National Assembly for Wales
Assembly Commission

Budget 2015-16
Building on Investment and Change

November 2014

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.

National Assembly for Wales
Assembly Commission

Budget 2015-16
Building on Investment and Change

November 2014

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

The Assembly Commission

The Assembly Commissioners were elected by Members in Plenary on 25 May 2011. Along with the **Presiding Officer**, who chairs the Commission, the Commissioners are Peter Black AM, Angela Burns AM, Sandy Mewies AM and Rhodri Glyn Thomas AM.

Dame Rosemary Butler AM

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

Angela Burns AM

Budget, governance, including Audit Committee membership. Links with the Remuneration Board. The improvement of services to Members. The Commission as the employer of Commission staff.

Peter Black AM

ICT, broadcasting and e-democracy. The Assembly Estate and Sustainability.

Sandy Mewies AM

Education services, front of house, the Assembly's facilities, retail, catering and security. The Commission's statutory equality functions.

Rhodri Glyn Thomas AM

The Commission's Welsh language functions and policy. Legal Services and Freedom of Information (FOI).

The Fourth Assembly – related documents on our website

- **Commission Strategy for Fourth Assembly**
  www.assemblywales.org/fourth_commission_strategy.pdf

- **Updated Plan to deliver the Commission's strategy**
  www.assemblywales.org/NAfW%20Documents/About%20the%20Assembly%20section%20
  documents/Updated%20Plan%20to%20deliver%20the%20Commission%27s%20Strategy/a
  ssembly%20commission%20strategyMAY2014(e).pdf

- **Key Issues for Fourth Assembly**
  www.assemblywales.org/NAfW%20Documents/11-026.pdf%20-%2020102011/11-026-
  English.pdf

- **Key Performance Indicator Reports**
  http://www.senedd.assemblywales.org/mgissueHistoryHome.aspx?lid=6022

- **Assembly Commission Budgets and Annual Report and Accounts**
  http://www.assemblywales.org/en/abthome/about_us-
  commission_assembly_administration/about_us-
  commission_publications/Pages/about_us-commission_publications.aspx

- **Remuneration Board's Determination for Assembly Members**
  http://www.senedd.assemblywales.org/mgCommitteeDetails.aspx?ID=375

Contents

15:35

01. Introduction

The Assembly Commission serves the National Assembly to help make it a strong, accessible and forward looking democratic legislature that delivers effectively for the people of Wales.

The Commission's strategic goals have provided the focus for our work since 2011 and are unchanged. They are that we will:

— Provide outstanding parliamentary support

— Engage with the people of Wales and Promote Wales

— Use resources wisely

The Commission developed plans setting out key priorities. The latest of these sets out the Commission's priorities for the remaining two years of this Assembly.

http://www.assemblywales.org/abthome/about_us-commission_assembly_administration/abt-commission.htm

In addition, the Commission established key performance indicators, providing evidence of the commitment and progress for the people of Wales, Members and Commission staff in regular corporate performance reports, which are published.

http://www.senedd.assemblywales.org/mgissueHistoryHome.aspx?lid=6022

In 2011, the Commission set a clear three-year budget strategy for enhancing the capacity and capabilities of Assembly services in order to deliver the Commission's strategic goals. The budget strategy championed the need for investment in: support to Members and their new legislative responsibilities; the estate as a venue for Wales; communications and technology; and in how the Assembly works as an efficient corporate body. Commissioners, the Finance Committee and the whole Assembly approved this three year investment strategy to deliver the Commission's goals and priorities. Our budget needs have been supported and the Commission has ensured sound financial arrangements exist to deliver Value for Money (VfM) savings where possible, contain costs where appropriate and invest where needed.

The Commission must continue to deliver the full range of day-to-day business to high standards as well as building on the significant investment that will have been completed in the first four years of the Fourth Assembly, with planned further investment of £1.6million in 2015-16. In support of the Commission's strategic goals, there are five updated priority areas for change, innovation and investment for the remainder of this Assembly:

— 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.

Table 1: Summary - Financial Years 2011-16 by Strategic Goal

Strategic Goal	2011-12 £m	2012-13 £m	2013-14 £m	2014-15 £m	2015-16 £m
Provide Outstanding Parliamentary Support	9.0	9.1	9.6	10.4	10.6
ICT Services	4.0	4.0	4.4	4.4	4.4
Engage with the People of Wales and Promote Wales	12.1	12.5	12.5	12.5	12.8
Use Resources Wisely	2.8	2.8	3.0	3.1	3.2
Depreciation	3.2	3.8	4.0	4.4	4.7
Investment	0.6	1.2	2.3	1.7	0.7
Total	**31.7**	**33.4**	**35.8**	**36.5**	**36.4**

Providing Outstanding Parliamentary Support involves the following Commission services: Commission and Member Support Service; Legal Services; Research Service; Chamber and Committee Service; Policy and Legislation Committee Service; Translation and Reporting Service; Strategic Transformation and Coordination Unit.

The 2015-16 budget will fund 184 Full Time Equivalent (FTE) posts at an indicative cost of £9.6 million with the remaining £1.0 million funding operating costs.

ICT Services funding is for 46 FTE posts, indicative cost £1.8 million, with £1.8 million for operating costs and £0.8 million released from bringing the provision of ICT services in house available to deliver further improvements.

Engage with the People of Wales and Promote Wales covers the following services; Estates and Facilities Management; Communications; Security and Assembly Front of House. The 2015-16 budget will fund 142 FTE posts at a cost of £4.9 million with the remaining £7.9 million being operating costs.

Use Resources Wisely covers Human Resources, Finance and Governance and Audit. The funding for 2015-16 covers 56 FTE posts at an indicative cost of £2.4 million with the balance of £0.8 million available for operating costs

02. Budget Approach 2015-16

The total operational budget for 2015-16 is £50.9 million, which delivers a real terms cut of 1.0%.

For 2015-16 the Assembly Commission will maintain the approach detailed in the budgets for the previous three years. The total operational budget for 2015-16 is £50.9 million, which delivers a real terms cut of 1.0%. Whilst this is slightly higher than the 0.8% real terms cut to the Welsh block, we remain confident this level of funding is sufficient to meet the Commission's plans.

There are cyclical one-off costs associated with an election, these falling both in advance of and after the election. For the Fourth Assembly elections, the Commission's approach was to ring-fence these as one-off, exceptional costs and to seek adequate budget. This ensured the core budget for normal Commission operations was protected from any election-related costs and provided clarity and transparency over the election costs through the return of any unused election funds.

We are continuing with this approach for the 2016 election and propose an estimated £0.5m in 2015-16 to cover planning and preparation costs that will be incurred during the year. From past experience, typically in the year before an election, costs are incurred in relation to transition to the next Assembly term. These costs cover ICT changes; accommodation changes; project management support and engagement activities. It provides flexibility to ensure we are prepared for the commencement of the fifth Assembly.

As an exceptional, one-off cost, this aspect of the budget is excluded from the Commission's commitment to work in line with changes to the Welsh Block. Furthermore, this sum would not be available for non-election-related purposes and would be returned to the Welsh Block if unused.

Annually Managed Expenditure (AME) relates to non-cash accounting adjustments in respect of the National Assembly for Wales Members' Pension Scheme. The level of provision is increased to £1.2m to bring it in to line with the figure approved in the Commission's Supplementary Budget in 2013-14. The AME budget is only available for its stated purpose.

The Commission budget can be split into two distinct parts. The Remuneration Board's Determination for Assembly Members, which the Commission itself does not decide and the core Commission Budget, relating to staff and administration.

Core Commission costs are budgeted to reduce slightly from £36.5 million to £36.4 million, a real terms decrease of 1.6%.

In July 2014 ICT services were brought in house which will lead to significant operational savings and make available funds for further development of ICT services to Members and Committees in line with the Commission's ICT strategy.

This decision by the Commission will lead to annual real terms savings of over 2% per year until 2018, a total real terms saving over the period estimated at £1.0 million.

Chart 2 shows the changes between staff costs, non-staff costs and the development fund over the period 2013 to 2017 with total expenditure remaining constant at £4.4 million.

Within this total we are faced with additional costs, set by the Cabinet Office, which relate to increased employer contributions to the Principal Civil Service Pension Scheme (PCSPS) which are forecast to increase the Commissions annual costs by circa £0.3 million. We will be able to accommodate this additional cost without a potentially adverse impact on the Commission's strategy and services

including the investment made to date during this Assembly. This extra cost is reflected in the Commission's staff costs for 2015-16 of £16.9 million.
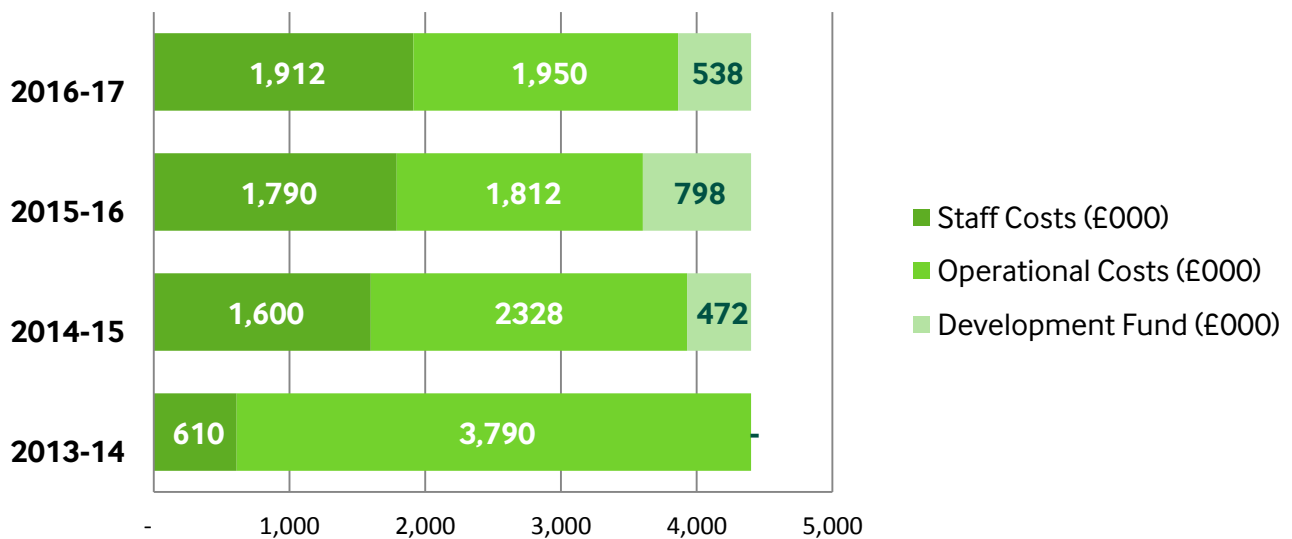
Chart 2: ICT Costs 2013-2017

Table 3 shows the changes from the indicative budget published in the 2014-15 Assembly Commission budget to the proposed budget for 2015-16.

Table 3: Proposed Commission Budget

	Budget 2014-15 £m	Indicative 2015-16 £m	ICT Changes £m	Other Changes £m	Proposed Budget 2015-16 £m
Commission staff	15.8	16.0		0.9	16.9
Fixed costs	10.5	11.1	(0.6)	(0.2)	10.3
Variable costs	4.1	3.7	0.4		4.1
ICT Costs	4.4	4.4	(0.8)		3.6
ICT Development Fund			0.8		0.8
Investment programme	1.7	1.2	(0.5)		0.7
Commission Budget	36.5	36.4	(0.7)	0.7	36.4
Remuneration Board's Determination for Assembly Members	14.1	14.5	-	-	14.5
Total Operational Budget	50.6	50.9	(0.7)	0.7	50.9
Election Related Costs	-	-	-	0.5	0.5
Annually Managed Expenditure	0.8	0.8		0.4	1.2

9

The overall financial impact of bringing ICT contracted out services in house has been to release £0.8 million from the annual ICT cost of £4.4 million, some 18% of the budget, for investment in improvements and enhancements to the ICT service provided. This is shown in Table 3 as the ICT Development Fund.

In addition, Staff Costs have increased by £0.9 million which includes the PCSPS employer contributions of £0.3 million; and contractual salary increases £0.3 million. The on-going impact of the rates rebate has reduced our Fixed Costs by £0.2 million and there is a further £0.6 million reduction in fixed costs from ending contracted out support in the Senedd, now provided in house.

There is no overall increase in Variable Costs from the estimate contained in the 2014-15 budget document whilst the funding for the Investment Programme has been reduced to maintain the overall budget in line with the previously published indicative budget for 2015-16.

The Commission's determination in driving out inefficiency and in securing value for money will also pay dividends in 2015-16. It will enable continued innovation, creativity and commitment to the quality services rightly expected by Members and the public, whilst delivering our commitment to work within public sector funding constraints.

To complete the investment programme that the Commission has been driving forward will require funding of circa £1.6 million in 2015-16. The Investment Fund will be set at a level consistent with the funding available. Part of this funding will need to come from the Commission's Value for Money (VfM) programme.

The investment programme for 2015-16 will include:

- Updating of the ICT infrastructure, notably as we push forward with consolidating the ICT service in-house as well as a Siambr refit;

- Progressing the Commission's aspirations to become a truly bilingual organisation;

- Sustainability work to reduce our environmental impact;

- Outward engagement, including youth engagement, and the future of the Assembly bus;

- Enhancing the Commission's information management systems; and

- Continuing our investment in the Assembly estate.

Bringing ICT services in house has;

— **Released £0.8 million for further ICT improvements**

— **Produced real terms savings of 2% per year until 2018**

— **has placed costs within our control**

INVESTORS IN PEOPLE | Gold

POSITIVE ABOUT · GADARN O BLAID · YN · POBL ANABL · DISABLED PEOPLE

we're supporting
AGE POSI+IVE

Top Employers
for Working Families

LOUDER
THAN
WORDS

THE TIMES
TOP 50
EMPLOYERS FOR
WOMEN
2014
in partnership with
opportunitynow
men | women | workplace

Stonewall
STAR PERFORMER
NETWORK GROUP
2014
PERFFORMIWR ARBENNIG
GRŴP RHWYDWAITH

Stonewall
TOP 100
EMPLOYERS
2014
100 CYFLOGWR
GORAU

03.   The five updated priority areas

We are proud of our achievements and the progress we have made during the first years of this Assembly and will build on these over the next two years. The Commissioners met in April 2014 to review progress against our strategic goals and priorities for change, innovation and investment since 2011.

Since 2012 we have conducted an annual survey, giving Members and their staff the opportunity to give us feedback on the services that support their work. The survey helps us measure our performance and gives Members and others a way of scrutinising us and holding us to account. Through this process we continuously evaluate our services and ensure that they meet the needs of users. The feedback assists us in providing the appropriate support so Members can participate in the formal business of the Assembly and in identifying changes that should be made to the environment for those working on and visiting the Assembly estate.

We identified what more needs to be done before the 2016 elections to ensure that, as a Commission for the Fourth Assembly, we continue to provide Members with the support and services they need to carry out their roles, and leave a strong, clear legacy.

As a result, in support of the Commission's strategic goals, we have five updated priority areas for change, innovation and investment for this Assembly. They are:

– 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;

– Better 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

03.1. Enabling the Assembly to be as effective as possible through the support we provide

The Commission has the statutory duty under the Government of Wales Act 2006 to ensure that the Assembly is provided with the property, staff and services required for the Assembly's purposes.

Progress of the Assembly as a parliament has been significant since 1999 and most notably over the Fourth Assembly term. Confidence in the work of the Assembly has grown and, in many areas, we are an exemplar for other parliamentary bodies to follow. However, with big challenges for us to provide consistently strong support in fully meeting the needs of individual Assembly Members and Committees, we still have more to do in order to support AMs and Committees in delivering an outstanding parliament for Wales.

Providing outstanding Parliamentary support

Assembly committees will:

— have a clear, agreed, strategic plan for their work that prioritises their activities and focuses their use of time and resource;

— be a top priority for the Members who serve on them;

— be guided by chairs who fulfil all of the expectations set for them by the Assembly;

— be respected and listened to by the Welsh Government because of the quality of their inquiries and scrutiny, the rigour of their questioning, the depth of their analysis and the value of their legislative amendment. The Government will be mindful of the reaction of committees as it formulates its policy, spending and legislative plans;

— scrutinise policy, spending and legislation within their portfolio in the round, not as isolated aspects of their responsibilities;

— offer and expect constructive engagement with the Welsh Government but retain their detachment and ability to offer objective criticism;

— not be limited by constraints on access to Ministers, information or witnesses and will be able to draw on the expert advice and support they require;

— engage with a wide diversity of people, be seen by stakeholder groups as important, influential players and as the natural place to go to with concerns and ideas, and undertake work that enhances the public reputation of the Assembly. Their outputs will be accessible to as wide an audience as possible;

— ensure that those who contribute to their work see the value of their participation; and

— seek critical analysis and evaluation to improve their performance.

World class parliamentary committees

In 2013, the Commission initiated a review of the support for Committees and the report which emanated from the review articulates the ambition for Assembly Committees to be world class. The Commission's aspiration is that Committees of the Assembly should demonstrably improve the quality of policy outcomes, legislation and public services for society as a whole in Wales. To achieve world class status the Commission's focus will be on areas that need attention in order to provide the tools and services to meet our aspiration.

One way of raising the profile of committees has been through very active bilingual twitter feeds.

Staff from across the Commission are involved in supporting committees with clerking, research, media and legal support; security and visitor services; simultaneous interpretation and translation; IT and broadcasting. For a small institution support for committees is well resourced and it is right that the Commission reviews that support to make sure the services we provide are directed to have the most effect and be of the highest possible quality.

The resources that the Commission puts into supporting committees are only part of the story. We could provide the finest parliamentary support services in the world and still that would not guarantee world class committee performance for many important levers are outside the Commission's direct control. The actions of political parties in the Assembly, the government, civic society and committee chairs and Members are absolutely critical. The Commission hopes that the vision it has set out will be taken up and shared by all of those groups and we are committed to working to make the Assembly's committees as effective as they possibly can be.

Some of the work necessary to achieve world class parliamentary committees will not bear fruit until after the next election but the focus set by the Commission is already leading to better outcomes. A particular area of focus has been in raising the profile of committees in the media. We have increased our presence on social media with all committees now having very active, bilingual Twitter feeds. The 'reach' of these feeds is increasing and cover all committee activity not just meetings.

Better use of integrated teams with staff from clerking, research, communications and legal services has led to a greater focus on longer-term, strategic planning. This enables a variety of different approaches to inform Members' work in committee including the use of social media, web-chats and stakeholder events. We are increasing the use of events to reach and support stakeholders who would not normally engage with us in the formal committee setting and our Youth Engagement work complements our work with other groups. Better planning has also allowed us to improve the support we provide for Members to work in the language of their choice.

Legal expertise

The Legal Services Directorate provides bilingual legal services to the Presiding Officer, the Commission, Committees and all Members, as part of a fully integrated team of research, procedural and other experts. Two aspects of these legal services are being strengthened: the provision of legislative drafting of Members' Bills; and the capacity to undertake more commercial legal work. This is being done through:

Strengthening legal expertise through enhancing in house capabilities

− outsourcing of the drafting of non-Government Bills to an expert external drafter in the short term, alongside training for the in-house lawyers through that external drafter;

− introducing a continuing programme of professional development for in-house lawyers; and

− exploring the demand for commercial legal services and any unmet demand for legal services in the Assembly.

The outsourcing approach is working well and will over time enhance the capabilities for in-house drafting of non-Government Bills and, coupled with the programme for professional development, will mean that Legal Services will be able to respond to and support any significant changes affecting the Assembly, such as new financial powers.

ICT Services

The Commission has always made use of technology to support the work of members and committees and the investment programme over the last three years has had a significant ICT content. Details of our plans, included in previous budget documents, have led to a range of important achievements.

In 2014, the Commission successfully moved from an outsourced contract to a service provided almost entirely in-house with specialist contracted support where necessary. The project delivered on time and under budget and has already delivered savings that will be reinvested in the delivery of improved ICT services to Assembly Members, the public and Commission staff.

In 2014-15 the Commission's ICT service is anticipated to cost £3.9 million which is a reduction of more than 10% compared to the annual cost of £4.4million of recent years. The structure of the service has altered to reflect the changed delivery with staff numbers in ICT rising to around 41, which will cost around £1.7 million, with operating costs falling to £2.3 million. The balance of £0.4 million will be used to further enhance ICT services.

The KPI for member satisfaction with ICT within the Assembly estate was 6.6 in the July 2013 survey. The latest survey has just been completed and this score is now 7.5 reflecting a further measure of the success of changing the way in which we deliver ICT services to members.

As the survey only covers the first 3 months since service delivery was changed we anticipate that the 2015 survey, which will cover a period of just over a year, will provide a better example of the non-financial measures we work to.

In essence the delivery of ICT services is being provided at a lower cost but in a more flexible and adaptable way which will enable the Assembly Commission to utilise the development funds released to introduce technological solutions in supporting the work of Assembly Members and Committees.

The Commission's ICT Strategy

The ICT Strategy aims to deliver:

- innovative, responsive, reliable, flexible and value-for-money solutions;

- access to the information and ICT services users need, regardless of location;

- choice of device for users;

- effective support;

- ICT services that support collaborative working and sharing, safely and securely;

- information assets that are managed effectively; and

- information that is structured, supports the business services it is needed for, improves efficiency and delivers value.

ICT in the Siambr

An example of the ICT Strategy being delivered is the review of ICT provision in the Siambr where the Assembly Commission provides dedicated ICT facilities for Assembly Members. Whilst the hardware has been refreshed there have been no changes to the fixed desk top approach since the Senedd was built. Following consultation and a thorough technical review, the Commission will deliver the planned changes during 2015 summer recess. The exact costs will depend on the route taken from the options available but a preliminary estimate is in the order £0.75 million. The savings achieved from bringing the ICT service delivery in-house will partly fund this work. Alongside this, we are also considering replacing the Siambr software system, using the expertise of the new applications management team and improving the voting functions.

Telephony

The current telephony contract will expire in June 2015 and the future provision of telephony is already being considered. In this fast moving environment all options will be considered but value for money will be a high priority. Current indications are that we will be able to provide the required level of performance at a reduced annual cost over our current arrangements.

The new telephony system will be procured, implemented and be ready to go live in the early part of the 2015-16 financial year

New solutions to support business services

We inherited many applications when we brought the ICT service in-house and now have a dedicated team within the service for applications management. One area currently being explored is the development of existing applications to make better use of information we hold

ICT services

- **Bringing the service in house was delivered on time and under budget**

- **has delivered the release of funds for further investment**

- **Has resulted in an improved score of 7.5, up from 6.6, in the latest Member survey**

ICT Developments

- **Planned changes to ICT in the Siambr to be delivered during the summer recess 2015**

- **A new telephony system will be procured, implemented and go live in the early part of 2015-16**

- **Website replacement project launched September 2014**

- **Senedd TV upgraded September 2014**

for internal and, where appropriate, external publication. Under the previous contracted out arrangement costs for this type of development were expensive, inflexible and often escalated quickly. With staff now in place who have the requisite skills this development work can now be managed far more effectively both in terms of time and cost.

Other initiatives, which will bring benefits over the next two years and will improve the way the public can engage with the work of Members, include:

− launching the website replacement project to improve the usability and effectiveness of the Assembly's websites and the way we share information about the Assembly's work;

− upgrading Senedd TV so that live broadcasts from the Senedd can be viewed on any device and giving users the ability to pause, re-wind and play back the broadcast. Other features include live captioning, links to Agenda items and the ability to search the written Record and play the related video; and

− the Plenary support system and the way in which we produce and present our reports of proceedings (both for Plenary and Committees) to exploit new ICT platforms to work smarter and make information more easily accessible.

03.2. Enhanced bilingual services

The ability to engage freely in either language in a truly bilingual institution is an important aspiration. The ultimate aim of the Commission is that people should be able to choose whether to use Welsh or English in every element of their work. We are on the right track and progress has been significant, with improvements in the provision of innovative and tailored support for Assembly Members enabling them to work effectively in either or both of our official languages. This progress was set out in full in our first annual compliance report to the Assembly in July 2014.

http://www.assemblywales.org/laid%20documents/gen-ld9836%20- %20national%20assembly%20for%20wales%20official%20languages%20scheme%20- %20annual%20compliance%20report/gen-ld9836-e.pdf

One internal measure of improvement is the annual Member survey. In July 2013 the score for working in the language of your choice was 6.2 and in the July 2014 survey has improved significantly to 8.9 which reflects the improvements the Commission's approach has already made.

Our commitment to invest in technology to transform bilingual service provision has seen world-wide recognition for the Assembly through our partnership with Microsoft to launch the Welsh Microsoft Translator Facility. The tool is available to all Members, staff and globally via Microsoft Office and other products. Machine translation allows people all over the world to translate text from English to Welsh and vice versa, simply by clicking 'translate'. In the Assembly, the system will help us fulfil our commitment to bilingualism and help staff to communicate in the language of their choice, as well as freeing up staff involved in translation to provide other added value services.

If we are to meet the expectations of Assembly Members and the public, more needs to be achieved before the end of the Fourth Assembly. The Scheme has allowed us to think differently about the way we do things, and to be responsive to the needs of a bilingual nation. We recognise that achieving our ambition to be recognised as a truly bilingual organisation means more than just

Enhanced bilingual services

− **Machine Translation successfully launched**

− **First Annual Compliance report published July 2014**

− **Members satisfaction increased to 8.9 from 6.2 in the latest survey**

translating words. 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. The provision of bilingual services is no longer allocated a specific budget line, but is in fact mainstreamed across all budgets and reflected in practical change across the organisation, for example in the Commission's review of support for committees.

We intend to build on the good work done to date, and strive to meet our ambition to be an exemplary bilingual organisation.

03.3. Better engagement with people in Wales

One of our ambitions is to create an environment that encourages interest in the work of the Assembly and facilitates engagement. We want to widen engagement with the people of Wales by giving them more opportunities to interact with the work of this institution and your work as Members. Over the past two years we have seen considerable innovation in this area. We have put a new emphasis on social media so that we can engage with different audiences in a format they can access. We have also continued our programme of visits to schools and to a wide range of summer shows across Wales informing people about how their democracy works. Other work to further engage young people, the women in public life campaign, and growing visitor and event numbers are other positive examples.

The Commission wants to push hard for further engagement with the general public beyond specific groups. It will consider how to establish the Assembly as a brand clearly and distinctively in the minds of the people of Wales.

Increasing engagement in a digital world

- **Past two years has seen considerable innovation**

- **Twitter followers have increased by 54%**

- **Facebook videos used to promote Assembly's Apprenticeship Scheme resulting in 70% increase in applications**

- **Consumption of video on the Assembly's YouTube channel has seen tremendous growth**

ENGAGEMENT WITH YOUNG PEOPLE

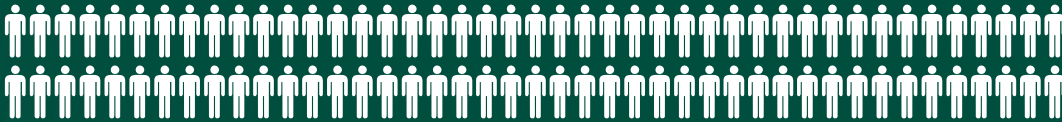**263** EDUCATION VISITS TO CARDIFF

← **7,302** YOUNG PEOPLE IN ATTENDANCE

8,669 YOUNG PEOPLE IN ATTENDANCE →

256 EDUCATIONAL OUTREACH PRESENTATIONS

519 | TOTAL NUMBER OF CARDIFF BAY AND OUTREACH VISITS

TOTAL NUMBER OF YOUNG PEOPLE WHO VISITED US

445 SCHOOLS

17,424 YOUNG PEOPLE

Youth Engagement

A major strand of the Commission's efforts has been youth engagement and at the end of last year, the Presiding Officer asked Assembly staff to run a consultation to ask young people in Wales how they think we can better engage them in the work of the Assembly. Staff reached out to 11 - 18 year olds across Wales to find out what the Assembly can do to enable young people to join in with political debate and have their views heard.

The consultation provided new information about young people's understanding of and interest in the Assembly and some ideas about how the Assembly could best engage with young people in ways that enabled them to contribute to its work.

Engagement

- **81 new schools participated in visits in 2013-14**
- **Visitor numbers to the Senedd was up by 10%**
- **Visitor tours were up by 31% over the same period**
- **Visitor satisfaction levels increased to 89%**

Nearly 3,000 young people completed a questionnaire. The three main themes arising from the analysis of the results were:

- Reaching out — we need to make sure young people can find out about Assembly business and what it means for them;

- Enabling debate — we need to provide a range of easy and jargon-free ways for young people to be involved; and

- Feedback — we must ensure that young people are told as much as possible, as early and regularly as possible, about the outcomes of their participation.

Following the consultation period, we looked at what young people told us and how we could change the way we work to enable more young people to engage with the work of the Assembly. Work is now under way to deliver a number of outputs, such as:

- Augmenting the Assembly's existing Education Service with the addition of youth worker skills to improve engagement outside of the school setting;

- Developing the **www.yourassembly.org** website so that it becomes an online hub for youth engagement with the Assembly;

- Developing and publishing an Engagement Charter which sets out clearly what young people can expect from us, and what we expect from them; and

- Evolving our support to attract wider youth audiences not just those through schools. This work, together with the Finance Committee's recommendation of extending the transport subsidy to cover other means of public transport such as trains, will form part of a wider subsidy review we plan to undertake.

A launch event was held in July to promote our existing work with young people and explain how we are building on it through these enhanced services to provide new opportunities for young people to get involved.

Review of Reporting of Proceedings

In March 2014, the Assembly Commission agreed to initiate a review of the way in which we report on the proceedings of the Assembly. The Review is currently underway and should report on recommendations for the future by Spring 2015. An important element is to examine new

opportunities for increasing engagement by making the Assembly's activities more transparent, open and easier to engage with in a digital world. The recommendations should lead to reports on Plenary and committees which better meet the needs of Members, your staff and external stakeholders as well as more efficient ways of working.

The Assembly estate presents a significantly enhanced and professional image following targeted investment

Europe

We will continue to promote Wales and the Assembly's work through extensive contacts in the EU and internationally, including work directly in Brussels and related work in Wales and other parts of the UK. This includes the work of the Assembly's representatives on the Committee of the Regions, the Welsh MEPs, the EU Institutions (including close relationships with the European Commission Office In Wales, and European Parliament's UK representation), participation in CALRE, EC-UK Forum, BIPA and CPA; through other bilateral contacts with parliaments, legislative assemblies, and EU networks and representations.

We will make the most of opportunities to raise awareness of this work, including participation in EU/international conferences and other fora. We will look to use our UK, EU and international contacts to benchmark the work of the Assembly, to enable us to meaningfully deliver on the objective of establishing world class committees.

03.4. Making the most of our estate

Improvements across the Assembly Estate, our most significant capital asset, mean that those visiting and working at the Assembly now experience a more accessible estate and an estate that reflects of the Assembly's status. Significant progress has also been made in reducing our carbon footprint by managing our energy consumption.

As the focal point for the democratic process in Wales we have made a number of improvements to the fabric of the estate over the past two years. Although the works carried out have been modest, targeted investment has allowed us to enhance the facilities and environment for those visiting the Assembly, and for those who work here. Some of these were overdue refurbishment, others more proactive, and many were identified from feedback from those visiting and working at the Assembly as improvements that were necessary. Assembly Commission office areas of Tŷ Hywel have been refurbished on a rolling basis to ensure that staffing changes could be accommodated within the existing footprint occupied by Commission staff. All the changes have been undertaken with a view to enhancing accessibility, visitor experience and security arrangements and reducing the Assembly's impact on the environment. As a result, the Assembly estate presents a significantly enhanced and professional image.

Key challenges going forward will be delivering the sustainability agenda and ensuring accommodation responds to meet the evolving needs of Assembly Members and their support staff. A draft plan for maintenance and refurbishment has been developed by experts who have reviewed the condition of all our buildings and equipment and plant installed, together with forecast lifespans and timetables for refurbishment and replacement. This will inform investment decisions for the estate.

As part of our planning for the Fifth Assembly, it is proposed that new investment is made in Members' offices to provide more modern and flexible furniture to enhance facilities for Members' and their staff. We plan to consult with Members about this during 2015, with a view to a wholesale

refurbishment taking place between the Fourth and Fifth Assemblies. This is to minimise disruption and ensure all of the work is completed at the same time for all Members, avoiding the need to prioritise some offices over others.

Using the available timescale within dissolution prior to the Fifth Assembly, it is proposed that redecoration and refurbishment works are carried out to Conference Rooms and Meeting rooms in Tŷ Hywel. This will provide more modern, high quality and professional meeting and conference facilities for the wide range of meetings held in Tŷ Hywel, to support Members' requirements and those using our facilities.

In July 2013 the Members' Survey results for Estates and Facilities Management achieved an average score of 7.6. (on a scale of 1 to 10 where 10 represents excellence). A number of the comments received related to temperatures within the Siambr and Committee Rooms. We have addressed these through the Senedd heating improvements and will be exploring the potential for further improvement.

The latest survey completed in July 2014 has seen this score increase to 7.8 which reflects the work undertaken over the past 12 months.

Sustainability Progress:

− **34% reduction in energy emissions**

− **9% reduction in electricity consumption**

− **62% reduction in waste sent to landfill**

Sustainability

The Commission has made good progress in reducing its carbon footprint and has made changes reducing both consumption and outputs which have been detailed in previous years budgets.

Cumulative reductions in energy emissions amount to 34 per cent over the last six years against the base line year of 2008-09 and plans are in place to help us achieve the 40 per cent reduction target.

To put this in a financial context our annual cost for electricity for the first 3 years of the 4th Assembly have increased by 9% whilst our consumption in Kwh has reduced by a similar factor. Without the action taken our costs would have been £5k higher over the period.

Other actions whilst not providing the same scale of cost reduction have helped reduce our carbon footprint. The quantity of waste we dispose of is comparable in volume to 2012-13; however, there has been a further 62 per cent reduction in the volume of waste sent to landfill - that now consists of just 6.5 tonnes of a total waste volume of 120 tonnes. This brings us within reach of our zero waste to landfill target. This reduction in landfill has also had a direct positive impact on our waste footprint with a further reduction of 57 per cent in waste emissions compared to the previous year.

The Commission has now agreed a new Carbon Reduction Route Map in order to continue our successful programme of energy emission reductions. This paves the way for a new Carbon Management Strategy when the current Strategy ends in 2015, which will include a range of targets including waste, water and travel that will be developed over the next year. The Carbon Route Map has been developed on the basis of practical and achievable actions that have been successfully implemented in other organisations to reduce emissions but ensure comfortable working environments.

To date, managing our energy usage has enabled us to manage our utility budgets more effectively against a trend of annually increasing utility costs.

Implementation of the Route Map will offer the Commission some protection against likely future increases in utility costs. The investments identified in the Carbon Reduction Route Map will be funded where possible from the existing sustainability and projects budget and from additional funding as approved by the Investment & Resources Board. Some of the actions identified are linked to the necessary replacement of equipment, which is at the end of its operational life and where there are opportunities for more efficient and sustainable replacements.

Value for Money

Providing high quality services that deliver value for money is a priority for us as a Commission. We have developed strong governance and financial management processes, and new ways of enabling Members and the public to monitor our performance and hold us to account.

Investment in our services is necessary so that we can enhance and improve the way we support Members, your staff and the public; to maintain and improve the estate and to keep our systems and technology up to date. Our Investment and Resources Board has been operating since 2012 and ensures we use resources as efficiently and effectively as possible. The Board manages and oversees the Commission's programme of investment for the future, balancing the availability of funding and staffing resources with the needs and timing of individual projects, their development and policy objectives, and the annual budget cycle. It allows us to plan and deliver major change projects and ensure that capital investment in the Assembly is properly scrutinised, prioritised and managed.

Linked to the Investment Board is our work on Value for Money, an area where we have a strong record, exceeding our annual target for each year of the Fourth Assembly to date.

Savings Achieved	Target	Achieved
2011-12	£0.350 million	£0.530 million
2012-13	£0.470 million	£0.476 million
2013-14	£0.500 million	£0.508 million
	22% from non-staff savings	£0.113 million
2013-14 rates windfall		£0.680 million
2014-15	£0.500 million	On target as at August 2014
2015-16	£0.500 million	

Significant savings have been achieved through procurement and robust contract management. We have found areas to maximise our effectiveness in service delivery and continued our improvement of management information. So far, most of our savings have been made through staff vacancy management, though with a growing percentage of non-staff savings. In the coming years we expect this to continue to be a challenge and we need to develop further our management information to help drive this forward.

03.5. Beyond the Fourth Assembly

Work will get underway in earnest in 2014-15 to prepare for the transition to the Fifth Assembly, so that we are prepared well in advance and ready to support Members and staff through this process. We will also continue to take a proactive approach to constitutional changes. The past year has been dominated by the discussions surrounding Wales' future constitutional settlement. The package of recommendations from the Commission on Devolution, and being brought forward through the

Wales Bill, provides a strong basis for the development of devolution in Wales. We are engaging proactively to ensure the Assembly is in the best possible position to be ready to exercise these new powers.

In preparing for these changes it will be our priority to put in place arrangements that will ensure Members in the Fifth Assembly have the expertise and capacity to deal with the changing powers and greater responsibilities they will face that will strengthen democracy and accountability and the way the Assembly serves the people of Wales.

We will have reviewed all key areas so that we are ready to provide the next Commission and Business Committee with the operational and procedural advice they need to hit the ground running. A specific example would be the work Business Committee will carry out in reviewing specific areas of procedure and Standing Orders.

The Remuneration Board's package of decisions in respect of remuneration and financial support of Members in the Fifth Assembly will be known by spring 2015. The Commission is engaging constructively with the Remuneration Board to make them aware of the Commission's priorities for the strategic development of the Assembly, reflecting matters of importance to Assembly Members, such as communicating locally with their constituents.

The work of the Commission on Devolution in Wales produced two reports which will have an impact on the National Assembly of Wales. To ensure that we are prepared for these changes and other factors that will influence the future working of the National Assembly for Wales the Strategic Transformation Service was created in 2013-14. This has seen the appointment of experienced skilled staff to ensure that the impact of both external and internal factors on the future direction of the Assembly can be planned and implemented effectively with pace and focus in a thorough and professional manner. This investment in staff who will carry out a vital role in preparing for changes that affect the work of Assembly Members, Committees and Commission staff will ensure the Commission is best placed to meet any new duties or obligations.

We will also facilitate a smooth transition to the next Commission by having financial management strategies in place for resourcing in the Fifth Assembly including:

— workforce and capacity planning early enough to deliver right skills, right place, right time with minimal costs;

— improving option appraisal through cost analysis of service levels and demand;

— emphasising VfM to show how we deliver more with less and to show benefit realisation managed, monitored and reflected in budgets;

— maintaining a transparent approach and being clear where we have spent our funding over the Fourth Assembly;

— maximising the use of available resources through financial outturn, KPI targets and flexible planning; and

— Continuing to explore the options to acquire the freehold of Tŷ Hywel in discussions with the Welsh Government and the current landlord in line with the Finance committee's recommendation.

The Commission plans to publish a Legacy Report, including ideas that the Fifth Assembly Commission can consider for the future.

04. Budget to fund the independent Remuneration Board's Determination for Assembly Members

The National Assembly for Wales Remuneration Board (the Board) determines the pay and other costs of Assembly Members. The Board's decisions are published in the Determination of Members' Pay and Allowances, the latest being published in July 2013.

The Remuneration Board has always had the goal of putting in place - a year before the start of the Fifth Assembly - a structure of pay, pensions and allowances which is fair, clear, value for money and fit for purpose.

Before the next Assembly elections in 2016 they will determine the total remuneration package and system of financial support appropriate for Members of the Fifth Assembly. They have divided their work into four strands:

  i.   Member remuneration- pensions

  ii.   Member remuneration – salaries: base and office holder

  iii. Member Support, including staffing

  iv.   Allowances, including residential, office and travel

The Board's aim is to have undertaken thorough research, consulted widely and published their decisions in each of these areas by May 2015.

Further Determinations and Reviews are anticipated for future financial years but we are not yet in a position to reflect the potential impact these publications will have on this element of the Commission's budget with any certainty. However, we have adjusted the budget to reflect some potential changes and have also included a contingency of £0.3 million (2%) to ensure the Commission is able to meet its statutory responsibility to secure funding arising from the Board's future decisions.

The Commission's draft budget for 2015-16 has set £14.5 million to provide funding for Assembly Members' salaries, their support staff and the costs of running their constituency offices located all over Wales.

Table 4 shows the budget to fund the Board's determinations over the life of the Fourth Assembly.

Table 4: Budget to fund the Remuneration Board's Determination

	2011-12 £000	2012-13 £000	2013-14 £000	2014-15 £000	2015-16 £000
Assembly Members - Salary and Office costs	6,934	6,900	6,900	6,900	7,250
Support Staff	6,100	6,600	6,800	7,200	7,250
Total	**13,034**	**13,500**	**13,700**	**14,100**	**14,500**

The Determination ensures Assembly Members have access to office and other costs to provide for:

– running an office and engaging with constituents;

– the salary and travel expenses of their own Support Staff;

– residential accommodation in Cardiff where needed for those eligible;

– travel expenses necessarily incurred in the performance of duties; and

– support for the Party Groups and policy research.

In addition, the Determination sets the base salary of Assembly Members together with office holder allowances. In 2011, the Remuneration Board froze Members' salaries until 2015, on the basis that it was to be a four year term.

The term was subsequently extended by one year to 2016. The Remuneration Board in March 2014 decided that Members should receive a 1% increase for the final year 2015-16. A detailed review of Members' salaries for the Fifth Assembly is currently underway.

The Commission accesses Annually Managed Expenditure (AME) budget for the non-cash accounting adjustment in respect of the Assembly Members' Pension Scheme. The purpose of the adjustment is to ensure a true and fair view of the Scheme liability is recorded in the balance sheet of the Commission; it does not reflect the monetary sums paid by the Commission into the Scheme. The AME budget can only be used for its stated purpose. The Commission needs to increase the AME funding for 2015-16 to bring it in to line with the latest estimates.

05. Budget Ambit

01. This budget submission is laid in compliance with National Assembly Standing Order 20.13 to assist in the compilation of the Annual Budget Motion required by Section 125 of the Government of Wales Act 2006. The submission covers the resource and cash requirements of the Assembly Commission for the year ending 31 March 2016.

02. The Assembly Commission set out its spending requirements in its 2014-15 Budget which covered the period to 2016. This year's budget (£50.9million) reflects the previously indicated funding levels.

03. The Budget Motion will authorise the net resources to be used for the services and purposes of Members and Assembly Services. The motion includes the maximum income (or accruing resources) that may be retained for use on those services and purposes instead of being paid into the Welsh Consolidated Fund, and the cash amount that will need to be issued from the Welsh Consolidated Fund to meet the anticipated net amounts falling due for payment by the Commission.

04. The 2015-16 Budget for the Assembly Commission, addressing these requirements, is set out in Table 5 below.

Table 5	£000
Resources other than accruing resources for use by the National Assembly for Wales Commission on revenue and capital costs associated with the administration and operation of Assembly Services to support the National Assembly for Wales ("the Assembly"); promotion of the Assembly including payments to the Electoral Commission and others; payments in respect of the Commissioner for Standards and Remuneration Board; any other payments relating to functions of the Assembly or functions of the National Assembly for Wales Commission.	**36,900**
Resources other than accruing resources for use by the National Assembly for Wales Commission in respect of decisions of the Remuneration Board.	**14,500**
Total resources, other than accruing resources	***51,400***
Annually Managed Expenditure for use by the National Assembly for Wales Commission in respect of Assembly Members' Pension provision.	**1,200**
Accruing resources for retention pursuant to section 120(2) of the Government of Wales Act 2006 and use by the National Assembly for Wales Commission: from the disposal of fixed assets and other capital income for use on the purchase or acquisition of fixed assets; or rental income; gifts; grant support; recharges and income from commercial sales and other services provided to the public or others for use on administrative costs of the Assembly.	**300**
Amount to be issued from the Welsh Consolidated Fund to meet the anticipated amounts falling due for payment in the year in respect of the above services and purposes less expected retainable receipts and recoverable VAT.	

Table 6 below reconciles the net resource requirement to the cash drawing requirement from the Welsh Consolidated Fund.

Table 6: Cash Requirement	£000 2015-16
Members Net Revenue Requirement	14,500
Commission Net Revenue Requirement[1]	35,600
Net Capital Requirement	1,000
Annually Managed Expenditure	1,200
Adjustments:	
Depreciation	(4,700)
Movements in provisions	(1,200)
Movement in debtors and creditors	100
Use of provisions	
Net cash requirement for issue from the Welsh Consolidated Fund	**46,500**

---

[1] Assumes Accruing Income of £0.300 million year on year.

Annex 1: Budget Overview

Table 7 provides an overview of the Commission's total budget for 2015-16 together with previous years for comparison over the term of the Fourth Assembly. Chart 8 shows the movement in the Commission's budget from 2014-15 to 2015-16.

Table 7: Assembly Commission's Budget 2011-2016 v Welsh Block

	2011-12 £000	2012-13 £000	2013-14 £000	2014-15 £000	2015-16 £000
Commission's Operational Budget	31,073	32,277	32,750	34,800	35,668
Investment Programme	600	1,200	2,300	1,700	732
Members' Pay & Allowances	13,034	13,500	13,700	14,100	14,500
Total Commission Operational Budget	44,707	46,977	48,750	50,600	50,900
Election Related Costs	2,315	-	-	-	500
Total Commission Budget	47,022	46,977	48,750	50,600	51,400
Annually Managed Expenditure (AME)	500	500	1,200	1,200	1,200
Welsh Block (DEL) Year End Budget	14,973,593	15,028,732	15,934,418	15,693,405	15,814,772
Assembly Commission as a percentage of the Welsh Block	0.3%	0.3%	0.3%	0.3%	0.3%

The real terms change for the Assembly Commission in 2015-16 is a reduction of 1% compared with 0.8% Welsh Block reduction.

Chart 8: Assembly Commission Budget 2014-15 v 2015-16

Legend:
- Pre-Election Costs (£M)
- Investment programme (£M)
- ICT Costs (£M)
- Variable costs (£M)
- Fixed costs (£M)
- Commission staff (£M)
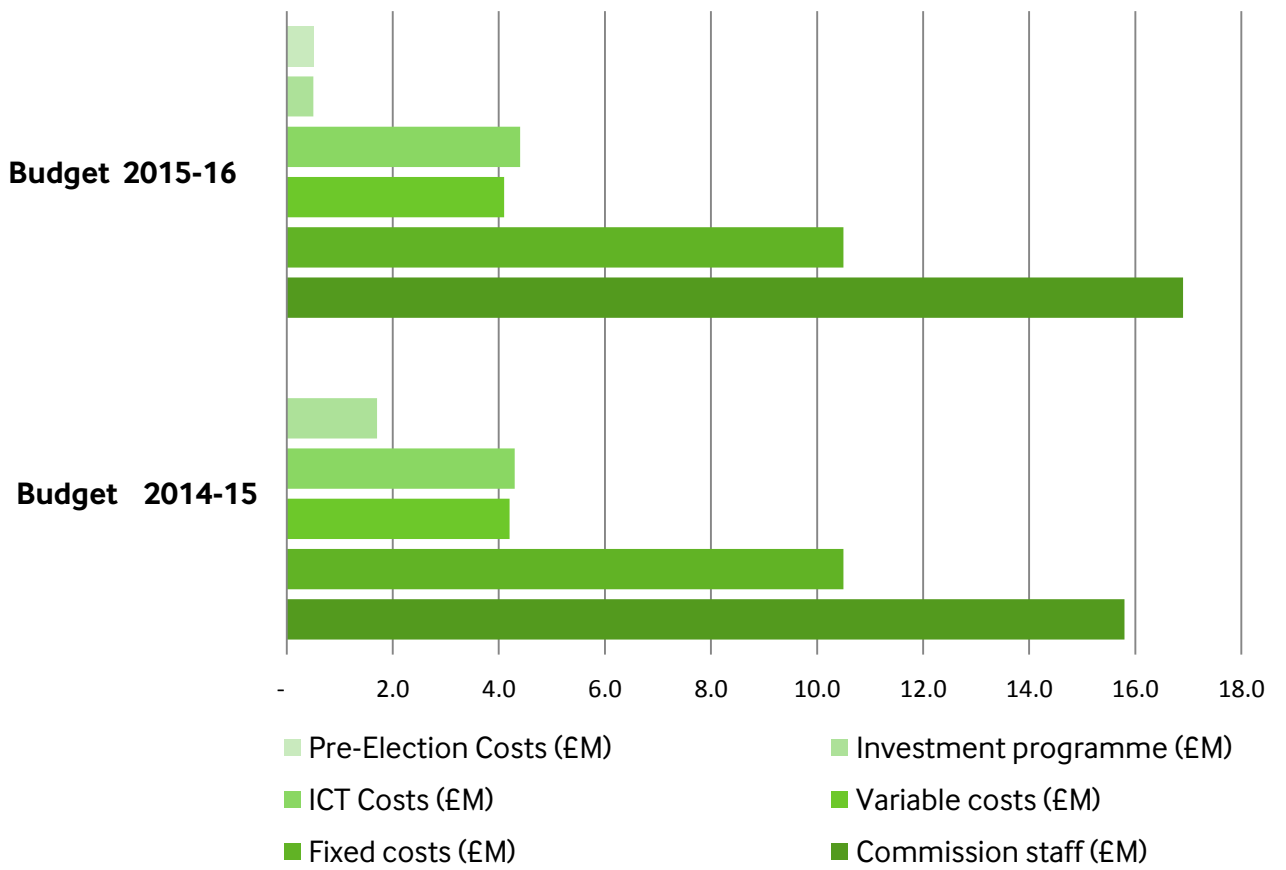
Annex 2: Financial Information

Expenditure areas over the fourth Assembly

	2011-12 Actual £000	2012-13 Actual £000	2013-14 Actual £000	2014-15 Budget £000	2015-16 Budget £000
Accommodation and facilities costs					
Leases - buildings	2,204	2,812	2,837	2,835	2,835
Maintenance	1,716	1,971	1,934	1,655	1,625
Rates	1,285	1,356	716	1,356	1,272
Security	581	603	573	600	600
Utilities	506	518	507	557	537
Catering	323	305	306	320	320
Leases photocopier	127	161	134	150	150
Car parking	99	115	105	120	120
Furniture and fittings	68	79	268	50	50
ICT costs					
ICT Contracted-Out Services, including Telephone	2,856	2,558	2,669	1,861	498
Broadcasting	433	475	578	460	490
Licence and maintenance costs	289	385	520	640	740
IT Projects	147	215	795	-	770
Website	176	121	117	130	130
ICT revenue and consumable purchases	63	90	292	130	130
Other costs					
Other administrative expenses	61	343	202	240	214
Language Contracted-Out Services	116	204	276	273	263
Printing, Stationery and Postage	181	203	242	259	277
Insurance and Specialist Advice	109	195	130	130	131
Publications	174	110	102	129	110
Accounting and Financial Service	126	92	77	25	25
Audit	82	87	128	84	93
Committee Advisors	71	57	117	50	50
Hospitality	31	37	45	45	35
Training and development costs	194	250	384	390	380
Promoting awareness and understanding	170	178	217	452	368
Staff travel and subsistence costs	92	136	128	138	134
Other HR costs	1,035	211	113	103	103
Election Costs	442	-	-	-	500
Depreciation and amortisation charges	3,781	3,942	3,734	4,400	4,700
	17,538	17,809	18,246	17,580	17,650
Income	(190)	(165)	(281)	(300)	(300)

Actual figures are extracted from Note 2 to the Annual Accounts for that year.

Annex 3: Corporate Performance Measures - Achievement against Strategic Goals

Summary overview of the more detailed KPI information included in the Assembly Commission Corporate Performance Report April – June 2014

KPI group no.	Providing Outstanding Parliamentary Support	April - June 2013	April - June 2014	Comment - for detail see Page 6-8 of Corporate Performance Report
1	Member Satisfaction	amber	green	No change in scores for plenary and committee meetings: the score for working in language of choice has increased from 6.2 in 2013 to 8.9 in 2014
2	Timeliness and Service Delivery	green	green	Consistently high performance on timeliness of committee papers, publishing Records of Proceedings and responding to research enquiries. Also no disruptions to business in the period
3	Professional Development	green	green	Welsh learner numbers maintained and engagement CPD activity continued to increase
4	Progress on Corporate Plan Priorities	green	green	Progress towards "world class committee support" through integrated delivery, plans developed to enhance business processes using ICT, progress in enhancing bilingual services

KPI group no.	Engage with the People of Wales and Promote Wales	April - June 2013	April - June 2014	Comment - for detail see Pages 8-11 of Corporate Performance Report
5	Member Satisfaction	-	amber	Score of 6.7. This is a new measure with no comparator from previous surveys
6	Engagement at the Assembly	green	green	Visitor numbers continued to increase and visitor satisfactions levels remain high
7	External Profile of the Assembly	green	green	Continued steady growth in social media interactions, and school and international engagement levels maintained
8	Progress on Corporate Plan Priorities (better engagement)	green	green	Charter for Young People developed, increased social media interactions, promotion of machine translation tool, new methods for gathering evidence

KPI group no.	Use Resources Wisely	April - June 2013	April - June 2014	Comment - for detail see pages 11-14 of Corporate Performance Report
9	Member Satisfaction	green	green	Improved scores across each category with significant increases to ICT scores
10	Budgetary Performance	green	green	Performance on track to meet targets for less than 1% underspend and £500k Value for Money savings
11	Staff	amber	green	Sickness absence rates well below target and sector average, high number of performance reviews completed to time
12	ICT Customer Service	amber	green	Good performance on achievement of SLA targets and high scores for customer satisfaction (both Members and staff)
13	Governance	green	green	Payments to suppliers and Members well within target rate, 3 of 13 FOIs missed deadlines due to exemption applied and the need to consult widely with those affected, no audit recommendations outstanding
14	Sustainability	amber	green	Continued reductions in energy consumption and waste to landfill
15	Progress on Corporate Plan Priorities (making the most of the estate)	green	green	Ten year investment and maintenance programme agreed and being delivered

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.

Annex 4: Glossary

Annually Managed Expenditure (AME)

A categorisation of expenditure reserved for less predictable and controllable items. Can only be allocated to the purpose for which it is assigned.

Barnett formula

A formula used to allocate a population–based share of changes in planned expenditure on comparable services by departments of the UK Government to the devolved administrations of Scotland, Wales and Northern Ireland.

Budget

Sets out the resource and cash amounts proposed for use in the following financial year and indicative figures for the subsequent financial years.

Capital

Expenditure that generally results in a fixed asset (e.g. A building, equipment or land) intended to benefit future accounting periods, or spend that increases the capacity, economy, efficiency or lifespan of an existing fixed asset.

Creditor

An organisation or someone that you have an obligation to pay for goods or services received.

Debtor

An organisation or someone that has an obligation to pay you for goods or service that you have delivered to them.

Depreciation

A measure of the consumption, wearing out or otherwise reduction in the useful life of a fixed asset.

Budget

Sets out the resource and cash amounts proposed for use in the following financial year and indicative figures for the subsequent financial years.

Fixed Assets

Items that are purchased with an expected life greater than one year for the economic benefit of the business such as land, buildings and equipment.

Government of Wales Act 2006

The Act of the Parliament of the United Kingdom that reforms the National Assembly for Wales and allows further powers to be granted to it more easily. The Act creates a system of government with a separate executive drawn from and accountable to the legislature.

Provisions

A provision is a liability of uncertain timing or amount. A cost is recognised in the Commission's Resource Account when we have a present obligation (legal or constructive) as a result of a past event, when it is probable that a transfer of economic benefits will be required to settle this obligation, and when a reliable estimate can be made of the amount of the obligation.

Real terms

The value of expenditure adjusted to take account of general price inflation. Enables comparisons of spending across years without the distortion caused by price changes.

Revenue/ Running Costs

Current expenditure covering day-to day running costs such as staff salaries and the purchase of consumable goods and services.

Value for Money

The process under which organisation's procurement, projects and processes are systematically evaluated and assessed to provide confidence about suitability, effectiveness, prudence, quality, value and avoidance of error and other waste, judged for the public sector as a whole.

Variable Costs

Are expenses that change in proportion to the organisation's activities.

Welsh block

Is the block grant of money, calculated using the Barnett Formula, voted by Parliament to the Secretary of State for Wales for funding that comes to Wales.

Welsh Consolidated Fund

Created by the Government of Wales Act 2006, this is a neutral bank account held by the Paymaster General. The account into which the money voted by the UK Parliament for use by the Welsh Government, the Assembly Commission, the Auditor General and the Public Services Ombudsman for Wales is paid.