside the Commission's annual Diversity and Inclusion reporting mechanisms in May 2022."

Staff numbers and pay

46. The Commission's total staff numbers (full-time equivalent or 'FTE') have remained fairly static after a period of growth, with a reported total FTE of 460.0, with an average FTE of 457.6. The table below summarises the progression in staff numbers since 2017-18³⁰.

Table 3: Trend in full-time equivalent staffing, Senedd Commission

	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22
Total FTE	444.6	454.1	459.0	461.0	460.0

	2017-18	2018-19	2019-20	2020-21	2021-22
Average FTE	451.2	442.8	453.4	461.3	457.6

²⁸ Scrutiny of Accounts 2020-21: Senedd Commission, Public Accounts and Public Administration Committee

²⁹ Letter from the Chief Executive and Clerk of the Senedd, 2 February 2022

³⁰ Senedd Commission Annual Report and Accounts 2017-18 to 2021-22

47. Median pay at the Commission increased by 2.6% in 2021-22, compared to the previous year. All members of staff were in receipt of at least the Living Wage.

Table 4: Trend in median pay

	2017-18	2018-19	2019-20	2020-21	2021-22
Median pay	£33,304	£34,315	£37,647	£38,362	£39,360

Absence rates and turnover

48. The Commission reported an increase in its staff turnover to 7.21% in 2021-22, compared with 6.07% in 2020-21. This remains down from the 4-year average of 9.42%.

49. Sickness rates increased to 2.69% from 2.07%. Pre-pandemic sickness rates ranged between 3.70% and 4.00%.

50. Despite this, absences related to mental health and well-being increased by almost 75%. In 2021-22, 1,453 days were lost for mental health and well-being reasons, compared with 833 days and 1,159.5 days in 2020-21 and 2019-20, respectively. The proportion of all absences related to mental health rose to 47.7%, up from 39.7% in 2020-21 and 29% in 2019-20. When asked for further information about mental health absences by group, the Commissioner told the Committee:

*"Women are more likely to report sick with mental ill health; the most likely age bracket is 40 to 49 years old; and the grade that's most likely to be affected by mental ill health is our team support, but that's closely followed by grade M2. And then there's also noticeable the difference in terms of the length of service that applies to people who are most likely to be susceptible to mental ill health. So, the length of service where people are most likely to suffer from mental ill health having served in the Commission is between five and 10 years of service."*³¹

51. The Commission conducted three Wellbeing pulse surveys in 2021-22, with questions about the varying pillars of the Commission's Wellbeing Strategy (physical wellbeing, connectivity/social wellbeing and financial wellbeing). Respondents were also asked to assess attitudes to COVID-19 and working from home. The average response rate across these surveys was 66%. The results showed:

³¹ RoP [para 126], 6 October 2022

- 92% of respondents agreed or strongly agreed that they felt supported and connected to their team.
- 96% of staff felt that their line manager cares about their wellbeing.
- 64% of respondents reported suffering from stress/anxiety over the prior 6 months.
- 1 in 5 respondents rated their mental health as being either poor or very poor.
- Respondents who consider themselves to have a disability, ethnic minority respondents and respondents over the age of 60 reported the lowest average scores.
- 14% of respondents rated their physical wellbeing as being either poor or very poor.

52. A staff-wide Commission survey was undertaken in November 2021, with a response rate of 68%³². The Commission publishes these results separately, with the Chief Executive and Clerk noting in the introduction:

*"These results and what they tell us will help us focus on our priorities for growth as we look ahead, and ensure that we continue to be agile and responsive in our learning."*³³

53. The Accounts reported a 75.5% "workplace happiness score", slightly down from 77.2% in 2020, but above the Public Sector compactor score (70%)³⁴. It also noted an "Engagement Score" of 73%, which again was above the annual benchmark Civil Service Median Score of Engagement (68%).

54. The report also included information about the five lowest scoring questions, with three of the lowest scoring questions relating to management³⁵:

- I think it is safe to challenge the way things are done in the Senedd Commission, average score 56.3% (previous survey 61.1%).
- I believe that Leadership Team have a clear strategy for the future, average Score 60.5% (previous score 67.4%).

³² Senedd Commission, Senedd Commission People Survey: December 2021, page 9

³³ Senedd Commission, Senedd Commission People Survey: December 2021, page 5

³⁴ Senedd Commission Annual Report and Accounts 2021-22, page 148

³⁵ Senedd Commission, Senedd Commission People Survey: December 2021, page 25

- I feel that the Senedd Commission as a whole is managed well, average score 64.0% (previous score 69.6%).

55. When questioned about how the Commission will respond to this, the Chief Executive and Clerk referred to the workplace happiness score of 75.5%, above the 70% Public Sector comparator score. Despite this, she acknowledged the slight dip in scoring, explaining:

*"The pandemic was a major change, and there is more change in the offing. That's not to say that I disregard these findings—it's very important for us to consider that. As I mentioned previously, I think it does reflect a feeling of tiredness among the staff, and that is reflected in our absence statistics. It is very difficult to manage teams that are spread around geographically, that are not generally in the office. It's more difficult to spot why appropriate collaboration isn't happening. So, the way in which we respond, as I mentioned earlier, is that we're putting more effort into forward planning, so that we can provide assurance to staff on their personal objectives within the context of their team objectives and the objectives of the entire organisation, and then ensuring that resources are used flexibly so that people aren't subjected to overwork."*³⁶

56. When asked about the increased absence rates relating to mental health, the Chief Executive and Clerk told the Committee that the increase was in the context of a smaller overall absence figure, but that this was in no way intended to "minimise" the extent of the problem³⁷. She went on to say:

*"I think it is something that we have seen as the pandemic goes on. The first year was very hard, but I think the second year has been exhausting and our reserves are depleted. We have been keeping regular—. Every few months, we have a pulse survey and, as you'll see, we've described it in the annual report. That is a way of us trying, without surveying our staff to fatigue, to keep an eye on people's physical and mental well-being and then to supplement that, where we can, with a suite of support that's available, either collectively for teams or anonymously, as people wish. We're now seeing a bit of an improvement recently, so that's encouraging..."*³⁸

³⁶ RoP [para 144], 6 October 2022

³⁷ RoP [para 119], 6 October 2022

³⁸ RoP [para 119], 6 October 2022

57. The Commissioner told the Committee a lot of information and data was being gathered to examine the cause of these increased absences, which would inform the Commission “in terms of the support that can be offered”³⁹. He went on to say:

“I think, fundamentally, the problem is not unfamiliar to other organisations, that people feel that they're exhausted and, as a result of the ways of working during the pandemic, people feel a little less connected to their peers, which can impact on mental health. All of these factors are being fed into how we respond to the mental health and well-being of staff.”⁴⁰

58. He went on to note that a hardship intervention had begun, to allow employees to access salary advances, which showed how “the Commission is being proactive in trying to prevent mental ill health”⁴¹. The Commission provided some further information about its initiatives to support staff in the Accounts, including DSE support, regular wellbeing information and drop-in sessions. The Commission wrote to the Committee following the scrutiny session with further details about the support available to staff⁴², which includes:

- Salary sacrifice schemes for support with childcare costs and travel costs;
- The aforementioned new hardship fund;
- Christmas salary advances;
- The option to opt into memberships schemes which provide access to reduced cost services, such as the Civil Service Sports Council, through salary deductions;
- Financial Wellbeing pages on the intranet, with signposts to external support and financial guidance;
- The Employee Assistance Programme, which is available to all Members, Member Support Staff and Commission staff. This is a free helpline to help with a range of issues, including debt, stress and bereavement, amongst others.

59. When asked about the impact the cost-of-living crisis on mental ill health, the Commissioner told the Committee:

³⁹ RoP [para 122], 6 October 2022

⁴⁰ RoP [para 123], 6 October 2022

⁴¹ RoP [para 124], 6 October 2022

⁴² Letter from Chief Executive and Clerk, 25 October 2022

*"I think you're absolutely right in highlighting how dangerous the cost-of-living crisis could be for people right across society, but also within the Commission, given that in the age bracket of 20 to 29 the main cause of mental ill health is anxiety, and then in the age bracket 30 to 39 it's split evenly across anxiety, stress and depression. Anxiety will be, no doubt, exacerbated or intensified as a result of increases in utility costs for households, rising mortgage rates, and so forth. So, in all likelihood, it's going to be that lower age bracket that is going to be most affected by the cost-of-living crisis."*⁴³

Workforce profile

60. The Commission publishes an annual Diversity and Inclusion Report, which includes their policies, actions and figures. It also publishes two further reports alongside this – the Equal Pay Audit, Gender Pay Gap and Ethnicity Pay Gap Reporting 2021-22 and the Workforce and Recruitment Monitoring Report 2021-22. These reports provide a range of detailed information about the profile of the Commission workforce and its pay.

61. When asked about whether the Commission was content with the work done in increasing the diversity of the Commission workforce, the Chief Executive and Clerk explained that whilst they were content with their progress, there was still a long way to go⁴⁴.

Gender

62. The information shows that the Commission has a balanced workforce in terms of genders, across the overall workforce, as well as in its Executive Board and Leadership Group. No staff have identified as non-binary⁴⁵.

63. A greater proportion of women work part-time compared to men (27.8% of women and 8.6% of men)⁴⁶. In relation to recruitment, 56.6% of external jobs were offered to women⁴⁷ and 73.7% of internal jobs⁴⁸.

64. Mean and median salaries are higher for women than mean gender pay gap in 2021-22 at -6.5%, up from -5.3% and the median constant at -9.8%⁴⁹.

⁴³ RoP [para 131], 6 October 2022

⁴⁴ RoP [para 134], 6 October 2022

⁴⁵ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 22

⁴⁶ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 23

⁴⁷ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 42

⁴⁸ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 41

⁴⁹ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 18

Ethnicity

65. The Commission wrote to the Committee in June 2022⁵⁰ with an update on its progress against the Committee's recommendation around understanding the drivers for low representation in the workforce from ethnic minority communities and lower socio-economic groups, as well as its policies to reduce barriers for these and other diverse groups. Some of the activities are summarised later in this report.

66. 92.2% of the Commission's workforce identify as white, 4.2% as an ethnic minority and 3.6% preferred not to say⁵¹. The proportion of external applications from ethnic minority candidates increased to 11% in 2022⁵², up from 7.7% in 2021. 7.5% of external jobs and 5.3% of internal jobs were offered to ethnic minority candidates⁵³.

67. The ethnicity pay gap, on the basis of hourly pay, has reduced slightly but remains significant. The mean pay gap for 2021-22 is 26.1%, compared with 27.8% in 2020-21, with the median gap at 34.7%, compared with 38.9% in 2020-21⁵⁴. These figures are both higher than they were in 2019-20, where figures of 20.9% for the mean pay gap and 23.6% for the median pay gap were reported⁵⁵.

68. The Equality Pay Audit Report for 2022 notes that the main drivers for these gaps are the low number of ethnic minority staff employed in the Commission and the fact that these staff tend to be employed at lower bands on the pay scale. In the report, they acknowledge that addressing the underrepresentation at senior levels is difficult to resolve quickly, in part due to the low turnover at these grades. When asked about senior management representation, the Chief Executive and Clerk told the Committee:

*"We're also harnessing the talent of our existing staff. We're trying to make sure that they can develop their pathways effectively and become more senior in the organisation, and arrange for coaching for them and so on."*⁵⁶

69. The aforementioned letter from June 2022 notes that the Apprenticeship Scheme will be continued, with a Graduate Internship opportunity to follow. The Commission has also partnered with the Windsor Fellowship to launch a new internship programme, YMLAEN,

⁵⁰ Letter from the Chief Executive and Clerk of the Senedd, 13 June 2022

⁵¹ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 18

⁵² Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 36

⁵³ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 35

⁵⁴ Senedd Commission, Equal Pay Audit, Gender, Ethnicity and Disability Pay Gap Reporting, page 11

⁵⁵ Senedd Commission, Summary of the 2021 Equal Pay Audit, page 7

⁵⁶ RoP [para 135], 6 October 2022

intended to offer training and development opportunities for four individuals from the ethnic minority community. This programme was launched in June 2022.

Lower socio-economic background

70. The Commission's Workforce and Recruitment Monitoring Report 2021-22 notes a series of changes to the recruitment and selection processes, including:

- Since April 2021, the online recruitment system includes the Social Mobility Commission's socio-economic background questions, with the first year of data included in the Diversity Report.
- Working with Trade Unions to roll our socio-economic monitoring to the Commission's workforce and develop a plan for using and storing this information.

71. The aforementioned Diversity Report notes that of 53 successful new candidates, 50 of them were from state-run/funded schools, 2 from non-UK schools and 1 from an independent school⁵⁷. The Commission note that the first year of data from the socio-economic background questions shows no divergence from any national benchmarks, save for a predominance of applicants whose paternal occupation was from a professional background.

72. On this subject, the Chief Executive and Clerk told the Committee:

"We know this committee has, in the past, also been interested in our socioeconomic diversity, and that is something where you'll have seen we have a year's data available now. Our initial analysis of that suggests that we're pretty consistent with national benchmarks, but that data will become richer as we accumulate more of it ... we should be able to get some interesting learning from that in due course, and be able to target our recruitment better."⁵⁸

73. On geographical location of applicants, 353 listed their location as Cardiff out of a total pool of 873, representing 40.4% of all applications⁵⁹.

⁵⁷ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 48

⁵⁸ RoP [para 137], 6 October 2022

⁵⁹ Senedd Commission, Diversity and Inclusion: Workforce and Recruitment Monitoring Report, page 45

Disability and other pay gaps

74. The Commission reports that 6.3% of the workforce identify as having a disability, with 84.0% identifying as not having a disability. 9.7% in 2021-22 did not declare whether they identify as having a disability⁶⁰.

75. In relation to the median pay gap, the Commission reports that people identifying with a disability are paid the same as those who do not. People identifying as having a disability are paid 2% more than those who do not when looking at the mean difference in total salary.

76. 4.2% of staff identify as LGBTQ+ and 82.3% as non-LGBTQ+, with a 13.5% non-disclosure rate. The pay gap is 0.0% for median pay and an inverse 6.3% for the mean⁶¹.

Engagement and performance

77. The Committee has maintained an interest in the Commission's engagement with the people of Wales. Following the scrutiny of its Draft Budget 2022-23, the Commission wrote to the Finance Committee with information on its "plans to reach out to cohorts that do not traditionally engage with the Senedd", which included online engagement tools and social media, plus working with committees to boost engagement with younger people⁶².

78. The Senedd Elections and associated campaign were one of the areas for engagement in 2021-22, being the first election involving 16 and 17 year olds. The Welsh Youth Parliament Election were also held during the year, in November 2021, with engagement activity online. The Accounts explain that an evaluation of their engagement work on the Senedd Election will help to inform their future campaign work.

79. When asked by the Committee about utilising an online offering to reach schools and poorer areas, the Chief Executive and Clerk noted:

"We've developed a hybrid offer now, and staff have been equipped to have a blend of in-person visits, face-to-face visits, and hybrid tours as well. There is a whole hybrid tour of the Senedd that you can access on the website at the moment, and I think that we've also developed the capability, when we have physical events, that people can

⁶⁰ Senedd Commission, Equal Pay Audit, Gender, Ethnicity and Disability Pay Gap Reporting, page 10

⁶¹ Senedd Commission, Equal Pay Audit, Gender, Ethnicity and Disability Pay Gap Reporting, page 10

⁶² Letter from Chief Executive and Clerk to the Finance Committee, 19 October 2021

*take part virtually in those as well. So, it's definitely a good learning that we developed during the pandemic that we can carry forward.*⁶³

Our View

80. The Committee is concerned to note the increased rates of absence being recorded due to mental ill health, in particular given the increased impact this is having on female members of Commission staff. Whilst the Committee welcomes the work being done by the Commission to support its staff, we remain concerned that the figures recorded in 2021-22 could worsen because of the impact of the cost of living crisis. Accordingly, the Committee would welcome summary updates about the outcomes of the Commission's pulse surveys, with a particular focus on this troubling issue.

81. We are pleased to hear about the YMLAEN initiative and encourage the Commission to continuously evaluate its recruitment campaigns with a view to expanding their aims and adding to the diversity of its staff. Whilst it's acknowledged that there is a long way to go, the Committee is pleased to note the progress that is being made in making the Senedd a more diverse representation of modern Wales.

82. The Commission's investment into online engagement tools is welcomed and it is hoped that this alternative offering will allow the Senedd to reach a wider range of communities, in particular schools in deprived areas. The Committee is interested to hear more about the lessons learned following the Senedd Election and how it will influence future engagement work. Accordingly, the Committee would welcome data from the Commission about the number of engagement events conducted and the number of these that took place online.

Recommendation 5. The Commission should share a summary of the results of each pulse survey, when available, with the Committee with a focus on mental ill health, indices of mental ill health and staff absences more generally. The Committee also looks forward to reviewing the results of the annual staff survey for 2022.

Recommendation 6. The Committee encourages the Commission to share updates, as and when they arise, of staff recruitment projects aimed at increasing the diversity of the organisations as a whole, as well as updates on the progress of the YMLAEN project, amongst others.

Recommendation 7. Data in relation to engagement during 2021-22 should be shared with the Committee, to evaluate the impact of online engagement tools. The Commission should

⁶³ RoP [para 148], 6 October 2022

provide a breakdown of the types of engagement activity with the Committee and the parts of Wales who are engaging or visiting the Senedd.

6. Sustainability

General

83. The Commission's Carbon Neutral Strategy includes a three-stage approach for becoming Carbon Neutral by 2030:

- Short-term (2021-23) – behavioural change, business management improvements, monitoring and continued LED lighting work.
- Medium-term (2023-26) – air conditioning, connect to district heating network, installing solar in Senedd and Ty Hywel.
- Longer-term (by 2030) – air-source heat pumps for hot water, MS travel and subsistence for Electric vehicle travel only.

84. The Commission subsequently provided a copy of its Carbon Neutral Strategy in writing, which was published in February 2021⁶⁴. This strategy, along with their Sustainability: Annual Report 2021-22, is available on the Senedd website.

85. The Accounts show the five-year trends for greenhouse gas emissions, energy consumption, waste, water consumption and official travel⁶⁵. The Accounts note that a full summary of their environmental performance can be found in their Sustainability Annual Report, with the most recent report available on the Commission's website relating to 2021-22, at the time of writing.

86. Because of the impact of the pandemic, it is difficult to draw conclusions on performance, with indicators for 2020-21 dropping hugely, with a slow uptick in 2021-22.

87. When asked about how underspends were being deployed by the Commission, the Chief Executive and Clerk told the Committee that projects were being prioritised that focussed on sustainability, with a focus on increasing energy efficiency⁶⁶. When asked to provide examples of new projects more generally, the Chief Finance Officer noted a project to install new LED office lighting⁶⁷.

⁶⁴ Letter from Chief Executive and Clerk, 25 October 2022

⁶⁵ Senedd Commission Annual Report and Accounts 2021-22, page 100

⁶⁶ RoP [para 62], 6 October 2022

⁶⁷ RoP [para 72], 6 October 2022

Single-use plastic

88. The Committee recommended during 2020-21 Accounts scrutiny that the Commission should provide a bi-annual update on the use of single-use plastic⁶⁸.

89. The Commission's response from February 2022 noted that canteen take-away containers were now plastic-free and that plastic cutlery, water beakers, dessert pots and straws had been removed. They confirmed that they were working with the contractor to replace any items sold in plastic packaging, where alternatives exist⁶⁹.

90. The February letter also set out four areas of further progress, with an update on progress provided in September 2022⁷⁰. This letter noted that re-usable metal drinking bottles had been provided for new Welsh Youth Parliament Members and that they will be rolled-out to staff. It also noted drinking fountains would be promoted, with increased signage planned.

91. The feasibility of a plastic-free management standard was investigated but not deemed to be suitable. They also wrote to major suppliers about the UK Plastics Pact and the need to reduce plastic on site. The letter noted that the Commission was compliant with the Environmental Protection (Single-use Plastic Products) (Wales) Bill as drafted and are open for suggestions for further improvement.

Our view

92. The Committee welcomes the comments of the Chief Executive and Clerk around prioritising the aforementioned project fund for sustainability projects, where possible. The Committee refers to its previous recommendation on the project fund and encourages the Commission to provide the information requested, to continue evaluating the impact of this fund on sustainability projects within the organisation.

93. The Commission recent efforts on reducing the use of single use plastic are noted and the Committee encourages the organisation to continue to seek improvements to further this work, where possible.

⁶⁸ Senedd Commission Annual Report and Accounts 2020-21

⁶⁹ Letter from Chief Executive and Clerk of the Senedd, 2 February 2022

⁷⁰ Letter from Chief Executive and Clerk of the Senedd, 26 September 2022

Annex A: List of oral evidence sessions.

The following witnesses provided oral evidence to the committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed on the Committee's website.

Date	Name and Organisation
6 October 2022	Manon Antoniazzi Chief Executive and Clerk of the Senedd, Senedd Commission Ken Skates MS Senedd Commissioner with responsibility for Budget and Governance Nia Morgan Director of Finance, Senedd Commission