



Comisiynydd y
Gymraeg
Welsh Language
Commissioner

Annual Report

2015-16

Welsh Language (Wales) Measure 2011

The Welsh Language Commissioner's Annual Report prepared in accordance with Schedule 1, Paragraph 19(1) of the Welsh Language (Wales) Measure 2011 for the year 1 April 2015 to 31 March 2016, together with the Auditor General for Wales's Certificate and Report on the accounts.

Laid before the National Assembly for Wales on 8 July 2016 in accordance with Schedule 1, Paragraph 19 (2) of the Welsh Language Measure.

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Foreword

From 30 March this year the people of Wales have new rights to use the Welsh language. These rights came as a result of imposing standards on local authorities, the Welsh Government and the national parks.

The journey to complete all the statutory stages to impose the standards in order to put these rights into operation has been a long one; it therefore gave me great pride to announce the new rights to use Welsh at the end of March. These are the rights which realize the official status of the Welsh language and enable people, in every part of Wales, to use the language in their everyday lives.

In the first instance the standards apply to 26 organisations, but this is only the beginning. Over the coming months, duties to use Welsh will be placed on 54 further organisations, including Natural Resources Wales, the BBC, Welsh police forces, the National Botanic Garden of Wales and the Wales Millennium Centre. We also expect to see more organisations included in the standards regime as the Welsh Government publish regulations relevant to other sectors, including the health sector; further and higher education; housing associations; and water companies.

At the same time as imposing standards and regulating compliance with them, we as an office are pressing on governments and policy makers to include the Welsh language as central consideration in every decision or legislation affecting life in Wales.

The work of influencing policy bore fruit during the year, with the Planning Act (Wales) 2015 coming into force. This legislation, for the first time ever, made it a statutory requirement to consider the Welsh language when making decisions about building houses and other key developments. Planning decisions can have an impact on migration trends and while the Government and local authorities have some work to do to implement the practical aspects of the Act, the principle of the Act is certainly an important step forward.

The patient's experience when receiving healthcare services has been one of my main areas of priority since becoming Commissioner. In 2014 I published a report 'My Language, My Health: Inquiry into the Welsh language in Primary Care', and made recommendations for improving services based on research and evidence gathered from members of the public and from within the sector. Since publishing the report, I feel that disagreement surrounding the subject no longer exists and that there is now recognition that providing a Welsh language health service is an integral part of a quality service and part of the effectiveness of clinical care. The challenge now is to act on this recognition for the benefit of the patient.

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We need to create a workforce having the confidence and skills to operate through the medium of Welsh to be able to offer Welsh language services and proactively provide opportunities for people to use the language,. The Language Use Survey, jointly commissioned and published with the Welsh Government, showed that education is the main source for creating Welsh speakers, but there are far too many gaps in the education provision currently. One of the challenges for the new Government is to act on an ambitious vision for Welsh medium education, from the early years, through the school years, to further and higher education including lifelong learning.

As more organisations come under the standards regime and as we exercise our new enforcement powers, our work will intensify over the next year. We do this under the shadow of a cut to our budget equivalent to 36%, in real terms, since 2012. It is recognised that these are times of austerity, but it is time to ask hard questions about how proportionate these cuts are and how the Commissioner's office is funded. Any further cuts would certainly affect our ability to operate as effectively as we would wish, and as effectively as the people of Wales deserve.

Meri Huws

Welsh Language Commissioner

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Aim

The principal aim of the Commissioner is to promote and facilitate the use of the Welsh language. In so doing, the Commissioner will try to increase the use of Welsh in the provision of services, and through other opportunities. Also, the Commissioner will focus on the official status of the Welsh language in Wales and on the duties, imposed by law, to use the Welsh language, and the rights arising from the ability to enforce those duties. Two principles underpin the work of the Commissioner. The first is the principle that in Wales the Welsh language should be treated no less favourably than the English language and secondly that persons in Wales should be able to live their lives through the medium of Welsh if they choose to do so. The Welsh Language Commissioner's Strategic Plan 2015-17 explains how exactly it proposes to work towards attaining the Welsh Language Commissioner's general aim.

Vision and values

Over time, the Welsh Language Commissioner desires to see:

- The Welsh language at the heart of policy in Wales
- Use of the Welsh language increasing
- A better experience for Welsh language users as a result of regulation
- Access to justice for individuals in respect of the Welsh language
- Innovation in promoting and facilitating the infrastructure of the Welsh language.

In carrying out statutory functions and realising the initial stages of this vision, the Commissioner and the Commissioner's officers will operate on the basis of core values. In forming an opinion the Commissioner will be firm, providing assurance to the user. The Commissioner will take every opportunity to be proactive and innovative in order to encourage continuous change and improvement. In order to contribute towards increasing the use of the Welsh language, the Commissioner will be a voice for Welsh language users. In order to develop a healthy working environment that supports its workers and seeks their opinions, and in order to be an organisation that learns from experience, the Commissioner will be open and fair.

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The context of the Welsh language in 2015-16

On 26 November 2015, the Welsh Government and the Welsh Language Commissioner published the results of the 'Welsh language use in Wales 2013-15' Survey. The survey presents a comprehensive view of Welsh speakers' use of the language. The survey was jointly commissioned in order to understand people's language ability, how often they use it and in which contexts. The survey's main results are as follows:

- The percentage and number of fluent Welsh speakers are fairly consistent with the percentage and number of the 2004-06 Welsh Language Use Surveys, although 130,700 more people now say that they speak Welsh but not fluently.
- The percentage of the Welsh population who speak Welsh daily has not changed in comparison to the 2004-06 Welsh Language Use Surveys and there is a clear link between fluency and frequency of Welsh language use.
- Young Welsh speakers are more likely to have learnt Welsh at school than anywhere else. Older Welsh speakers are more likely to have learnt to speak Welsh at home as young children than anywhere else.
- Young people are more likely than older people to have received their education only or mainly through the medium of Welsh.
- Young people are more likely to always speak Welsh or mostly all of the time in school than with friends or at home.
- Just over a quarter of all Welsh speakers who use text messaging use at least as much Welsh as English to send a text message from a mobile phone to a friend.
- Just over half of all Welsh speakers try to use Welsh at least occasionally when dealing with public organisations.

Some notable statistics

Ability / fluency

- It is estimated that 11% (310,600) of people aged 3+ are fluent in Welsh in Wales, 12% in 2004-06 (317,300).
- The highest proportion of fluency is amongst young people aged 3-15 (15% of the total population, 35% amongst Welsh speakers).
- An increase in the ability to speak a fair amount of Welsh / some Welsh amongst each age group. 13% able to speak Welsh but not fluent compared to 9% in 2004-06.
- An increase in the number of adults able to write Welsh well or very well (281,000 in 2013-14, 257,000 in 2004-06).

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Levels of use

- 13% of the population (360,900) speak Welsh every day compared to 13% (342,300) in 2004-06. 84% of fluent Welsh speakers speak Welsh every day compared to 87% in 2004-06.
- 61% of young people who are fluent speak Welsh at school all the time. 22% of them speak Welsh all the time with their friends.
- Low but significant use of the Welsh language in social media by Welsh speakers - 9% using Welsh on Facebook all the time or most of the time, with 6% on Twitter. The data does not show how many use as much Welsh as English or how many use Welsh sometimes.
- 43% of adults who speak Welsh have been to a Welsh language cultural event in the past 12 months and 18% have been to a Welsh language event (the Commissioner is working with sports bodies to offer more opportunities to participate in sports through the medium of Welsh).

Education

- A higher proportion of Welsh speakers under the age of 45 have been to a Welsh medium nursery, primary or secondary school than those over 45.
- 86% of Welsh speakers who attended a secondary school where Welsh was the (only or main) medium of education say that they are fluent in Welsh.
- This is in comparison to 33% of those who attended secondary school where English was the (only or main) medium or where Welsh and English were fairly equal.

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Significant challenges facing the organisation

Funding

The Commissioner's budget for 2015-16 was £3,390,000. This was 8.1% less than the budget for the previous year, which was set at £3,690,000. The budget for 2016-17 has been confirmed as £3,051,000, a further cut of 10%.

The Commissioner has been seeking savings and consideration of the uncertain forecast for the years that follow. Alongside this, the Commissioner has been reviewing the funding pattern and in a letter to the First Minister on 27 January 2016, outlined her grave concern over the financial situation.

The Commissioner highlighted the accumulated reduction in the budget since the establishment of the Welsh Language Commissioner and that the funding level has decreased to £3,051,000 compared to £4,100,000 for 2013-14. This is a cut of over 25% in financial terms. Bearing in mind the effect of inflation (RPI) on organisation costs, in effect, the cut is 32% in real terms, compared to the year when the Welsh Language Commissioner was established.

The Commissioner also highlighted the inconsistency of the cuts in comparison to the Government budget cuts and cuts to other organisations with regulatory responsibilities and responsibilities related to the imposition of statutory obligations.

The Commissioner noted that the existing resources are not sufficient to extend the hold of the Welsh Language Measure on different sectors in the near future. She explained that the adequate resources are not available to enforce compliance with the requirements imposed on organisations and to provide guidance on how to avoid failure to comply in order to ensure greater opportunities to use the language. She warned that the work of imposing standards takes up resources which would otherwise be used for implementing other important aspects of her mission, and that it would not be possible for her to operate effectively without the adequate resources.

To mitigate the impact of the cuts, the First Minister noted that an additional £150,000 would be made available for the Commissioner in 2015-16 to assist with the work of imposing standards.

In addition to the imposition and regulation of the Welsh language standards, the Commissioner has other statutory responsibilities, including promoting and facilitating the use of Welsh, producing a 5-year report on the Welsh language, conducting inquiries, launching or intervening in legal cases and providing advice or making recommendations on various relevant issues. With continuous cuts to the budget, conducting this work is increasingly difficult, and with insufficient resources, there is a high risk of failing to meet targets.

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Activities and achievements

The Welsh Language Commissioner's Strategic Plan 2015–17 lays the foundations for the Commissioner's work and priorities.

Strategic objectives:

1. To influence the consideration given to the Welsh language in policy developments
2. To ensure justice for Welsh language users
3. To impose statutory duties and regulate them
4. To encourage, promote and facilitate the use of the Welsh language on a voluntary basis
5. To operate and communicate appropriately and effectively

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Strategic objective 1: To influence the consideration given to the Welsh language in policy developments

The statutory functions of the Commissioner include research, making recommendations to Welsh Ministers and providing advice to any person. This power gives the Commissioner the opportunity to influence policy.

Statutory meetings

During the year, meetings were held with ministers from the Welsh Government and the UK Government to discuss the impact of legislative and policy decisions on the Welsh language and how to better consider the impact on the language when making decisions and future policy development. These meetings included meetings with the First Minister, the Health and Social Services Minister, the Education and Skills Minister and the Secretary of State for Wales.

Regular meetings were held with the parties' spokespersons on the Welsh language, as well as with other politicians, including new Members of Parliament elected to represent Welsh constituencies in May 2015.

In addition to meeting with politicians, a number of meetings were arranged with civil servants, agencies and organisations to discuss mainstreaming the Welsh language into policy decisions.

Election briefing notes

Election briefing notes were published for the 2015 General Election and the 2016 Assembly Election in order to extend influence on the contents of the parties' manifestos. The issues raised included the Commissioner's call for the improvement and expansion of Welsh medium education and the implementation of the provision in The Planning (Wales) Act 2015 relating to the Welsh language.

Giving evidence and responding to consultations

The Commissioner responded to 24 consultations on policy and legislation during the year. Written evidence was provided to Assembly committees on 10 occasions during the scrutiny of legislation and policy; this involved the Welsh in education strategic plans, preservation of place names, broadcasting, the Public Services Ombudsman for Wales' work and public health. Evidence was given to two Westminster committees on aspects of broadcasting in Wales.

The Commissioner also gave evidence in person before the Children and Young People Committee and the Communities, Equalities and Local Government Committee in the Assembly and the Westminster Welsh Affairs Committee.

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The main policy areas focussed on

Local Government

With the Welsh Government's intention to reorganise local government, the Commissioner drew the attention of the Public Services Minister, the Staff and Public Services Commission and the Working Group on the Welsh Language in Local Government Administration and Economic Development, to the importance of ensuring that plans include measures to safeguard and increase the use of the Welsh language, particularly in the context of internal administration.

Attention was also drawn to the importance of considering the Welsh language as part of the agenda of outsourcing public services and providing alternative models, in response to consultations in this area, together with discussions held with Ministers and the External Advisory Group on Community Asset Transfers responsible for the revision of the Community Asset Transfers in Wales: a Best Practice Guide.

Health and care

Following the publication of the Welsh Language Commissioner's first inquiry under Section 7 of the Welsh Language (Wales) Measure 2011, 'My Language, My Health' in 2014, the Commissioner undertook work during the year to ensure that the inquiry's recommendations were being implemented. This included holding regular meetings with the Health and Social Services Minister and his civil servants, responding to consultations and providing evidence to the Assembly's Health and Social Care Committee.

In response to the Commissioner's evidence to the Health and Social Care Committee in relation to the Regulation and Inspection of Social Care (Wales) Bill, the Health Minister noted that the standards in relation to Welsh language service provision would be part of the social care standards framework prepared in accordance with the requirements of that Bill which has subsequently come into force.

Planning

On 5 May 2015 the Planning Bill was approved by the National Assembly and The Planning (Wales) Act 2015 came into force. The Act establishes a statutory basis for the need to consider the Welsh language within the planning process for the first time. Before this, the process for considering the language in planning decisions was dependent on advice and guidelines only, but as a result of this Act, there are statutory requirements on planning authorities to assess the impact of their planning policies on the Welsh language. The Act also confirms that the Welsh language may be a consideration in determining individual planning applications, and this is a considerable step forward.

The inclusion of the Welsh language in the Act was the result of the influence of the Commissioner's work and others during the Bill's consideration by the Government and the scrutiny committee. The Commissioner noted that the Government's planning policy and guidelines will need to be amended to ensure consistency with the Act's new requirements. In March 2016, the Commissioner responded to the Welsh Government's

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consultation on the amendment of Technical Advice Note 20, the guidelines for local authorities on how to consider the Welsh language within the planning process.

Education and skills

In giving evidence to the Children, Young People and Education Committee's inquiry into the Welsh in education strategic plans, the Commissioner noted that the main source of creating new Welsh speakers is education and that it is imperative to resolve any failings. The Commissioner also emphasised the importance of mainstreaming issues relating to the Welsh language in terms of the Welsh Government's other policies and strategies - issues such as transport policies and additional learning needs strategies. The Commissioner noted that the Government should be clearer with local authorities on what is expected from them in terms of promoting Welsh medium education; and that the Education Minister should use his statutory powers to intervene when local authorities fail to achieve their strategic plans.

All these points were echoed in the recommendations in the Committee's report published in December 2015.

Place Names

The Historic Environment (Wales) Act 2016 was passed. During the Bill's scrutiny process, attention was drawn to the importance of safeguarding Welsh place names. Although the Act does not protect place names, it requires Welsh Ministers to create and maintain a register of historic place names in Wales.

Broadcasting

Evidence was provided to a range of organisations on Welsh medium broadcasting and its importance for the growth of the language and this issue was raised in discussions with elected members. The Commissioner's recommendations included fair funding for Welsh medium broadcasting and the expansion of Welsh language content available on television, radio, in print and online. On 3 February 2016, S4C, the only Welsh language television channel was given assurance of funding for one year.

The Communities, Equalities and Local Government Committee's final report referred to the Commissioner's evidence; as did the House of Lords' Communications Committee. Noted in particular were the comments regarding the cultural importance of the Welsh language, the vital role of the media in supporting the language and the Commissioner's concerns regarding fair levels of funding for S4C.

Research

In order to establish a firm evidence base and to steer priorities in terms of influencing policy, the Commissioner both conducts research and commissions research from other parties.

Wales Omnibus Surveys

Three lots of questions were commissioned in the Beaufort Research omnibus surveys. The Wales Omnibus Survey was used twice to survey a sample of the Welsh

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population; firstly about their attitudes towards the Welsh language, and secondly on their opinions on the use of Welsh by supermarkets. In addition, the Omnibus Survey of Welsh Speakers was used to ask Welsh speakers about their opinion on Welsh language services. The results of this work are used as a basis for various aspects of the Commissioner's work, including regulatory work and will be published in the 5 Year Report on the position of the Welsh Language.

Language Use Survey

The evidence gathering was concluded and the Commissioner and the Welsh Government's joint report was published in November 2015. The survey provides a comprehensive picture of the Welsh language skills of the population in Wales and the use of the Welsh language.

A summary of the Language Use Survey is given at the beginning of this Report.

Survey of the Use of Local Authority Services

A research company was commissioned to collect evidence about the experiences of a sample of 1,000 people in using the Welsh language services of local authorities. People were asked what their hopes and aspirations were in terms of Welsh language services and how they feel their real life experiences compare with those aspirations.

The report was published in October 2015. A summary of the findings was shared with Welsh local authorities.

The Survey's main findings were that:

- the majority of fluent Welsh speakers were of the opinion that it is important to be able to access local authority services and information through the medium of Welsh;
- 7 in every 10 of those who wish to engage with their local authority through the medium of Welsh have received or used the service in Welsh during their previous interaction ;
- around 1 in every 6 who wish to use Welsh when contacting their local authority have not received the Welsh language service they would have liked;
- the lack of availability of Welsh language services is one of the main barriers for fluent Welsh speakers in attempting to use Welsh with their local authority;
- Welsh speakers are more likely to use the Welsh language service if offered at the outset.

Regular cuts to the Commissioner's budget are likely to curtail her ability considerably in terms of conducting and commissioning new research. It will be necessary to consider other methods of procuring research during this next period, including working with external organisations and stakeholders. However, the impact of the cuts will mean fewer examples of original research by the Commissioner in the future.

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Strategic objective 2: To ensure justice for Welsh language users

The Commissioner has the power to investigate suspicions of failure by public organisations to implement their statutory duties and to consider cases of interference with the freedom of individuals to use Welsh with others in Wales.

A total of 250 cases were referred to the Commissioner during the year by individuals who felt that they had not received an acceptable service in Welsh.

Analysis of the complaints

Section 18 of the Welsh Language Act 1993 defines a statutory complaint as one that has been:

- submitted in writing by a person who claims to have been directly affected by a failure of a public body to carry out its language scheme
- made to the Commissioner within twelve months of the date of the failure
- referred to the attention of the public body complained about in order to provide it with a reasonable opportunity to consider and respond.

A table noting each complaint received is in the appendix to this report.

As can be seen from the following table, some of the cases did not comply with the statutory definition of a complaint under the Welsh Language Act 1993.

Valid complaints against public bodies for cases of breaching a statutory Welsh language scheme and meeting the criteria of section 18 of the Welsh Language Act	44
Valid complaints against public bodies for cases of breaching a statutory Welsh language scheme but <u>not</u> meeting the criteria of section 18 of the Welsh Language Act	126
Valid complaints against Crown bodies for cases of breaching a statutory Welsh language scheme and meeting the criteria of section 18 of the Welsh Language Act	18
Valid complaints against Crown bodies for cases of breaching a statutory Welsh language scheme but <u>not</u> meeting the criteria of section 18 of the Welsh Language Act	60
Complaints against a private company implementing a language scheme	2

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Complaints received according to sector

Public	170
Crown Bodies	78
Private under statutory duty	2

Complaints received according to category

Correspondence	41
Publications	4
Websites	51
Signs	15
Phone services	29
Face to face meetings	10
Forms	16
Other	84

Complaints considered

A large number of these cases were dealt with without the need to conduct a statutory investigation.

One example of a case in which a satisfactory resolution was achieved was one where individuals contacted the Commissioner to complain that patients were unable to watch S4C on the wards at Wrexham Maelor Hospital. Following correspondence with the Health Board, confirmation was given that the situation had been resolved and that hospital patients could now watch S4C.

In October 2015, Mudiad Meithrin contacted the Commissioner to express their grave concern that the UK Intellectual Property Office had refused an application for copyright on the names 'Mudiad Meithrin' and 'Cylch Meithrin'. Following initial correspondence, copyright was secured for the name of Mudiad Meithrin, but the Intellectual Property Office opposed granting copyright to the name 'Cylch Meithrin'. The basis for this refusal, according to the Intellectual Property Office, was that 'Cylch Meithrin' translates to 'Nursery Group' and with this translation in mind the Office was of the opinion that it is a description of the type and purpose of service provided. The Commissioner contacted the Intellectual Property Office to explain that 'Cylch Meithrin' is a name widely recognised in Welsh and English in Wales, and to highlight the official status of the Welsh language. Following the representations by the Commissioner, Mudiad Meithrin were informed in January 2016, that the Intellectual Property Office had reversed their decision and that the application to register the name 'cylch meithrin' had been accepted.

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Statutory investigations under Section 17 of the Welsh Language Act 1993

The Commissioner conducted statutory investigations into alleged failures by public bodies to comply with the requirements of their Welsh language schemes. A total of eight statutory investigations were completed during the year. In every case the organisations cooperated with the Commissioner as the investigations were held. The following are summaries of the investigations conducted.

Welsh Government

On 8 May 2015 the report of the statutory investigation into the implementation of the Welsh Government's Welsh Language Scheme was published. The investigation was conducted on the basis of the Commissioner's suspicions regarding the linguistic requirements related to the recruitment of the new Children's Commissioner for Wales, and the consideration given to the Government's Welsh Language Scheme in amending the original job specification.

The Commissioner concluded that the Government had failed to implement two clauses of its Language Scheme as part of the recruitment exercise. On the basis of the information received during the investigation, the Commissioner was of the opinion that the Government should act in accordance with the following four recommendations:

- put arrangements in place in order to keep a record of the consideration given to the Welsh language skills required for every advertised post, including new and re-advertised posts.
- in accordance with the Welsh language scheme, when Welsh language skills are deemed essential or desirable for any post, the Government should make this explicitly clear in the information pack for candidates, including any accompanying job advertisement or job description.
- amend the guide to making public appointments in Wales to include reference to the responsibility, in accordance with the Welsh language scheme, to consider the need for Welsh language skills at the start of each appointment exercise.
- put arrangements in place in order keep a record of the consideration given to the Welsh language skills required for every advertised public appointment, including new and re-advertised public appointments.

Cardiff and Vale University Health Board

On 16 September 2015, the report of the statutory investigation into the failure of Cardiff and Vale University Health Board to implement its Welsh Language Scheme was published. The investigation was carried out following a complaint by a member of the public that the Health Board had sent out English only correspondence regarding an appointment at the University of Wales Hospital, Cardiff.

The investigation report concludes that the Health Board failed to comply with two clauses in its Language Scheme. These conclusions are reached based on the findings that the Health Board does not send out bilingual correspondence when the patient's chosen language is not known and that it does not send out bilingual correspondence to patients as standard.

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The Commissioner made three recommendations to the Health Board in order to rectify the situation and enable it to comply with its Language Scheme in future. These recommendations were related to putting arrangements in place in order to ensure that:

- where the preferred language of a patient or other recipient is known, as a result of a conversation, meeting or other correspondence, correspondence will be sent in that language.
- if a recipient's chosen language is not known, correspondence will be sent bilingually.
- any general public correspondence initiated by the organisation, such as standard appointment letters, are bilingual.

Swansea City and County Council

On 18 September, the report of the statutory investigation into the failure of Swansea City and County Council to implement its Welsh Language Scheme was published. The investigation was carried out following an allegation by a member of the public that the Council had advertised 19 posts through the medium of English only on its website in June 2015.

On investigation, it came to light that a department within the Council had decided not to advertise posts in Welsh on the website for a period during 2015. This decision was made without consulting with senior officers within the Council's Human Resources department.

The Commissioner came to the conclusion that the Council had failed to implement a clause in its Language Scheme by failing to advertise posts on its website through the medium of Welsh. The Commissioner made two recommendations to the Council. These recommendations were related to putting arrangements in place in order to:

- ensure that all vacant posts are advertised in Welsh and English, unless Welsh is deemed essential for the position, when they will be advertised in Welsh only with a line of explanation in English.
- ensure that any decision which is likely to affect the implementation of the language scheme receives appropriate consideration from relevant senior members of staff.

Brecon Beacons National Park Authority

On 25 September 2015, the report of the statutory investigation into the failure of Brecon Beacons National Park Authority to implement its Welsh Language Scheme was published.

The Commissioner decided to conduct a statutory investigation under section 17 of the Welsh Language Act 1993, following receipt of the Authority's annual monitoring report. In conducting the investigation, the aim of the Commissioner was to determine whether the Authority had failed to implement its Welsh language scheme when launching the website www.breconbeacons.org.

In the report the Commissioner is of the opinion that the Authority had complied with clause 3.1 of its language scheme by giving consideration to the need to provide a

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bilingual version of the website in drawing up the initial tender. However, after consideration of the evidence, the Commissioner concluded that the Authority had failed to comply with clause 4.5 of its language scheme by failing to launch a website with Welsh content and failing to make suitable arrangements to translate the website's English content.

Furthermore, from the information provided, the Commissioner concluded that the Authority had failed to carry out clause 6.6.2 of its language scheme, as there was no evidence that it had encouraged the partnership within which it was operating to adopt a bilingual policy. Four recommendations were made to the Authority:

- formulate a detailed recovery plan with the aim of achieving a bilingual destination website.
- amend the editorial guidelines of its website in order to avoid publishing websites in English only in the future.
- encourage Brecon Beacons Sustainable Destination Partnership to adopt a bilingual policy.
- have a procedure in place to ensure that any marketing material published by the Authority in its role as a consortium partner, is bilingual.

The Nursing and Midwifery Council

On 5 October 2015, the report of the statutory investigation into the failure of the Nursing and Midwifery Council to implement its Welsh Language Scheme was published. The Commissioner suspected that the organisation had failed to consider its Welsh language scheme when revising its code of practice for nurses and midwives. Part of the code of practice related to clear communication, and noted that registered nurses and midwives should be able to communicate clearly and effectively in English.

On the basis that the linguistic implications of the revised code of practice were not assessed to ensure that they met the Nursing and Midwifery Council's Welsh language scheme commitments, the conclusion was that the body had failed to meet clause 9 of the scheme. Four recommendations were made to the Council:

- review the way in which it assesses the impact of its new policies and initiatives on the Welsh language to ensure that it fulfils the requirements of its Welsh language scheme in full.
- reconsider the revised code of practice consulted upon in relation to the Welsh language.
- amend its guidance to staff on equality impact assessments to ensure that it reflects the body's statutory duty, under the Welsh language scheme, to assess the language implications of new policies and initiatives.
- put arrangements in place to ensure that comprehensive records are kept of the consideration given to the language implications of its new policies and initiatives.

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Carmarthenshire County Council

On 25 November 2015, the report of the statutory investigation into the failure of Carmarthenshire County Council to implement its Welsh Language Scheme was published. The investigation was conducted after the Council placed an advertisement for two senior management posts in the Western Mail newspaper on 4 July 2015. The advertisement did not state that bilingual skills were considered desirable or essential for the posts.

The advertisement gave cause to suspect that Carmarthenshire County Council had failed to comply with its Welsh language scheme by not stating in the advertisement that bilingual skills were considered desirable or essential for the posts.

The Commissioner concluded that the Council had failed to meet three clauses in its Language Scheme.

It was found that the Council had breached its language scheme by changing its policy on advertising language requirements, thus changing its language scheme without consulting the Commissioner. The Council should have corresponded with the Commissioner regarding its reasons for wanting to change the terms of the language scheme before proceeding to implement the change as it did. By failing to state in the advertisement that bilingual skills were considered essential for the roles, the conclusion is that the Council has failed to comply with a clause in its Welsh language scheme. Two recommendations were made to the Council:

- to reinstate the implementation of the clause that refers to making bilingual statements explaining that bilingual skills are considered essential for the post as part of the advertisements for the posts
- to consult with the Commissioner before deciding to amend its Welsh language scheme.

Betsi Cadwaladr University Health Board

On 7 January 2016 the report of the statutory investigation into the implementation of the Welsh Language Scheme of the Betsi Cadwaladr University Health Board was published. The investigation was conducted following a complaint made by a family member on behalf of a child who failed to receive a cognitive assessment in Welsh.

The report reached the conclusion that the Health Board had complied with five of the clauses in question in its language scheme but had failed to implement two clauses of the scheme. These clauses related to the provision of services and the standard of services. The Health Board was not able to carry out one clause of its language scheme.

On the basis of the investigation's findings, the Commissioner was of the opinion that the Health Board should operate in accordance with the following recommendation:

- draw the attention of relevant partners, including the Welsh Government, to the absence of Welsh language tools or assessments which hinder their ability to treat the Welsh and English languages on a basis of equality in the conduct of public business.

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Newport City Council

On 18 March 2016 the report of the statutory investigation into the implementation of Newport City Council's Welsh Language Scheme was published.

The investigation was carried out following a complaint from a member of the public regarding English only signage outside the Council building and regarding English-only standard text on letters the complainant received from a company operating on behalf of the Council.

The investigation report came to the conclusion that the Council had not failed to comply with four clauses of its language scheme, but had failed to comply with two clauses.

The Council took steps to deal with the failings and because of this and because the Council's Welsh Language Scheme was coming to an end on 30 March 2016, being replaced by the standards, no recommendations were made to the Council.

Freedom to use Welsh

Individuals who feel that a person has interfered with their freedom to use the Welsh language may ask the Commissioner to investigate their case. Section 111(1) of the Measure states:

An individual (P) may apply to the Commissioner for the Commissioner to investigate whether a person (D) has interfered with P's freedom to undertake a Welsh communication with another individual (R) (the "alleged interference").

During 2015-16 four new applications were received.

At the end of the reporting period, one of the applications was still being considered by the Commissioner. One application received did not contain specific evidence of interference with the freedom of an individual to use Welsh. Another application did not meet the requirements of section 111 of the Measure and the other case was closed due to lack of evidence, as the Commissioner's requests for information were not responded to.

In respect of the 15 relevant applications received since the establishment of the Commissioner in 2012, 12 applications do not meet the defined requirements of section 111 of the Welsh Language Measure.

The legal requirements are as follows:

- The application must be made in writing, unless the applicant's personal circumstances are such that it would not be reasonable for him/her to make the application in writing;
- The application must give an address at which the Commissioner may contact the applicant (whether the address is postal, electronic or of another description);
- The application must identify who is responsible for the alleged interference and identify the alleged interference.

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The Commissioner may not consider applications by individuals who have not been directly affected by the alleged interference. However, if the case involves the freedom of a child or a vulnerable person to use Welsh, the Commissioner may investigate following an application by a parent or advocate on their behalf.

Since being established, the Commissioner has conducted an investigation and determined on two cases under section 111 of the Measure. Both reports were published during 2014-15

Concerns

Concerns are an expression of concern about a service or lack of service by any organisation which does not operate within the standards system, and which does not have a statutory language scheme or voluntary language scheme by a statutory body. It is possible, however, that the organisation is implementing a third sector voluntary language scheme or private sector voluntary language policy which includes a commitment to the service in question. The Commissioner does not have enforcement powers in the case of such organisations.

However, as these organisations have a substantial influence on people's day to day lives, the Commissioner invites individuals to voice opinions and concerns regarding the use of the Welsh language by third sector or private sector organisations in Wales; and will endeavour to persuade such bodies to reach a resolution.

When any positive changes result from the concerns, the Commissioner will contact the individual. A record of all the concerns raised is kept and used to inform the work of promoting, facilitating and attempting to change the policies and practices of private sector and third sector organisations.

Review of the high street banks

The Commissioner held a review under part 2 of the Welsh Language Measure having witnessed a significant increase in the number of concerns raised by members of the public regarding a lack of Welsh language services in banks. The review was based on evidence from the public and interviews with senior officers from the banks.

Eight recommendations were given to the banks. The recommendations related to the need for them to review their language policies and prepare new ones, setting timescales for establishing Welsh language online services and mobile banking apps, providing information in Welsh on their websites, making a statement on available Welsh language services and ensuring consistency in the use of Welsh across all branches.

A seminar was held with stakeholders to discuss the review; with two separate seminars with representatives from the banks to discuss the recommendations, ideas and progress. The Commissioner will review progress during the next year by gathering feedback and evidence from the banks.

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Judicial review and other legal proceedings

Sections 8-10 of the Welsh Language Measure allow the Commissioner to instigate legal action in England and Wales or to intervene in a case if the matter is relevant to the work of the Commissioner. Assistance can also be provided to individuals including legal assistance.

A symposium on the Welsh language and law was held with representatives from a wide range of fields - lawyers, campaigners, representatives from the academic world and third sector - in order to gain an understanding and to hear different viewpoints regarding the nature of cases to be considered.

On 1 December 2015 the Commissioner published a framework outlining how and when the Commissioner intends to put these powers into practice. The framework has been published on the Commissioner's website.

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Strategic objective 3: To impose statutory duties and regulate them

Introducing Welsh language standards

The Welsh Language Measure creates a system for imposing Welsh language duties on organisations through Welsh language standards. There are five different kinds of standard, namely service delivery, policy making, operational, promotion and record keeping, and standards relate to specific activities under these headings.

There are three main steps to the process of imposing standards. The first step is to conduct a standards investigation. This is one of the Commissioner's functions and the Commissioner conducts a preliminary consultation with the organisations in question and the public in order to determine what kind of applicable standards to impose, if at all. The Commissioner prepares a report and recommendations for Welsh Ministers on the findings of the standards investigation.

Welsh Ministers then implement the second stage in the process, which is to draw up standards in regulations. The regulations must then be approved by the Assembly. When this happens the Commissioner is authorized to commence the final stage of the process, which is to give compliance notices to those organisations named in the regulations. The compliance notice is the document which explains which standards exactly are being imposed on the organisation. This is the document with which the organisation has to comply.

Because there are a number of statutory stages to be followed in the imposition of standards, the Commissioner held standards investigations in different rounds. Below, there is a summary of the steps taken with the different rounds during the year.

Round 1

There are 26 organisations in Round 1; the County Councils and County Borough Councils in Wales, National Park Authorities and Welsh Ministers.

After the Welsh Language Standards Regulations (Number 1) 2015 were passed on 22 March 2015, the Commissioner was authorized to give compliance notices to the county councils and county borough councils in Wales, national park authorities and Welsh Ministers.

The Commissioner began consultation on the content of the compliance notices with those organisations, in accordance with section 47 of the Measure, on 22 June 2015. This consultation period closed on 20 July 2015. Following this, due regard was given to all the evidence before giving compliance notices on 30 September 2015. The first standards came into force on 30 March 2016.

Relevant organisations have a right to challenge the duties imposed on them in the compliance notice by making an application to the Commissioner under Section 54 or Section 55 of the Welsh Language Measure. They also have a right to appeal to the Welsh Language Tribunal against the Commissioner's ruling.

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After issuing the compliance notice to the organisations in Round 1 on 30 September 2015, 18 organisations made an application to the Commissioner. The Commissioner acted in accordance with the Challenges and Appeals Procedure: Compliance Notices to process and validate the applications. At the end of the reporting period the process of determining the applications was ongoing.

Round 2

During January to March 2015, the Commissioner held a standards investigation with regard to 119 organisations in Round 2, including health boards and bodies, the chief constables and the police and crime commissioners in Wales, further and higher education corporations and other public bodies in Wales. Reports on the findings of the investigation were presented to Welsh Ministers during May and June 2015.

Since then the Government has developed standards regulations for a number of the 119 organisations.

Regulations Number 2 were approved by the Assembly on 9 February 2016. The regulations include 32 bodies including Natural Resources Wales, the National Library of Wales, Estyn, the BBC and the Office of Communications (Ofcom).

Regulations Numbers 4 and 5 were approved on 15 March 2016, which included, Tribunals in Wales and the Education Workforce Council, Police, Police Commissioners, Police Authorities and Fire and Rescue Authorities. Following a debate and vote, Regulations Number 3 which included further and higher education institutions, were not approved by the Assembly. Therefore the Commissioner does not have the authority to give compliance notices to these bodies. The Commissioner will begin the process of issuing compliance notices to those institutions once the regulations have been re-submitted by Welsh Ministers and passed by the Assembly.

The Commissioner has begun the process of imposing standards on those bodies named in The Welsh Language Standards (No. 2) Regulations 2016, by issuing draft compliance notices to them. Those notices were issued on 31 March 2016. The consultation period ends on 26 May 2016.

The Commissioner is awaiting regulations from Welsh Ministers in relation to a number of other organisations that were part of the second round of standards investigations. These include health bodies, and this is due to the Welsh Government's intention of consulting more widely on the draft regulations.

Round 3

There are 64 organisations included in this round, including UK Government departments, social housing providers, water companies, the Royal Mail Group and the Post Office.

The Commissioner held a standards investigation in relation to these bodies between 26 May and 18 August 2015. Following this, standards reports were presented to Welsh Ministers on 30 October and 30 November, outlining the Commissioner's conclusions regarding which standards Welsh Ministers should make specifically applicable to them.

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As yet, the Welsh Government has not drawn up standards regulations for the bodies in Round 3.

Bus and train companies

On 4 March 2016, a letter and exploration notice was sent to 125 bus companies, four train companies and Network Rail, noting that the Commissioner was to conduct a standards investigation in relation to them.

The standards investigation period began on 30 March 2016 and the Commissioner will continue to gather evidence from the companies, the public, and the Commissioner's Advisory Panel up to 30 June 2016.

Regulatory Framework

With the standards system coming into force the Commissioner reviewed aspects of her regulatory work during 2015-16 and on 1 April 2016, the Commissioner's Regulatory Framework became operational and was distributed to organisations who are operating Welsh language schemes or who will be subject to Welsh language standards, and it was published on the Commissioner's website.

The Commissioner is of the view that compliance is not ensured by enforcement alone. The framework explains how the Commissioner conducts a programme of work to encourage compliance and provide support in order to enable things to happen as they should.

During October and November 2015, a series of seminars were conducted around Wales in order to explain the Commissioner's regulatory procedures. Representatives from those bodies subject to The Welsh Language Standards (No. 1) Regulations 2015 were invited to discuss the Commissioner's imposition and enforcement functions, the main findings of the first assurance report and sharing of good practice, and the Commissioner's enforcement policy.

Assurance Report for 2014-15: A new measure: a new mind-set.

On 4 November 2015, the Commissioner's first assurance report was published, A new measure: a new mind-set. The report considers the experiences of people when using Welsh language services in the public sector and provides a general overview of how organisations meet their language commitments.

The report looked in particular at services provided in reception areas and online and how the language is considered in impact assessments and recruitment and how organisations report to the Commissioner on the language skills capacity of their workforce.

The report was based on a series of reviews and good practice case studies. The findings showed that levels of service and consideration of the Welsh language varied from area to area and that there were significant gaps in provision, although examples of good practice were seen also in different areas across the country.

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In her views on the findings, the Commissioner stated that a new mind-set is required in order to plan purposefully to deliver public services through the medium of Welsh. A copy of the report was sent to the head of each body operating a Welsh language scheme and a presentation on the report was given during briefing sessions to organisations due to become subject to the imposition of Welsh language standards.

Reviews of service users' experience

Between April 2015 and March 2016, a series of reviews were held in order to determine independently the real life experiences of Welsh language users. This work was a combination of mystery shopper exercises in order to assess the experience of Welsh language users and thematic reviews in order to measure the regulatory attitudes of organisations towards the Welsh language.

Five mystery shopper reviews were held during 2015-16 to learn about the Welsh language experience when accessing services in the following areas: websites and online services, forms, public reception areas, telephone services and correspondence with organisations.

Beyond the mystery shopper approach, the Commissioner also looked at public organisations' practices as they advertised new and vacant jobs. During this period, information was recorded for more than 3,000 jobs. Finally, the Commissioner reviewed the arrangements of 40 public organisations in planning their workforce's language skills and in assessing the adequacy of those arrangements.

The above reviews will be the main basis of the Commissioner's second assurance report, to be published in autumn 2016, which will give a general overview of how organisations are fulfilling their commitments.

Review of electoral arrangements

Part of the Commissioner's work is to look into ways in which the Welsh language is used in public life in Wales in general, and in particular circumstances. During April 2015, the Commissioner looked at the arrangements in place for the provision of relevant information and documentation for the 2015 General Election. As part of this exercise, information and forms provided on local authority websites by Electoral Registration Officers were reviewed together with the website of the Electoral Commission and the UK Government website providing services and information run by the Cabinet Office, www.gov.uk.

A review was also held of the use of Welsh by Returning Officers when declaring the election results in constituencies. The main reason for conducting this exercise was the importance of ensuring that bilingual information and voting forms were available for the election, suspicions regarding the availability of relevant bilingual information and forms, and suspicions regarding inconsistencies in the way in which the Welsh language was used in declaring the election results.

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The Commissioner came to the following conclusions:

- The majority of local authorities had provided voting registration forms by publishing a link to the Electoral Commission's website or gov.uk. A number of them failed to include a link to the Welsh language pages on those websites.
- There is inconsistency in terms of some Returning Officers declaring the results bilingually and others declaring the results in English only.
- The majority of Returning Officers had made some use of Welsh but the use of the language was patchy and inconsistent.

The Commissioner drew up 15 recommendations in order to improve the use of Welsh by the time the National Assembly Elections and the Elections for the Police and Crime Commissioners were held in 2016. The recommendations are related to ensuring that the same level of information is available in Welsh and English; that information in Welsh is easily accessible and equal to the English in terms of content, standard and design; declaring electoral results in full in Welsh and by fluent Welsh speakers.

Giving advice

The Commissioner has the power under section 4 of the Welsh Language Measure to make recommendations or to make representations or give advice to any person on matters relating to the Welsh language. The Commissioner used this power to provide advice during the year to the following organisations in order that they review their internal arrangements to improve their Welsh language provision: the BBC, Abertawe Bro Morgannwg University Health Board, Betsi Cadwaladr University Health Board, the Royal College of Obstetrics and Gynaecology and Public Health Wales NHS Trust

Regulating compliance with Welsh language schemes

Until standards are imposed on organisations, Welsh language schemes, introduced in accordance with the Welsh Language Act 1993, continue to be in force. The Commissioner is responsible for regulating compliance with language schemes, approving new schemes in addition to conducting statutory investigations where an organisation is suspected of failure to comply with its scheme.

This regime was transferred to the Commissioner from the Welsh Language Board in 2012. When standards come into force, Welsh language schemes will come to an end.

Language schemes in operation

On 31 March 2016, 533 statutory Welsh language schemes were in operation. They include the schemes of 328 public organisations, 54 by educational institutions, 42 language schemes by Crown bodies and four by private companies under statutory duty. Also, 12 language schemes were operational by public organisations on a voluntary basis, two language schemes by private companies on a voluntary basis and 91 language schemes in the third sector. The Bank of England and Her Majesty's Courts and Tribunals Service's revised schemes were approved.

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Annual monitoring reports

Language schemes include a commitment to prepare and submit a monitoring report. During 2015-16, 146 annual monitoring reports were responded to and meetings were held with all the main organisations to discuss matters arising in the monitoring reports and any concerns the Commissioner had regarding the performance of the organisations in question. Responses to monitoring reports are published on the Commissioner's website. The Commissioner decided to end the practice of responding to annual monitoring reports from the end of March 2016 and replace the practice with her Regulatory Framework.

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Strategic objective 4: To encourage, promote and facilitate the use of the Welsh language on a voluntary basis

The Commissioner has a microsite for the Promotion of the Welsh language which provides advice and guidance to private and third sector organisations. The website is aimed at enabling organisations to access information on the benefits of offering a Welsh language service and how to do so easily and accessibly.

The microsite was launched at the end of March 2015, and the website was developed further during 2015-16. A series of videos were prepared showing how different businesses and third sector organisations use the Welsh language and the benefits they see in doing so.

Welsh language progress plans

Organisations are encouraged to commit to a Welsh language progress plan through completing a questionnaire on the microsite. The questionnaire enables organisations to assess their current Welsh language provision and offers an analysis of strengths and weaknesses. The website also offers ideas on how to improve provision in collaboration with the Commissioner's officers and other partners. Between the end of March 2015 and the end of March 2016, 215 organisations had completed the questionnaire.

Quality marks

In order to raise awareness of the Welsh language progress plans and ensure status for the language, the Commissioner has been working with partners to incorporate the Welsh language into third sector quality marks.

The PQASSO Quality Mark helps organisations to demonstrate their performance, effectiveness and impact to funders, commissioners and service users. As a result of the Commissioner's work, the fourth edition of PQASSO includes clear references across a number of areas to the need to prepare and implement a Welsh language Progress Plan in order to demonstrate clear action in relation to the Welsh language.

Following the recommendations made by the Commissioner's research work on "The Welsh Language and Volunteering" in 2014, the guidelines for organisations and assessors for the Investing in Volunteers Quality Standard now contain references to the Welsh language across the indicators.

Gathering and disseminating good practice

The wide-ranging research conducted by sports clubs and societies across Wales highlighted the need to share good practice relating to the use of Welsh in this area. During 2016, a sports pack was prepared: Welsh: Give it a go! - for the use of Welsh in sports. The pack contains a series of videos based on interviews with different sports clubs, posters and flashcards offering Welsh language vocabulary for sports coaches. The pack was prepared in conjunction with Sports Wales who will also be assisting the Commissioner to promote the pack amongst sports clubs across the country.

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Training sessions

A series of training sessions were held in order to develop bilingual services for the third sector. The training included:

- background and context to the Welsh language;
- an introduction to the legislative and public policy context of the Welsh language;
- the Commissioner's latest research on the Welsh language in the third sector;
- an introduction to the Promotion of the Welsh language website and progress plan;
- an opportunity to complete the self-assessment questionnaire, share ideas and practical guidance to increase use; and
- relevant advice on how to develop further.

Strategic collaboration

A memorandum of understanding and action plan was agreed with the Wales Council for Voluntary Action. Through this memorandum, the Commissioner was able to share messages regarding the value of using the language and the support available to develop the use of Welsh directly with charities.

The Commissioner worked together with the Wales Council for Voluntary Action and Baroness Tanni Grey-Thompson in order to hold a special seminar at the House of Lords on 21 January 2016. The aim of the seminar was to inform third sector organisations with headquarters outside Wales of the official status of the Welsh language and to show how they can develop and use the language in their provision of services in Wales. Lynda Thomas, Chief Executive of Macmillan UK was amongst the speakers. Over 120 charity heads attended the seminar. Positive feedback was received and a number of organisations made commitments to prepare a Welsh language Progress Plan.

Translation

In order to strengthen the Welsh/English translation profession, the Commissioner has funded the Association of Welsh Translators for three years to undertake a series of regulatory activities in order that the Association develops into a professional regulator. This funding has enabled the Association to undertake a number of vital activities in terms of regulating the profession, including maintaining a register of professional translators requiring that they adhere to the Association's code of conduct; drawing up a complaints procedure to respond to complaints regarding its members; developing a translation quality assessment service and establishing a continuous professional development plan for members. The funding came to an end at the end of March 2016.

The Commissioner also contributed to the development of relevant training in this area in conjunction with the Coleg Cymraeg Cenedlaethol. The Commissioner is a member of the Translation Studies Consortium, convened by the Coleg in order to ensure the proposed translation studies provision meets the requirements of the translation profession and organisations that use translation services.

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The Commissioner's work of maintaining the online dictionary, Geiriadur yr Academi, continued during 2015-16.

Place names

The Commissioner is responsible for recommending the standard forms of place names in Wales and the Commissioner has convened a Panel of experts on the orthography of the Welsh language and place names in Wales who provide specialist and independent advice. The Welsh Place Names Standardisation Panel met three times during the year in order to provide recommendations on the standard forms of place names in three local authorities and to address problematic issues around place names referred to the Commissioner. A number of individuals and organisations were advised regarding the standard forms of place names including the Ordnance Survey in order to correct historical errors in their data. Advice was also provided to the Welsh Government regarding standardised forms of electoral ward names.

A report was commissioned from the Institute of Geography and Earth Sciences at Aberystwyth University in order to better understand how data regarding bilingual place names and addresses are collected, shared and used. This overview will enable the Commissioner to continue with the work of influencing policy in this area in order that the standard form of Welsh place names and addresses are used by various organisations.

Information Technology

Considerable work was undertaken in transferring the advice document Technology, Websites and Software: Welsh Language Considerations into a series of web pages on the Commissioner's website. This means that users can navigate easily to sections of interest and share links with colleagues who would be interested in certain sections. The aim of the document is to provide guidance on developing and using bilingual programs and software. It also answers many of those questions that concern developers and users of software in terms of accessibility, security and legislation.

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Strategic objective 5: To operate and communicate appropriately and effectively

Communication

Raising awareness of the right to complain

The Commissioner published a video 'Huw's Story' online, which was also shared on Twitter and broadcast as an advertisement on S4C for a period of six months. The video told the story of a child and his mother attempting to access a Welsh language service when attending regular appointments at the hospital. The aim of the video was to raise the public's awareness of their right to complain to the Commissioner if they are unhappy with the Welsh language services provided, and the extent of the Commissioner's powers in dealing with cases and complaints. The video referred viewers to the Commissioner's website and e-mail address.

Rights to use the Welsh Language campaign

With the first standards coming into force on 30 March 2016, the people of Wales were given new rights to use the Welsh language. In order to ensure that people are aware of their rights, the Commissioner began a campaign to raise awareness of the rights to use the Welsh language.

A video was released showing statements from different people on the rights they have, a campaign page on the website and the use of the hashtag #hawliau was promoted on social media.

A close relationship was formed with a number of national and community bodies and groups in Wales in order to share the message amongst their members.

Shows

In order to engage with the public, the Commissioner had a stall at the Urdd Eisteddfod in Caerphilly, the Royal Welsh Show in Builth Wells and the National Eisteddfod in Meifod during summer 2015.

Four public events were held at the National Eisteddfod, focussed on the development of the Welsh language in the hospitality trade, the importance of the language for third sector bodies in recruiting volunteers, presenting the findings of the Language Use Survey and a session on the Welsh language in the workplace.

Online

The Twitter account @ComyGymraeg is used to share information with followers and to communicate with external stakeholders. On 31 March 2016, the Commissioner had 3,980 followers on Twitter - an increase of 821 since March 2015.

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On the international stage

The Welsh Language Commissioner continued to be a member of the International Association of Language Commissioners and her office is responsible for the association's secretariat between 2014 and 2016. The Commissioner will chair the Association during 2016-17.

The association is a means for Commissioners to discuss and share ideas and experiences regarding how the rights of the speakers of indigenous and minority languages can be ensured. Other members are from Canada, Kosovo, Belgium, Ireland and Spain.

During May 2015 the Commissioner attended the association's conference in Ottawa, Canada. The conference centred mainly on sharing good practice and ideas in terms of influencing government policy and providing recommendations for governments.

In March 2016 the annual conference was held in Galway, Ireland. The emphasis of the conference was on language rights in addition to the relationship of language and identity, and on education.

The annual conference will be held in Wales in 2017.

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Results and appropriations

The Welsh Language Commissioner is a corporation sole funded by Welsh Ministers. The funding allocated by Welsh Ministers for the year 1 April 2015 to 31 March 2016 was £3,390,000 (2014-15: £3,690,000), with an additional £150,000 allocated in February 2016. The net expenditure after interest for the year was £3,400,000 (2014-15: £3,738,000), with capital expenditure of £21,000 (2014-15: £60,000). At 31 March 2016 the general reserve was £703,000 (31 March 2015: £563,000).

	2014-15 Outturn £000	2015-16 Outturn £000	2015-16 ¹ Budget £000	2016-17 ¹ Budget £000
Officers' costs	2,074	2,196	2,227	2,220
Voluntary exit scheme	72	-	-	-
	<u>2,146</u>	<u>2,196</u>	<u>2,227</u>	<u>2,220</u>
Administration				
Accommodation : Rent	114	118	117	88
Accommodation : other costs	202	172	185	136
Office dilapidations	3	12	-	-
Travel and subsistence	99	93	102	84
Training and recruitment	91	61	65	19
Legal and professional	135	136	159	111
Information technology	137	145	142	111
Communication	99	43	44	39
External audit fee	17	15	17	16
Administration other	61	50	55	48
	<u>958</u>	<u>845</u>	<u>886</u>	<u>652</u>
Grants	78	60	60	-
Programme costs	481	233	156	147
Capital and depreciation	77	67	61	50
Other expenditure	-	-	-	26
	<u>3,740</u>	<u>3,401</u>	<u>3,390</u>	<u>3,095</u>
Net Expenditure	3,740	3,401	3,390	3,095
Interest receivable	(2)	(1)	-	-
	<u>3,738</u>	<u>3,400</u>	<u>3,390</u>	<u>3,095</u>
Net expenditure after interest	3,738	3,400	3,390	3,095

¹ Internal budget approved at the beginning of the financial year, after being notified of the cut in the budget

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Commentary on the outturn for the period and variances from budget

Despite the budget cut of £300,000 for the 2015-16 financial year the organisation managed its expenditure within 0.3% of the budget. Where savings were able to be made to staff costs and with robust cost control over administrative expenditure the organisation was able to utilise under spend in these areas and redirect budget to key programme expenditure in order to deliver the organisation's aims and priorities.

Officers' costs

48.0 full time equivalent officers were employed during the year, in line with the 2015-16 budget. Employment costs were slightly below budget because no agency staff were employed during the year and there were savings on national insurance costs as the organisation recovered statutory maternity pay. It was noted in 2014-15 that cost were lower and officer numbers were fewer in that year whilst the new structure was being implemented. The 2016-17 plan predicts that costs will increase slightly despite a reduction in officer numbers. Factors beyond the control of the organisation, such as national insurance contributions arising from changes in the state pension and increases in officers' salaries as they move from one increment to another, are the principal reasons for the increase.

Accommodation

Office rental costs have been consistent year on year and compared to budget. There has been a change in the geographical profile of spending between 2014-15 and 2015-16 as the requirements of the different offices reflect the reorganisation of office space following the restructure.

The most significant savings on accommodation costs was a reduction in the costs of landlord service charges and costs of electricity, gas and water which reflects the reduction in the utilised space, as the organisation planned to use the leased office space more effectively.

The reduction in repair costs was due to higher expenditure in 2014-15 resulting from the relocation of officers, offset by a provision for repairs in 2015-16 in order to allow the organisation to sublet 40% of the office space in Cardiff. These plans have been reflected in further savings in the budget for 2016-17.

Travel and subsistence

Overall travel and subsistence costs have reduced in 2015-16 compared to budget and 2014-15 expenditure. There has been a significant reduction in the cost of travel and subsistence of directors following a resignation and a relocation. Nevertheless, there was an increase in the cost of travel and subsistence related to training. Following a significant cut in the training budget it was necessary to take advantage of free training opportunities; the impact of this was the need for officers to travel to take advantage of these opportunities.

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Training and recruitment

There has been a small saving against the training and recruitment budget. The main reason for this was less recruitment and the use of more cost effective methods to recruit officers. Training costs for 2015-16 were consistent with the budget but there was a significant saving compared to 2014-15 expenditure. Specific requirements arose in 2014-15 as the organisation responded to the development needs of officers in their new roles following the restructuring. The availability of free courses was investigated and taken advantage of where appropriate, in order to be able to meet the development needs of officers within budget. 269 training days were undertaken in 2015-16 of which 99 were free, compared to 239 days in 2014-15. The challenge for 2016-17 will be to continue to respond to, and maintain officers' development and skills with a significantly smaller budget.

Legal and professional

Legal and professional expenditure has been consistent year on year. Costs savings compared to 2014-15 were noted for internal audit and consultancy spends compared to 2014-15 due to the need to undertake specific work in 2014-15. Translation costs were higher than budget and 2014-15 expenditure due to an increased demand to translate documents and for simultaneous interpreters.

It is difficult to predict legal costs, and despite a slight increase compared to 2014-15 expenditure was significantly lower than the 2015-16 budget. With the organisation moving to a period where standards are in operation for the first time, organisations or individuals could challenge the Commissioner's decisions in the Tribunal. The 2016-17 budget for legal advice had been halved but, as noted in the paragraph on the general reserve on page 36 below a fund is maintained for cases of this kind.

Information Technology

The underlying reasons for the variance in the expenditure is savings on external support costs following the appointment of the IT officer to the new structure, and savings on telecommunications costs. Earlier IT developments have resulted in an increase in software licence and maintenance costs. There has also been an increase in spending on projects under the IT category; however the main explanation for this is a change in the categorization of the expenditure, to be consistent with how the budget was planned (see Communication below).

Communication

A significant reduction was seen in the cost of advertising. In the last quarter of 2014-15 there were campaigns throughout Wales raising public awareness of the Commissioner's activities, duties and functions. In 2015-16 there was less expenditure which was on a TV campaign which was classified as programme costs. Also costs to develop the Commissioner's website and the information management system were classified as communication costs in 2014-15; following a review of the budget this development work was classed as IT costs in 2015-16.

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Programme expenditure

The programmes undertaken may vary significantly from year to year, and a number of longer term programmes cross over more than one financial year. Programmes for 2015-16 included research, publication of the Welsh Language Use Survey, completing standards investigations and undertaking surveys into the experience of users of Welsh language services. Further information about the main programmes completed during the year is set out in note 5 to the accounts and in the section on the organisation's activities and achievements on pages 9 to 32. As a result of a £300,000 cut to the 2015-16 budget less spending on programmes was inevitable. The further cut of £339,000 for 2016-17 will cause pressure on programme expenditure as an increasing percentage of the organisation's budget is spent on employment and administration costs.

General reserve

At the end of the 2015-16 financial year the general reserve was £703,000; this is an increase of £140,000 compared to 2014-15. The main reason for the increase is one-off funding allocated by the Welsh Government. The First Minister, in his letter dated 23 December 2015, noted that the purpose of this additional funding, in the context of the work on the standards, will be to "enable pre-planning and laying the foundations for the challenging rolling programme to come". The additional funding received on 3 February 2016 has been earmarked for specific activities in relation to this work over the medium term.

The underlying value of the general reserve should also be noted. Excluding the additional £150,000 and having considered the impact of trade payables, accruals and provisions which will be paid in the future, and expenditure arising from prepayments and depreciation in the future; £293,000 would remain in the general reserve. It is prudent to maintain a reserve in order to respond to any unforeseen expenditure and to mitigate the impact of budgetary cuts. Furthermore, the Commissioner may provide an individual with legal assistance in accordance with Section 9 of the Welsh Language Measure and may be required to defend legal cases and/or challenges in the Tribunal. Following discussion and agreement with Welsh Ministers it was decided that it would be appropriate to build a reserve for these purposes.

Estimate for the 2016–17 financial year

It is a requirement for the Commissioner to submit an estimate to Welsh Ministers each financial year of income and expenditure for the year, at least five months in advance of the start of the financial year. An estimate of £3.744 million for 2016-17 was presented to Welsh Ministers on 30 October 2015. Following a period of discussion, correspondence and negotiation, the estimate for 2016-17 was laid before the National Assembly for Wales on 14 March 2016 and a budget of £3.051 million was allocated for 2016-17.

Although savings on employment costs, administrative costs and programme costs have been planned; factors beyond the influence of management place financial pressure on the organisation. As noted on page 7 further cuts to the budget are a significant risk that could jeopardize the organisation's ability to undertake its functions.

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Remuneration of External Auditors

The auditor's remuneration is disclosed in note 4 to the accounts. The external auditors did not undertake any non-audit work during the year ended 31 March 2016 (2014-15: £0).

Equality scheme

A commitment to treating people fairly is central to the role of the Commissioner. No job applicant, staff member or person receiving a service from the Commissioner will be discriminated against, harassed or victimised due to personal characteristics such as age, disability, ethnicity, sex, gender reassignment, pregnancy or maternity, sexual orientation, religion or belief, whether they are married or in a civil partnership.

Under the Equality Act 2010 and the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 laid down by the National Assembly for Wales, the Commissioner has a duty to publish a Strategic Equality Plan and equality objectives. The first such Plan, which contains the Commissioner's equality objectives, was published in July 2014 (The Plan is available on the website). Also under the specific duties, the Commissioner is required to produce an annual report in respect of equality matters; therefore where relevant, these will remain a part of the annual report on equality matters, which is set out below.

Equality in the workplace

The Welsh Language Commissioner totally opposes any discrimination on any basis. Fair and consistent processes are operated when selecting new officers. Using fair and objective employment practices, the Commissioner will ensure that officers are treated fairly and with respect in the workplace, and have an equal opportunity to contribute and achieve their full potential.

Union recognition

The organisation has a recognised union branch of the PCS and regular meetings are held between representatives of the branch, the Commissioner and the Senior Human Resources Officer.

Well-being

The Commissioner provides a free confidential counselling service for officers in order to support them if they feel low or under strain at work. This service is provided by an external contractor.

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Learning and development

The Commissioner operates a Performance Management system that ensures officers understand what is expected of them and that they have the skills and capability to achieve this. Discussion about training and development needs is a key part of the system and a development plan is drawn up for each officer on the basis of those discussions.

As the organisation undertakes new responsibilities and duties, it will face significant challenges. In order to develop officers' skills and competencies to ensure that they are able to execute the regulatory functions effectively, cost-effective options will need to be considered when responding to this challenge in the context of a reduced budget.

Environmental matters

The Commissioner is committed to good environmental practices. The organisation has an environmental sustainability policy and an annual action plan. The aim of the Sustainability Action Plan is to set objectives to reduce the impact on the environment. The Commissioner seeks to reduce the organisation's impact on the environment by promoting the use of technology such as video-conferencing to avoid business journeys; encourages the use of public transport and sharing of cars; encourages staff to attempt to use less energy and operates waste recycling arrangements in its offices.

The Greening Government waste targets set out in paragraph 4.18 and referred to in paragraph 5.17 of the publication 'Public Sector Annual Reports: sustainability reporting guidance 2015-16' continue not to be applicable to Welsh public bodies.

Freedom of information

13 requests for information were received under the Freedom of Information Act 2000 during the year (2014-15: 17 requests). The Commissioner's responses to requests, as well as any information released, are published on the website.

No subject access request for information was received under the Data Protection Act 1998 during the year.

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Complaints against the organisation

In accordance with Section 14 of the Measure, a specific complaints procedure is available if an individual wishes to complain about acts or omissions involving the exercise of the Commissioner's functions. A copy of this procedure can be found on the Commissioner's website.

Three complaints against the organisation were received during 2015-16 (2014-15: 1 complaint). Two of the complaints related to a failure by the Commissioner to acknowledge correspondence within the corporate target of 5 working days and to respond within 20 working days. In these two cases, following investigation, it was determined that there had been a failure. Apologies were given to the individuals, and as a result officers were reminded about the relevant requirements and guidance.

The investigation into the other complaint remains open.

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Plans for 2016–17

The Welsh Language Commissioner's Strategic Plan 2015-17 was published on 1 April 2015. The Plan includes five strategic objectives and twenty priorities (below). For the 2016-17 financial year the Commissioner has developed an operational plan that states which activities and plans will be ongoing under each priority.

Strategic objective 1: Influencing the consideration given to the Welsh language in policy developments

- i. Influencing and scrutinizing policy and legislation
- ii. Conducting an evidence-based inquiry into a priority area
- iii. Preparing a 5 year report on the position of the Welsh language
- iv. Increasing and improving the understanding of the position of the Welsh language by researching and working with others

Strategic objective 2: Ensuring justice for Welsh language users

- v. Increasing understanding of the rights of Welsh language users
- vi. Promoting the use of the Welsh language and linguistic rights by instituting or intervening in legal proceedings
- vii. Ensuring that organisations operate as they should by enforcing duties and penalising failures in accordance with the Commissioner's legal powers
- viii. Investigating suspected failures to comply with language duties

Strategic objective 3: Imposing statutory duties and regulating them

- ix. Imposing statutory duties on organisations through the standards process
- x. Ensuring that statutory requirements are clear for those who have a duty to comply
- xi. Implementing a pre-emptive regulatory programme in order to measure the performance of organisations against language duties
- xii. Giving an independent opinion on the performance of organisations and reporting on the language experiences of Welsh language users

Strategic objective 4: Encouraging, promoting and facilitating the use of the Welsh language on a voluntary basis

- xiii. Identifying opportunities to increase the use of the Welsh language
- xiv. Developing and sharing guidance and good practice on the use of the Welsh language
- xv. Developing strategic contacts and networks
- xvi. Coordinating developments in Welsh language infrastructure

Strategic objective 5: Operating and communicating appropriately and effectively

- xvii. Communicating effectively internally and externally
- xviii. Managing the organisation's finances, resources and infrastructure thus ensuring value for money
- xix. Implementing appropriate governance functions
- xx. Developing and maintaining the workforce

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Accountability

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Annual Governance Statement 2015-16

Scope of responsibility

As the Accounting Officer I am personally responsible for the overall organisation, management and staffing of the Welsh Language Commissioner. I must ensure that the organisation has a high standard of financial management and that its financial systems and procedures promote the efficient and economical conduct of business and safeguard financial propriety and regularity.

The purpose of the governance framework

The governance framework is designed to preserve my independence as Welsh Language Commissioner and to balance that independence with my accountability for the public money I spend.

As Accounting Officer I am accountable to the National Assembly for Wales, the Welsh Ministers or the Public Accounts Committee of the National Assembly for Wales or the House of Commons or the Public Accounts Committee of the House of Commons.

The Welsh Language Commissioner is defined by statute as a corporation sole whose powers and responsibilities are set out in Part 2 of the Welsh Language Measure.

The governance framework comprises the systems, processes, culture and values by which the Welsh Language Commissioner is directed and through which it is accountable for its activities.

The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level.

The Welsh Language Commissioner's permanent Governance Statement is available on the corporate website.

Governance of the organisation

Strategic planning and performance review

The Commissioner has a Strategic Plan for a two year period to the end of the financial year 2016-17, with a detailed Operating Plan drawn up for each year. The 2015-16 Operating Plan was developed through contributions from the Commissioner's senior officers during internal discussions.

The responsibilities of the specific Directorates is to implement the actions that have been specified, the Management Team then reviews progress against targets and outcomes. Key activities for 2015-16 were completed by the end of the financial year and they are reported on in the strategic report on pages 9 to 39.

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Deputy Commissioner

In accordance with sections 12 and 13 of the Measure, the Welsh Language Commissioner is required to appoint a Deputy Commissioner. The Deputy Commissioner will deputise for the Welsh Language Commissioner during periods of holiday, illness and any other occasion at the request of the Welsh Language Commissioner. Following an internal recruitment process in September 2015, Gwenith Price, Director of Compliance and Enforcement was reappointed as Deputy Welsh Language Commissioner.

Management Team

The Management Team, chaired by the Commissioner, and comprising all directors, exercises management of the Commissioner's functions and activities. The Management Team is responsible for leading, agreeing and delivering the Commissioner's strategic vision, policies and services to the public and other stakeholders. The Management Team's terms of reference were reviewed during March 2016. The Management Team's terms of reference is published on the Commissioner's website.

The Management Team meet regularly during the year, mostly on a fortnightly basis and is responsible for leadership and management across the organisation. It is the ultimate forum (supported appropriately by other groups) for making executive decisions about operational, resource, communications and other administrative matters in order to implement the strategic and all other business planning processes, and for monitoring performance.

Management Team membership during the year was as follows:

Meri Huws	Welsh Language Commissioner
Gwenith Price	Director of Compliance and Enforcement and Deputy Commissioner
Dyfan Sion	Director of Policy and Research
Gwyn Williams	Director of Promotion, Communication and Administration

During the year Gwyn Williams tendered his resignation, he continued to be employed until 11 December 2015.

Auditors

An internal audit plan was prepared by the internal auditors during May 2015, which was approved by the Commissioner and the Audit and Risk Committee in June 2015.

During the year, the following areas were audited, evaluated and reported upon:

- Information technology
- Risk and Governance
- Readiness for new Statutory Powers (follow up)
- Budgetary control and financial processes
- Procurement and expenditure processes
- Payroll and officers' expenses recording and processing

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In accordance with Schedule 1 Part 5 of the Measure, the Auditor General for Wales is responsible for auditing the Commissioner's accounts.

Audit and Risk Committee

The Audit and Risk Committee is responsible for providing advice and independent assurance to the Accounting Officer and the Management Team on the adequacy and effectiveness of internal control and risk management. The Audit and Risk Committee's terms of reference was reviewed in March 2016. A copy of the Audit and Risk Committee's terms of reference can be found on the Commissioner's website.

The Audit and Risk Committee met five times during the financial year 2015-16. Following a review of the Committee's workload at each meeting it was decided to hold quarterly meetings once again, as opposed to three meetings a year. An additional meeting was held in February 2016.

The Committee comprises four independent members. Two members were appointed in November 2012 and Nigel Annett and Dr Ian Rees were appointed in March and April 2015.

A procedure is in place to allow members to retire at different times to ensure continuity of experience and knowledge. In 2015-16 the appointment of Wyn Penri Jones was renewed for two years and Rheon Tomos' for three years.

The members of the Audit and Risk Committee and their attendance was as follows:

	25/06/2015	01/10/2015	08/12/2015	01/02/2016	15/03/2016
Wyn Jones (Chair)	✓	✓	✓	✓	✓
Rheon Tomos	✓	✓	x	✓	✓
Nigel Annett	x	✓	✓	✓	✓
Dr Ian Rees	✓	✓	✓	✓	x

The Audit and Risk Committee receives a number of standard agenda items for each meeting. As part of its remit the Committee receives the monthly finance report and the Operational Plan progress report, which have been approved by the Management Team.

The Management Team and the Risk Manager attend all Audit and Risk Committees. Representatives of the internal and external auditors are invited to each meeting. An opportunity is also made available for two officers to observe the meetings.

At the end of each meeting the attendees are able to give an opinion on any aspect of the meeting. Following undertaking an annual review, in the form of a self-assessment form, of the work of the Audit and Risk Committee in 2013-14, the exercise was repeated in March 2016; the conclusions will be discussed at the meeting in June 2016.

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The Audit and Risk Committee presented an annual report for 2015-16 to the Commissioner. No matters of concern have been brought to the Commissioner’s attention in this report. Therefore the Audit and Risk Committee was able to give assurance that it would assist the Welsh Language Commissioner to comply with her duties as Accounting Officer, specifically in the context of giving evidence that would assist with the preparation of this Annual Governance Statement.

Welsh Language Commissioner’s Advisory Panel

As required by the Welsh Language (Wales) Measure 2011, the Commissioner has an Advisory Panel. The Commissioner can consult with the Advisory Panel on any matter. A copy of the terms of reference of the Advisory Panel can be found on the Commissioner’s website.

Advisory Panel members are appointed by Welsh Ministers for a period of three years. On 1 September 2014 Bethan Jones Parry and the Right Reverend Carl Cooper were appointed and in April 2015 Nick Speed, Meinir Davies and Dr Heledd Iago were appointed to the Panel.

The members of the Advisory Panel and their attendance was as follows:

	12/06/2015	25/09/2015	10/12/2015	11/03/2016
Bethan Jones Parry (Chair)	✓	✓	✓	✓
Rt Rev. Carl Cooper	✓	x	✓	✓
Nick Speed	✓	✓	✓	✓
Meinir Davies	✓	✓	✓	✓
Dr Heledd Iago	x	✓	✓	✓

Complaints and Statutory Investigations (section 17 – 20, Welsh Language Act 1993)

The Management Team has responsibility for complaints and Statutory Investigations (section 17 – 20, Welsh Language Act 1993). These responsibilities include:

- making statutory recommendations in relation to complaints, investigations and investigation reports in accordance with section 17 of the Welsh Language Act 1993 and section 71 of the Welsh Language (Wales) Measure 2011;
- deliberating and determining in relation to investigation reports encompassing allegations of interference with an individual’s freedom to use the Welsh language;
- considering any complaint or case referred to the Management Team by the Directors.

During 2015-16 the Commissioner commenced eight statutory investigations under section 17 of the Welsh Language Act 1993 into the following:

- Welsh Government

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- Cardiff and Vale University Health Board
- Swansea City and County Council
- Brecon Beacons National Park Authority
- The Nursing and Midwifery Council
- Carmarthenshire County Council
- Betsi Cadwaladr University Health Board
- Newport City Council

During the year no investigations, under Section 115 of the Welsh Language (Wales) Measure 2011, interference with an individual's right to use the Welsh language were conducted.

There is further information about the investigations under Strategic Objective 2.

Working with Ombudsmen and Commissioners

Sections 20 and 21 of the Measure outline the degrees to which the Welsh Language Commissioner can work with ombudsmen and other commissioners in Wales. The Measure names the following organisations as those that the Commissioner can work with: Public Services Ombudsman for Wales; Older People's Commissioner for Wales; Children's Commissioner for Wales; and the Equalities and Human Rights Commission. Whilst there is no statutory requirement, the Commissioner also has a Memorandum of Understanding with the Independent Police Complaints Commission.

The Welsh Language Commissioner meets regularly with the Older People's Commissioner for Wales, Children's Commissioner for Wales and the Public Services Ombudsman for Wales to discuss strategic and operational matters. Officers attend networks and meetings of organisations that are financed by the Welsh Government across the areas of finance, human resources and information technology. Meetings were also held during the year to discuss ways of cooperating on individual pieces of work.

Capacity to handle risk

The risk management system is led by the Management Team and endorsed by the Audit and Risk Committee. The Senior Finance and Resources Officer is named as Risk Manager for the organisation. Induction training on risk awareness was held for new officers during 2015-16.

The risk and control framework

A formal assessment of the risks and the risk register, led by the Risk Manager, is undertaken twice each year. The risk register is divided into strategic risks and operational risks. In addition there are two sub-registers recording risks in specific areas.

The risk register was updated in August 2015 and also in February 2016.

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Relevant risks are included in every paper that is presented to the Management Team and therefore reminds officers to identify and manage the risks.

The significant challenges facing the organisation are noted on page 7.

Incidents relating to personal data

During the financial year, no incidents were reported relating to personal data. The Commissioner maintains a policy and procedures relating to information security.

Effectiveness of whistle-blowing procedures

The Welsh Language Commissioner is responsible for putting in place arrangements for governance and safeguarding of resources. It is a matter of good practice amongst employers to implement internal whistle-blowing procedures. The Welsh Language Commissioner's Whistle-blowing Policy was approved by the Management Team in June 2014. Contact details of the Audit and Risk Committee Chair and members of Commissioner's Internal Audit team, ktsowenstomas, are contained in the policy as individuals that officers can raise concerns with. No instances were reported during the year where concerns were raised under the whistle-blowing policy.

Review of effectiveness

As Accounting Officer, I have responsibility for maintaining a sound system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the Management Team within the organisation who have responsibility for the development and maintenance of the internal control system, and comments made by the Auditor General for Wales in his management letter and other reports.

The internal auditors, ktsowenstomas, have given an opinion in their annual report that they are able to give substantial assurance as to our internal financial, operational and organisational controls in respect of 2015-16. In their reports in 2014-15 some recommendations were made in order to further improve the internal control systems. The Internal Auditor has confirmed in the reports for 2015-16 that the recommendations have been implemented. There were further recommendations in their reports in 2015-16 and I have responded to the recommendations and have agreed to a programme of continuous improvement.

**Meri Huws,
Accounting Officer
Welsh Language Commissioner**

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Remuneration and Staff Report

Service Contracts

The Constitutional Reform and Governance Act 2010 requires Public Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Remuneration Policy

The officers of the Welsh Language Commissioner remain on terms and conditions analogous to those of the Welsh Government. The Commissioner wishes to continue on the same terms and conditions.

Members of the Advisory Panel, appointed by Welsh Ministers, are paid in accordance with rates set by the Welsh Government. Members of the Audit and Risk Committee, appointed by the Welsh Language Commissioner, are paid the same rates as the members of the Advisory Panel.

The Welsh Language Commissioner operates a Performance Management Scheme for all officers (including senior officers) which is analogous to that used by HM Treasury. Remuneration is not linked to performance.

On the whole officers (including senior officers) are employed in permanent posts. Notice periods vary between four weeks and three months depending on level and length of service.

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Remuneration (*)

(*) This section is subject to audit

The following sections provide details of the remuneration and pension interests of the Commissioner and directors, having authority or responsibility for directing or controlling the major activities of the Commissioner:

	Salary (£000)		¹ Pension Benefits (to nearest £1,000)		Total (£000)	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Meri Huws	95-100	95-100	8,000	7,000	105-110	100-105
Gwenith Price ²	60-65	60-65	25,000	10,000	85-90	70-75
Dyfan Sion ³	50-55	35-40	33,000	20,000	80-85	55-60
Gwyn Williams ^{4 5} (until 11/12/2015)	45-50	50-55	-	-	45-50	50-55

¹ The value of pension benefits is calculated as follows: (real increase in pension* x20) + (real increase in any lump sum*) - (contributions made by member) *excluding increases due to inflation or any increase or decrease due to a transfer of pension rights.

The value of pension benefits is calculated by MyCSP, the organisation responsible for administering the Principal Civil Service Pension Scheme on behalf of the Civil Service. The Welsh Language Commissioner has no influence over the calculation or the reported amount. This is not an amount which has been paid to an officer by the organisation during the year; it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in an officer's salary, whether or not they choose to make additional contributions to the pension scheme from their pay and other valuation factors affecting the pension scheme as a whole.

² The director receives an allowance of 10% of salary for deputising for the Welsh Language Commissioner during periods of absence or at the request of the Commissioner.

³ The figure quoted for 2014-15 is for the period 17 June 2014 to 31 March 2015. The full time equivalent was £48,650.

⁴ The figure quoted is for the period 1 April 2015 to 11 December 2015. The full time equivalent is £56,900. See page 43 for further details.

⁵ The director was a member of the Partnership pension scheme, a stakeholder pension arrangement.

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Salary

'Salary' includes gross salary, overtime, and responsibility allowances where applicable. This report is based on accrued payments made by the Welsh Language Commissioner and thus recorded in these accounts.

Meri Huws was appointed Welsh Language Commissioner from 1 April 2012 on a seven year contract by the First Minister in accordance with the Welsh Language (Wales) Measure 2011, Schedule 1, Paragraphs 3(1) and 6(1). The Welsh Language Commissioner is a member of the Principal Civil Service Pension Scheme (PCSPS). Any annual increase in the Commissioner's remuneration will take into account the recommendations made to the First Minister by the Senior Salary Review Board (SSRB), a body which advises the Prime Minister and the devolved administrations on public sector pay levels.

Off-payroll arrangements

No payments were made to individuals under off-payroll arrangements in the year to 31 March 2016 (2014-15: £0).

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue & Customs as a taxable emolument. There were no benefits in kind made during 2015-16 to senior officers (2014-15: £0).

Remuneration: range and median

Reporting bodies are required to disclose the range of staff remuneration and relationship between the remuneration of the highest-paid officer in their organisation and the median remuneration of the organisation's workforce.

	31 March 2016	31 March 2015
Remuneration band (£000) of the highest-paid officer (Commissioner)	95-100	95-100
Median remuneration of the workforce (£)	34,750	33,900
Ratio of median staff remuneration to higher paid officer	2.81	2.88
Highest pay band (excluding the Commissioner)	62,590	61,050
Lowest pay band	23,400	22,400

The median total remuneration is calculated using the full time equivalent remuneration (gross salary) as at the reporting date of all officers excluding the Commissioner.

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Name and title	Accrued pension at pension age as at 31/03/2016 and related lump sum	Real increase in pension and related lump sum at pension age	Cash Equivalent Transfer Value at 31/03/16 ¹	Cash Equivalent Transfer Value at 31/03/15	Real increase in Cash Equivalent Transfer Value	Employer contribution to partnership pension account
	£000	£000	£000	£000	£000	nearest £100
Meri Huws	5-10	0-2.5	155	131	8	-
Gwenith Price	15-20	0-2.5	318	271	19	-
Dyfan Sion	5-10	0-2.5	126	97	14	-
Gwyn Williams (until 11/12/2015)	-	-	-	-	-	6,300

¹ The factors used to calculate the CETV were reviewed by the scheme actuary in 2015, so the tables of factors used to calculate the CETV in 2015 are not the same as those used to calculate the CETV in 2016.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

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Employee contributions are salary-related and range between 3.00% and 8.05% of pensionable earnings for **classic** (and members of **alpha** who were members of **classic** immediately before joining **alpha**) and between 4.60% and 8.05% for **premium**, **classic plus**, **nuvos** and all other members of **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% up to 30 September 2015 and 8% and 14.75% from 1 October 2015 (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary up to 30 September 2015 and 0.5% of pensionable salary from 1 October 2015 to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

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Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

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

Pension liabilities

Payment is made to the Paymaster General of such sums as may be appropriate as representing accruing liabilities of the Principal Civil Service Pension Scheme. Further details are included in the Remuneration Report and note 1.7 to the accounts.

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Staff report

Age/sex demography of workforce

The average age of the Welsh Language Commissioner's workforce on 31 March 2016 was 36 years (2014-15: 35 years).

The gender demography of the directors and officers on 31 March 2016 is given in the table below.

	31 March 2016		31 March 2015	
	Male %	Female %	Male %	Female %
Commissioner and Directors	33.3	66.7	50.0	50.0
Other officers	37.5	62.5	39.6	60.4
Total	37.3	62.7	40.4	59.6

Managing absence and attendance

The total number of work days lost through sickness absence for the period 1 April 2015 to 31 March 2016 was 271.0 (2014-15: 92.5).

Of the work days lost through sickness 66% (2014-15: 100%) of them were due to short-term sickness and 34% (2014-15: 0%) were lost due to long-term sickness. Long-term absence means an absence of more than 20 days for the same reason.

The average work days lost per head (full-time equivalent) was 5.6 (2014-15: 2.1) based on 48.0¹ full-time equivalent members of staff (2014-15: 45.0¹).

¹ For the purpose of disclosure the full-time equivalent members of staff comprise the Welsh Language Commissioner and 47.0 full-time equivalent officers (2014-15: 44.0)

Staff turnover

The staff turnover rate in 2015-16 was 6.2% (2014-15: 25.4%).

Note: Excluding officers who left under the terms of the Voluntary Exit Scheme, the staff turnover rate in 2014-15 was 6.3%.

Gifts register

The Commissioner operates a gifts register. No item noted during the year is considered of material interest for inclusion in these financial statements.

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Officer numbers and related costs

	2015-16 £000	2014-15 £000
Salaries	1,714	1,643
Social security costs	116	100
Pension costs	356	314
	<u>2,186</u>	<u>2,057</u>
Committee members' fees (1)	10	10
Agency staff costs	-	7
	<u>2,196</u>	<u>2,074</u>
Redundancy, early retirement and severance costs	-	72
	<u>2,196</u>	<u>2,146</u>
Total cost	<u>2,196</u>	<u>2,146</u>

	2015-16	2014-15
Staff numbers		
Welsh Language Commissioner	1.0	1.0
Employed officers	47.0	44.0
Agency staff	0.0	0.3
Average numbers (2)	<u>48.0</u>	<u>45.3</u>
Committee members (1)	9	8

1 - Comprised of 5 members of the Advisory Panel (2014-15: 5) and 4 members of the Audit and Risk Committee (2014-15: 3). The fees paid were £256 per day for the Chair and £198 per day for other members.

2 – Full Time Equivalents employed during the year.

The salary and pension entitlements of the Commissioner and officers in the most senior positions are included on pages 48 to 53.

Pensions

Details of pensions are included on pages 51 to 53.

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the Welsh Language Commissioner is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2012. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions).

For 2015-16, employers' contributions of £347,000 (2014-15: £294,000) were payable to the PCSPS at one of four rates in the range 20.0% to 24.5% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2015-16 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £9,000 (2014-15: £16,000) were

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paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay up to 30 September 2015 and 8.0% to 14.75% of pensionable pay from 1 October 2015. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £300 (2014-15: £1,000), 0.8% of pensionable pay up to 30 September 2015 and 0.5% of pensionable pay from 1 October 2015, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Voluntary exit scheme

The Welsh Language Commissioner operated a voluntary exit scheme in accordance with Civil Service Compensation Scheme rules and as approved by the Cabinet Office. This scheme is in accordance with workforce planning requirements and has resulted in reductions to the staffing cost base of the organisation. The cost of the scheme in 2015-16 was £0 (2014-15: £72,000).

The number of approved exit packages are summarised below:

Exit package cost band	Number of compulsory redundancies	Number of voluntary departures	2015-16			2014-15	
			Total number of exit packages	Number of compulsory redundancies	Number of voluntary departures	Total number of exit packages	
£50,000 - £100,000	-	-	-	-	1	1	
	-	-	-	-	1	1	

The officer who was approved for voluntary exit in 2014-15 had a leaving date during the year.

The voluntary exit scheme costs were paid in accordance with the Welsh Language Commissioner's policy, which had been agreed with a recognised trade union.

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Statement of the Accounting Officer's Responsibilities

Under Schedule 1 Paragraph 18(1) of the Welsh Language (Wales) Measure 2011, the Welsh Language Commissioner is required to prepare accounts in respect of each financial year in accordance with directions given, with the consent of HM Treasury, by the Welsh Ministers.

The accounts are prepared on an accruals basis and must give a true and fair view of the Commissioner's state of affairs at the period end and its net expenditure, changes in taxpayers' equity and cash flows for the year.

In preparing the accounts the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the accounts direction issued by the Welsh Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

In accordance with Schedule 1 Paragraph 16(1) of the Welsh Language (Wales) Measure 2011 the Commissioner is the Accounting Officer.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Welsh Language Commissioner's assets, are set out in the memorandum, Managing Public Money, published by HM Treasury and Managing Welsh Public Money, published by the Welsh Government.

Meri Huws
Accounting Officer
Welsh Language Commissioner

5 July 2016

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The Certificate and Report of the Auditor General for Wales, to the National Assembly for Wales

I certify that I have audited the financial statements of the Welsh Language Commissioner for the year ended 31 March 2016 under the Welsh Language (Wales) Measure 2011. These comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Tax Payers Equity and related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Commissioner and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for preparing the financial statements, in accordance with the Government of Wales Act 2006 and Welsh Ministers' directions made there under and for ensuring the regularity of financial transactions.

My responsibility is to audit, certify and report on the financial statements in accordance with applicable law and with International Standards on Auditing (UK and Ireland). These standards require me to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

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

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

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Opinion on Financial Statements

In my opinion the financial statements:

- give a true and fair view of the state of the Welsh Language Commissioner's affairs as at 31 March 2016 and of its net expenditure for the year then ended; and
- have been properly prepared in accordance with Welsh Ministers' directions issued under the Welsh Language (Wales) Measure 2011.

Opinion on Regularity

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

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury and Welsh Ministers' directions made under the Welsh Language (Wales) Measure 2011; and
- the information in the Annual Report is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- the Annual Governance Statement does not reflect compliance with HM Treasury guidance;
- proper accounting records have not been kept;
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns;
- information specified by HM Treasury regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

I have no observations to make on these financial statements.

Huw Vaughan Thomas
Auditor General for Wales
8 July 2016

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

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Financial Statements

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Statement of Comprehensive Net Expenditure for the year ended 31 March 2016

	Notes	2015-16 £000	2014-15 £000	£000
Expenditure				
Officers' costs		2,196	2,146	
Administration	4	845	958	
Grants	3	60	78	
Other programme expenditure	5	233	481	
Depreciation and amortisation	6,7	67	77	
		<u>3,401</u>	<u>3,740</u>	3,740
Income		-	-	-
Net expenditure		<u>3,401</u>	<u>3,740</u>	3,740
Interest receivable		(1)	(2)	(2)
Net expenditure after interest		<u>3,400</u>	<u>3,738</u>	3,738

All activities undertaken during the year are continuing.

Details of officers' costs are included in the Remuneration and Staff Report on pages 55 and 56.

The notes on pages 65 to 73 form part of these accounts.

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Statement of Financial Position as at 31 March 2016

	Notes	31 March 2016		31 March 2015	
		£000	£000	£000	£000
Non-Current assets					
Intangible assets	6	18		39	
Property, plant & equipment	7	102		127	
Total non-current assets			120		166
Current assets					
Trade and other receivables	8	142		136	
Cash and cash equivalents	9	954		1,043	
Total current assets			1,096		1,179
Total assets			1,216		1,345
Current liabilities					
Trade and other payables	10	(337)		(612)	
Total current liabilities			(337)		(612)
Non-current assets plus net current assets			879		733
Non-current liabilities					
Provisions	11	(176)		(170)	
Total non-current liabilities			(176)		(170)
Assets less liabilities			703		563
Taxpayers' equity					
General reserve			703		563
			703		563

The notes on pages 65 to 73 form part of these accounts.

The financial statements on pages 61 to 64 were approved by the Accounting Officer and signed by:

Meri Huws
Accounting Officer
Welsh Language Commissioner
5 July 2016

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Statement of Cash Flows for the year ended 31 March 2016

	Notes	2015-16 £000	2014-15 £000
Cash flows from operating activities			
Net expenditure		(3,401)	(3,740)
Amortisation of intangible assets	6	21	30
Depreciation of property, plant & equipment	7	46	47
Loss on sale of non-current assets		-	2
(Decrease) / Increase in provisions	11	6	(445)
(Increase) / Decrease in trade and other receivables	8	(6)	(8)
Increase / (Decrease) in trade payables and other payables	10	(275)	444
Net cash (outflow) from operating activities		(3,609)	(3,670)
Cash flows from investing activities			
Interest received		1	2
Purchase of intangible assets	6	-	-
Purchase of property, plant and equipment	7	(21)	(60)
Proceeds of disposal of property, plant and equipment		-	1
Net cash (outflow) from investing activities		(20)	(57)
Cash flows from financing activities			
Financing from Welsh Ministers		3,540	3,690
Net financing		3,540	3,690
Net (decrease) / increase in cash and cash equivalents in the period		(89)	(37)
Cash and cash equivalents at the beginning of the period	9	1,043	1,080
Cash and cash equivalents at the end of the period	9	954	1,043

The notes on pages 65 to 73 form part of these accounts.

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Statement of Changes in Taxpayers' Equity for the year ended 31 March 2016

	£000
Balance at 1 April 2014	<u>611</u>
Changes in Reserves for 2014-15	
Retained (Deficit)	(3,738)
Total recognised income and expense for 2014-15	<u>(3,738)</u>
Financing from Welsh Ministers	<u>3,690</u>
Balance at 31 March 2015	563
Changes in Reserves for 2015-16	
Retained (Deficit)	(3,400)
Total recognised income and expense for 2015-16	<u>(3,400)</u>
Financing from Welsh Ministers	<u>3,540</u>
Balance at 31 March 2016	<u>703</u>

The notes on pages 65 to 73 form part of these accounts.

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Notes to the accounts for the year ended 31 March 2016

These financial statements have been prepared in accordance with the 2015-16 Government Financial Reporting Manual (FReM) issued by HM Treasury, and any Accounts Direction issued by Welsh Ministers, with the consent of the Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstance of the Welsh Language Commissioner, for the purpose of giving a true and fair view, has been selected. The particular policies adopted by the Welsh Language Commissioner are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1 Statement of accounting policies

(1.1) Accounting conventions

The accounts have been prepared under the historical cost convention. The Commissioner did not re-value any property, plant and equipment or intangible assets as any revaluation adjustments were not, in the Commissioner's opinion, material.

(1.2) Funding

The Welsh Language Commissioner receives amounts in respect of expenditure incurred in carrying out functions. These amounts are regarded as financing and are credited to the General Reserve on receipt.

(1.3) Intangible assets

Intangible assets in excess of £1,000, including irrecoverable VAT, are capitalised. Intangible assets include software licences and other licences. A number of the same type of asset are grouped together to determine if they fall above or below the threshold.

Intangible assets are included at their historical cost. Intangible assets have not been revalued, given that revaluation adjustments are not material.

Intangible assets are amortised in equal annual instalments over their estimated useful economic lives, between 3 and 10 years.

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(1.4) Property, plant and equipment

Property, plant and equipment over £1,000, including irrecoverable VAT, are capitalised. A number of the same type of asset are grouped together to determine if they fall above or below the threshold.

Property, plant and equipment are included at their historical cost including costs, such as installation costs, that can be directly attributed to bringing them to their required location and condition. Property, plant and equipment have not been revalued, given that revaluation adjustments are not material.

Property, plant and equipment are depreciated in equal annual instalments over the term of the lease or their estimated useful economic lives, between 36 and 90 months.

(1.5) Provisions

A provision is recognised in the Statement of Financial Position when The Welsh Language Commissioner has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

(1.6) Value Added Tax

The Welsh Language Commissioner is not registered for Value Added Tax. Expenditure and capital is reported including VAT, where relevant, as no VAT can be recovered.

(1.7) Pensions

Payment is made to the Paymaster General of such sums as may be appropriate as representing accruing liabilities of the Civil Service Pension in respect of pensions and other similar benefits for persons employed by the Commissioner and in respect of the administrative expenses attributable to the liabilities and their discharge.

Past and present employees are covered by the provisions of the Civil Service Pension scheme. Further details are contained within the Remuneration and Staff Report.

(1.8) Grants payable

Grants are charged to the Statement of Comprehensive Net Expenditure in the period in which the activity that creates an entitlement is carried out. The Commissioner has the right to reclaim the whole or part of the grant if the grant recipient breaks any of the conditions relating to the grant offer. Any such recoveries are credited to the account on receipt.

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(1.9) Employee benefits

Wages, salaries, national insurance contributions, bonuses payable and non-monetary benefit for current employees are recognised in the Statement of Comprehensive Net Expenditure as the employees' services are rendered. The Commissioner accounts for short-term compensated absences (paid annual leave) as a liability (accrued expense) where the compensation for absence is due to be settled within twelve months after the end of the period in which the employees render the service.

(1.10) Operating leases

Operating lease rentals are charged to the Statement of Comprehensive Net Expenditure in the year to which they relate.

2 Segmental information

Expenditure, income and interest relate directly to the activities of the Welsh Language Commissioner. The Commissioner's office operates in Wales and deals with issues that affect the Welsh language and the ability of persons in Wales to live their lives through the medium of Welsh. There is only one operational segment as reflected in the Statement of Comprehensive Net Expenditure, the Statement of Financial Position and the associated notes.

3 Grants

The following grants were payable under Section 11 of the Welsh Language (Wales) Measure 2011. Approval to pay a grant to Cymdeithas Cyfieithwyr Cymru (the Association of Welsh Translators and Interpreters) until 31 March 2016 was given by Welsh Ministers on 11 March 2014.

	2015-16 £000	2014-15 £000
Cymdeithas Cyfieithwyr Cymru	<u>60</u>	<u>78</u>
	<u>60</u>	<u>78</u>

No grants were paid to public sector bodies during 2015-16 (2014-15: £0).

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4 Administration

Administration expenses included:

	2015-16 £000	2014-15 £000
Accommodation - Office rent lease costs	118	114
Accommodation - Other costs	172	202
Provision for premises redecoration and dilapidations	12	3
Travel, subsistence and hospitality	93	99
Training and recruitment	61	91
Legal and professional	136	135
Information Technology and telecommunications	145	137
Communication	43	99
Auditors' remuneration (external audit fee)	15	17
Other administrative expenses	50	61
	845	958

5 Other programme expenditure

The expenditure relates to numerous projects undertaken. The total expenditure during the year was £233,000 (2014-15: £481,000) which included expenditure on Research and Verification of Services, the Welsh Language Use Survey 2013-15, and presence at shows.

6 Intangible assets

	Software Licences £000	Licences £000	Total £000
Cost			
At 31 March 2015	172	43	215
Additions	-	-	-
Disposals	-	-	-
At 31 March 2016	172	43	215
Amortisation			
At 31 March 2015	151	25	176
Charged in year	17	4	21
Disposals	-	-	-
At 31 March 2016	168	29	197
Net book value at 31 March 2016	4	14	18
Net book value at 31 March 2015	21	18	39

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7 Property, plant & equipment

	Furniture & Fittings £000	Office equipment £000	Total £000
Cost			
At 31 March 2015	560	410	970
Additions	-	21	21
Disposals	-	-	-
At 31 March 2016	560	431	991
Depreciation			
At 31 March 2015	517	326	843
Charged in year	13	33	46
Disposals	-	-	-
At 31 March 2016	530	359	889
Net book value at 31 March 2016	30	72	102
Net book value at 31 March 2015	43	84	127

Office equipment includes information technology and telecommunication assets.

Asset financing: The Commissioner held no finance leases or Private Finance Initiative (PFI) contracts. All assets disclosed above were owned by the Commissioner.

There were no contractual capital commitments at 31 March 2016 (31 March 2015: £0).

8 Trade receivables and other current assets

	31 March 2016 £000	31 March 2015 £'000
Amounts falling due within one year		
Trade receivables	1	-
Other receivables	1	1
Prepayments	140	135
	142	136

There are no amounts falling due after more than one year.

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Analysis of trade receivables and other current assets

	31 March 2016 £000	31 March 2015 £000
Local Government bodies	37	45
Public Corporations	1	1
Bodies external to Government	104	90
	142	136

9 Cash and cash equivalents

	31 March 2016 £000	31 March 2015 £000
Balance at 1 April	1,043	1,080
Net change in cash and cash equivalent balances	(89)	(37)
Balance at 31 March	954	1,043

The Commissioner's cash balances were held in a commercial bank at year end. No balances were held with HM Paymaster General at year end.

10 Trade payables and other current liabilities

	31 March 2016 £000	31 March 2015 £000
Amounts falling due within one year		
Trade payables	144	381
Accruals	193	231
	337	612

There are no amounts falling due after more than one year.

Analysis of trade payables and other current liabilities

	31 March 2016 £000	31 March 2015 £000
Central Government bodies	39	68
Local Government	1	57
National Health Service	-	4
Public Corporations	15	16
Bodies external to Government	282	467
	337	612

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11 Provision for liabilities and charges

	Dilapidations and re-decoration £000	Voluntary departures £000	Total £000
Balance at 31 March 2015	164	6	170
Provided in year	14	-	14
Provision utilised/released in the year	(2)	(6)	(8)
Balance at 31 March 2016	<u>176</u>	<u>-</u>	<u>176</u>

HM Treasury's discount rate net of CPI at December 2015 of -1.34% in real terms has been used for dilapidations (2014-15: -1.41%).

Provisions are made for redecorating during the term of the lease and for dilapidations, to return the buildings back to their original condition, at the end of the lease term. These obligations may vary as a result of future information and events which may result in changes to the amounts which have been included, on the basis of the best estimate, at the end of the reporting period. These provisions have been reviewed and updated during the year as required by IAS 37.

Analysis of the expected timing of the future liabilities

	Dilapidations and re-decoration £000	Total £000
Not later than one year	20	20
Later than one year and not later than five years	123	123
Later than five years	33	33
	<u>176</u>	<u>176</u>

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12 Commitments under leases

The total future minimum lease payments under operating leases are given in the table below for each of the following periods.

Obligations under operating leases comprise:	31 March 2016 £000	31 March 2015 £000
Buildings		
Not later than one year	109	107
Later than one year and not later than five years	286	323
Later than five years	51	78
	446	508
	31 March 2016 £000	31 March 2015 £000
Other		
Not later than one year	-	4
Later than one year and not later than five years	-	-
Later than five years	-	-
	-	4

The Commissioner did not enter into any finance leases, commitments under PFI contracts or any other non-cancellable contracts with financial commitments.

13 Contingent liabilities disclosed under IAS 37

There were no contingent liabilities at 31 March 2016 (31 March 2015: £0).

14 Financial instruments

Owing to the nature of the Commissioner's activities and the way in which the operations are financed, the Commissioner is not exposed to a significant level of financial risk.

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15 Related party transactions

During 2015-16 the Welsh Language Commissioner received £3.540m from Welsh Ministers (2014-15: £3.690m).

A Memorandum of Understanding, dated 30 November 2012, was agreed between the Commissioner and Welsh Government. The Welsh Government is regarded as a related party.

There were no material transactions during the year with organisations with which the Commissioner, the directors or senior officers, or any of their family, held positions of influence.

16 Events since the end of the financial year

There have been no events since the date of the statement of financial position that affect the understanding of these financial statements.

17 Auditors

The accounts of the Welsh Language Commissioner are audited by the Auditor General for Wales in accordance with Schedule 1, Paragraph 19 (2) of the Welsh Language (Wales) Measure 2011. So far as the Accounting Officer is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.