# Financial implications of the Elections and Elected Bodies (Wales) Bill

January 2024

#### 1. Introduction

- **1.** The Elections and Elected Bodies (Wales) Bill<sup>1</sup> (the Bill) and Explanatory Memorandum<sup>2</sup> (EM), including the Regulatory Impact Assessment (RIA), was introduced by Mick Antoniw MS, the Counsel General and Minister for the Constitution (the Minister) on 2 October 2023.
- **2.** On the same day, the Minister made an introductory statement on the Bill in Plenary.<sup>3</sup>
- **3.** The Finance Committee (the Committee) took evidence on the financial implications of the Bill on 15 November 2023<sup>4</sup>, from:
  - Mick Antoniw MS, Counsel General and Minister for the Constitution
  - Michael Kay, Deputy Director Elections Division
  - Mathew Xerri, Head of Elections Policy, Elections Division
- **4.** Policy scrutiny of the Bill was undertaken by the Local Government and Housing Committee (LGH).<sup>5</sup>
- **5.** The Legislation, Justice and Constitution Committee also considered the Bill in accordance with matters which fall within its remit.<sup>6</sup>

Welsh Government, The Elections and Elected Bodies (Wales) Bill

<sup>&</sup>lt;sup>2</sup> Explanatory Memorandum

<sup>&</sup>lt;sup>3</sup> Plenary, Record of Proceedings (RoP), 3 October 2023

<sup>&</sup>lt;sup>4</sup> Finance Committee, RoP, 15 November 2023

<sup>&</sup>lt;sup>5</sup> Local Government and Housing Committee

<sup>&</sup>lt;sup>6</sup> Legislation, Justice and Constitution Committee

#### 2. Purpose and need for the Bill

- **6.** The EM states that the overall purpose of the Bill is to:
  - Provide for automatic registration of voters, subject to successful piloting, and to strengthen electoral administration by establishing an Electoral Management Board (EMB);
  - Take forward reforms to the processes for conducting community and electoral reviews and abolish the Independent Remuneration Panel for Wales, conferring the majority of the functions previously undertaken by the Panel on the Local Democracy and Boundary Commission for Wales.
  - Enhance the accessibility of devolved elections for disabled voters and improve candidate safety by modernising and improving the offence of undue influence.<sup>7</sup>
- 7. In his statement on the introduction of the Bill, the Minister said:

"The Bill and wider reform package will help drive up participation in Welsh elections. It will improve accessibility for disabled people and take steps to ensure every eligible voter is registered to vote at Welsh elections through proposed new provisions requiring all Electoral Registration Officers to automatically register eligible electors for the local government register."

**8.** Prior to the Bill's introduction, the Welsh Government published a White Paper on "proposals for electoral reform to modernise the electoral administration in Wales" which was accompanied by a Draft RIA. The Minister's official told the Committee that the draft RIA:

"... set out what our best estimates of cost were at that point, as a way of trying to find out from colleagues, in giving their views on our proposals, what the associated costs would be. So, I think what was published alongside the Bill was effectively the second iteration of an RIA, more focused on the provisions that

<sup>&</sup>lt;sup>7</sup> Explanatory Memorandum, page 8

<sup>8</sup> Written Statement: Elections and Elected Bodies (Wales) Bill

<sup>&</sup>lt;sup>9</sup> Electoral administration and reform White Paper

were in the Bill, but we have been quite public and collaborative in our approach to preparing that RIA."<sup>10</sup>

#### **Summary of costs**

- **9.** The RIA sets out a summary of the transitional and recurrent costs over a ten-year appraisal period, from 2024-25 to 2033-34, allowing consideration of two election cycles. The RIA outlined that costs will fall on the Welsh Government, Local Democracy and Boundary Commission for Wales and Local Authorities.<sup>11</sup>
- **10.** The estimated total cost of the Bill is £19,790,000, which equates to £16,187,000 in present value.

Table 1 Costs associated with Elections and Elected Bodies (Wales) Bill 2024-25 to 2033-34

Cost Description	Cost (£000s)
Administrative costs for the Welsh Government (2024-25 and 2025-26)	
Transitional	575
Total	<u>575</u>
Administrative costs for Local Authorities (2024-25 to 2033-34)	
Transitional	44
Recurrent	15,117
<u>Total</u>	<u>15,161</u>
Administrative costs for the Local Democracy and Boundary Commission for Wales (2024-25 to 2033-34)	
Transitional	1,030
Recurrent	4,992
<u>Total</u>	<u>6,022</u>

11. Administrative costs will total £21,759,000, including £1,649,000 which are transitional and £20,110,000 which are recurrent. However, this is off-set by recurrent costs savings of £1,969,000, relating to the establishment of the EMB; changes to 'Candidate Surveys' which are opportunity cost savings as a result of no longer needing to make regulations; and abolishing the Independent Remuneration Panel for Wales. Part of the identified cost-savings are expected to transfer to the Local Democracy and Boundary Commission for Wales to fund

<sup>&</sup>lt;sup>10</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 135

<sup>&</sup>lt;sup>11</sup> Explanatory Memorandum, page 79

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the operation of the EMB and the new functions around the remuneration of elected members.

- **12.** The RIA notes the Welsh Government will incur £575,000 of the administrative costs; that all transitional costs will be incurred in 2024-25 and 2025-26 and that there will be no recurrent costs. Local authorities are expected to incur administrative costs of £15,161,000 over the appraisal period, the majority of which relates to the registration of voters without application. The Local Democracy and Boundary Commission for Wales is expected to incur costs of £6,022,000.<sup>12</sup>
- 13. The RIA states that administrative costs for the Electoral Commission are "likely to be minimal"<sup>13</sup> and as such, have not been included. A number of opportunity costs have been identified in the RIA, which include time spent by existing members of staff on implementation of the Bill and development of regulations.<sup>14</sup> All Welsh Government direct costs have been identified as opportunity costs.
- **14.** When asked by the Committee how the delivery of those benefits will be monitored to ensure that the Bill provides value for money, the Minister explained:

"The legislation is about modernising our electoral system, improving the accessibility of our electoral system through automatic registration ... improving the democratic health, that is ensuring that people are on the electoral register, which then facilitates the ability to ... encourage people to participate and to motivate people within the electoral processes."

**15.** In reference to the approach the Minister had taken to prepare the cost estimates for the Bill and whether the RIA provided a full picture of the potential costs associated with this legislative change, the Minister responded saying:

"I think the information that's provided is the best information that is available. There are obviously some areas where there are uncertainties as to costing because they relate to things that are going to be done in the future, or things that are work in progress, particularly, for example, with technology. The

<sup>&</sup>lt;sup>12</sup> Explanatory Memorandum, page 75

<sup>13</sup> Explanatory Memorandum, page 75

<sup>14</sup> Explanatory Memorandum, page 146

<sup>&</sup>lt;sup>15</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 147

bodies that obviously are most important that we've been engaging with, of course, are local authorities, the Electoral Commission, the Local Democracy and Boundary Commission for Wales, and also Welsh Government economists, the chief economist and Welsh budget officials. So, it's work in progress, but it's also taking, really, all the expert evidence and all those who have expertise in this area and the potential costings."<sup>16</sup>

### Interdependencies with the Senedd Cymru (Members and Elections) Bill

- **16.** A key assumption in the RIA is that the Senedd Cymru (Members and Elections) Bill will gain Royal Assent<sup>17</sup>. This Bill includes provision to change Senedd terms for five years to four years and as such, the assumption is that the ten-year appraisal period for the Bill will cover two Senedd elections (May 2026 and May 2030) and two local elections (May 2027 and May 2032).
- 17. The RIA for the Elections and Elected Bodies (Wales) Bill states:

"There are a number of interdependencies with the Senedd Cymru (Members and Elections) Bill and officials are working together on those areas. Financial costs and benefits set out in this assessment are based on the assumption that the Senedd Cymru (Members and Elections) Bill will receive Royal Assent. Therefore, baseline figures are based on the provisions of that Bill being introduced. Costs and benefits are assessed separately, but we have co-ordinated work where possible, for example using similar assumptions and approaches for estimating costs." 18

**18.** The Committee questioned the Minister on the risks associated with this Bill going ahead in its current format, given the interdependencies that exist between the two pieces of legislation. The Minister stated that:

"They're both independent pieces of legislation, so they both stand in their own respect. There are, obviously, crossovers, particularly with regard to the establishment of the electoral management board and so on, and there would be technical

<sup>&</sup>lt;sup>16</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 134

<sup>&</sup>lt;sup>17</sup> Senedd Cymru (Members and Elections) Bill

<sup>&</sup>lt;sup>18</sup> Explanatory Memorandum, page 78

changes that would need to be made if one of the Bills failed—there would be certain things there. But the core objectives of the Bill I don't think would be impacted in terms of undermining each of the Bills in their own individual capacity."<sup>9</sup>

**19.** The Minister's official expanded on this further, saying that for financial purposes, there weren't "very many interdependencies."<sup>20</sup>

#### **Committee View**

- **20.** The Committee welcomes the aim of this Bill to increase participation in Welsh elections and improve accessibility for voters. The Committee notes that a draft RIA had been produced to accompany the Welsh Government's White Paper and consultation on Electoral Administration and Reform, prior to the introduction of the Bill. We are pleased that the Minister had sought views from stakeholders on the proposals, and associated costs, set out in the White Paper and welcomes the "public and collaborative" approach taken by the Welsh Government in preparing its cost estimates.
- **21.** The Committee notes that there are a number of interdependencies between this Bill and the Senedd Cymru (Members and Elections) Bill<sup>21</sup>. However, we note that the financial interdependencies are minimal. The Committee considered the financial implications of the Senedd Cymru (Members and Elections) Bill separately and has reported.<sup>22</sup>

**Conclusion 1.** The Committee is broadly content with the financial implications of the Bill as set out in the Regulatory Impact Assessment, subject to the comments and recommendations in this report.

<sup>&</sup>lt;sup>19</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 150

<sup>&</sup>lt;sup>20</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 151

<sup>&</sup>lt;sup>21</sup> Senedd Cymru (Members and Elections) Bill

<sup>&</sup>lt;sup>22</sup> Financial implications of the Senedd Cymru (Members and Elections) Bill

## 3. Electoral Administration, Registration and Piloting

#### **Electoral Management Board**

- **23.** Section 1 of the Bill proposes inserting a new part into the Local Government (Democracy) (Wales) Act 2013<sup>23</sup>, which places a duty on the Local Democracy and Boundary Commission Cymru (the Commission) to establish an Electoral Management Board (EMB) as a statutory committee. The purpose of which would be to co-ordinate the administration of Welsh elections and referendums, which is currently undertaken by the Wales Electoral Coordination Board (WECB).
- **24.** The change is expected to generate savings of £70,000 per annum from 2025-26 for the Welsh Government, resulting from no longer facilitating the WECB. The RIA states that as part of the Commission, the EMB would be able to recover costs, procure services and enter into contracts.
- **25.** When asked to provide further details on the calculation of the running costs for the EMB and how the Minister had engaged with partners in Scotland to arrive at this figure, the Minister's official said:
  - "... we've worked closely and taken account of what their running costs are, but this is a slightly different model and, as the Counsel General said, there is potentially some opportunities from having it hosted by the democracy and boundary commission in terms of the economies of scale that can be made by having one body looking at a few different things in the democratic space."<sup>24</sup>
- **26.** The Committee also asked whether thought had been given to the staffing structures of the Commission as a result of this change and whether these had been costed. The Minister's official said:

"Yes, we've got a working group in place at the moment where we're taking account of the changes in the commission's function. So, it's not just a rebrand, obviously; it's having boundary responsibility conferred on it, and it's having the

<sup>&</sup>lt;sup>23</sup> The Local Government (Democracy) (Wales) Act 2013

<sup>&</sup>lt;sup>24</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 155

responsibilities of the independent remuneration panel conferred on it and the establishment of the new electoral management board. We're working closely with them and different parts of the Welsh Government who are looking at those changes."<sup>25</sup>

#### **27.** He went on to say:

"We're working very closely with [the independent remuneration panel] in taking soundings from people like the Electoral Commission as well, and the Association of Electoral Administrators and the Wales Electoral Coordination Board on how we can make sure that we're supporting the EMB to be operational and effective from day one, given the timescales around the lead-up to the 2026 election."<sup>26</sup>

#### **Electoral Registration and Piloting**

- **28.** The Bill introduces automatic registration of electors and enables pilot schemes to take place to assess "the most effective way of automatically registering electors for the local government register in Wales."<sup>27</sup>
- **29.** The Welsh Government has established a working group with local authorities and other key electoral stakeholders to develop a pilot scheme ahead of bringing forward secondary legislation. As the various pilot models are being developed, the RIA states that:

"the Working Group will establish the full financial implications of each model before roll-out. The Welsh Government will meet the costs of these pilots and will publish the full financial implications ahead of the roll-out of the scheme. If a decision is taken to proceed with automatic registration, a full costs analysis will accompany the necessary secondary legislation that will be required ahead of the full roll out, this will provide the most up-to-date financial implications based on the model that will be implemented across all local authorities in Wales."

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<sup>&</sup>lt;sup>25</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 160

<sup>&</sup>lt;sup>26</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 161

<sup>&</sup>lt;sup>27</sup> Explanatory Memorandum, page 14

**30.** When asked to elaborate on the costs associated with implementing these changes through secondary legislation, the Minister said:

"What those are going to cost is actually going to depend upon the particular models or the different types of pilot that are actually engaged, who was actually involved and which local authorities might be within that, and that depends on who chooses to come forward to participate with them, and so on. So, it is one of those that, again, is work in progress and it's not really possible to say. We have a broad range of views. We know what happened, for example, when we dealt with changes relating to 16-plus voting, but in this case, et cetera, it's one of those that is impossible to be precise about at this stage and only to really have an assessment. I think there's a lot of pre-marketing work that goes on, of course, in terms of trying to assess some of these..."28

**31.** The Minister's official expanded on this, stating that:

"... in considering the best design for pilots for automatic voter registration, we're working very closely with local government colleagues. So, I think the design is yet to be settled, because we're trying to do it in collaboration, basically, rather than creating it in Welsh Government headquarters and then sending it out."<sup>29</sup>

**32.** The Committee went on to enquire whether similar approaches could be drawn upon to provide evidence for an indication of costings. The Minister's official explained:

"... there hasn't been much recent work that has happened and that would be applicable in Wales and close enough, in terms of the technological change and so on, for us to be able to identify that as something that would be a helpful example that we could draw an estimate of costs from. From a policy perspective, it's been very helpful, but in terms of costings, not so much."<sup>30</sup>

<sup>&</sup>lt;sup>28</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 173

<sup>&</sup>lt;sup>29</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 174

<sup>&</sup>lt;sup>30</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 182

#### **Electoral Management Systems**

- **33.** The RIA specifies that costs to the Welsh Government regarding piloting automatic registration will centre on changes required to the EMS. The RIA notes that detailed discussions would need to take place between EMS providers, local authorities and Welsh Government to ascertain an estimate for these costs.
- **34.** In relation to changes associated with EMSs, the RIA states that the Welsh Government will incur one-off costs. However, these are also unknown at this stage, given the "specialist nature of this work." It explains that around £1.6 million was paid to EMS providers in 2020-21 to support changes following an extension of the franchise and that this cost is provided for illustrative purposes. It also explains that there are no costs associated with removing the open register in Wales.
- **35.** When questioned by the Committee on why cost of a specialist area such as EMSs could not be assessed, the Minister said that this was "work in progress". The Minister's official elaborated further, saying:
  - "... there's quite a lot of variability in what we're looking at here. So, the EMS providers are big databases. Some of them have got data warehousing functions and some of them don't. Some of them, depending on the local authorities that host the pilots, will depend on how much work is needed to integrate the data sources that they've got available to them with the EMS themselves. So, there's just quite a lot of variability in this ... and also quite a lot of commercial confidentiality in this in terms of how much work we think would be required for any one of these days. So, that's why we were reluctant to present a figure that might be misleading."<sup>32</sup>
- **36.** Staff costs related to changes associated with EMSs have been identified as opportunity costs for the Welsh Government. They amount to £9,500 during 2025-26 for producing regulations and £12,000 for running working groups to develop pilots in 2024-25.<sup>33</sup>
- **37.** Costs to local government are assumed to be incurred from 2026-27 onwards; however, the RIA says this is uncertain and dependent on pilot

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<sup>31</sup> Explanatory Memorandum, page 89

<sup>&</sup>lt;sup>32</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 169

<sup>33</sup> Explanatory Memorandum, page 90

exercises. "Data mining"<sup>34</sup> costs for all local authorities are estimated to total £495,000 for 2026-27 and 2027-28, for an additional officer working full time for 3 days a week in the first two years. The cost for following years would be £330,600 for 2 days of work per week.

- **38.** Additionally, there will be an added cost to local authorities in making contact with electors to provide them with a notice of registration. The Welsh Government has estimated a cost £1.5 million each year to send a paper letter to each elector in Wales. The RIA says there is potential for savings, if electors are connected via email or other electronic communications methods.
- **39.** These costs will be additional to the costs of the annual canvass as two systems for registering will need to run concurrently. The RIA states:

"While there are cost saving opportunities it is likely that the additional cost will be long term given the additional duty placed on each authority."<sup>35</sup>

- **40.** The RIA says local authorities will lose a "modest amount"<sup>36</sup> of income from the removal of the open register, however this cost is unknown.
- **41.** There is also an unknown cost of developing an Application Programme Interface (API), which will bridge between the Welsh elections information platform, provided for by the Bill, and the EMS. The RIA says it is "almost impossible to know the cost of API development".<sup>37</sup>
- **42.** When probed on the potential cost for an application programme interface to bridge the voter information platform with the electoral management systems, the Minister's official said:

"We regularly talk to the EMS providers, so we're not fully away from them, but we would want to engage on this in a commercial process again. I think we're also mindful of what work other people might be doing, like Scotland, or the Electoral Commission, or the UK Government, in terms of working with the EMS providers to develop APIs for other purposes, so that there might be opportunity for us to consider it in the round, and if there's a more efficient way of us

<sup>&</sup>lt;sup>34</sup> Explanatory Memorandum, page 90

<sup>35</sup> Explanatory Memorandum, page 90

<sup>&</sup>lt;sup>36</sup> Explanatory Memorandum, page 91

<sup>&</sup>lt;sup>37</sup> Explanatory Memorandum, page 107

approaching the technology providers with the same asks from different Governments "38

#### **Committee View**

- **43.** The Committee is concerned about the lack of detail provided on the costs associated with secondary legislation made under this Bill. The Committee has been critical of similar approaches taken by the Welsh Government in the past when introducing framework Bills such as the Health Service Procurement (Wales) Bill<sup>39</sup> and the Environment (Air Quality and Soundscapes) (Wales) Bill<sup>40</sup>. We note the Minister's commitment to publish an RIA, including detailed costs, alongside any future regulations and acknowledge some of the constraints in providing those costings, most notably around piloting automatic voter registration systems. However, the Committee heard several times during scrutiny that work is "in progress" in relation to the costs associated with core aspects of the Bill.
- 44. To enable us to fully scrutinise the overall financial implications of a Bill, we expect RIAs to include a best estimate of the costs and benefits associated with subordinate legislation, and we are disappointed that this has not been the case here. The lack of tangible estimates provided for both this Bill and the Senedd (Members and Elections) Bill is concerning and the Committee expects to be informed of progress in this area during the remainder of the Senedd.
- **45.** The Committee also notes that the costs relating to changes to the Electoral Management Systems are largely unknown given the specialist nature and commercial sensitivity surrounding the work. However, given that piloting automatic registration, and the subsequent changes to EMSs, is central to the aims of the Bill, the Committee is keen to receive more information on the costs associated with individual pilots as the work progresses.

**Recommendation 1.** The Committee recommends that the Welsh Government commits to providing full and robust Regulatory Impact Assessments to accompany any relevant subordinate legislation made under this Bill.

**Recommendation 2.** The Committee recommends that the Minister provides further information on costs relating to changes to the Electoral Management

<sup>&</sup>lt;sup>38</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 191

<sup>&</sup>lt;sup>39</sup> Health Service Procurement (Wales) Bill

Systems as they become clear; including details on how the cost effectiveness of individual pilots will be assessed.

#### 4. Other aspects of the Bill

#### **Accessibility and Diversity**

- **46.** The Bill places a duty on the Electoral Commission to report on the steps taken by Returning Officers to assist those with a disability in their ability to vote at Senedd and local government elections in Wales.
- **47.** Costs for the Electoral Commission have not been quantified and are unknown, the RIA says costs would be low and "form part of normal post-poll activity".<sup>41</sup> Additional costs associated with secondary legislation include the production of guidance to Returning Officers and although these costs are unknown, they are expected to be low.
- **48.** The Committee sought further clarification on the costs associated with secondary legislation to enact changes to assist disabled voters. The Minister's official responded:
  - "... there will be a duty in secondary legislation around making equipment available. I think we would want to consider what equipment is already needed, what is the additional demand, potentially, and what is the most efficient of both parts in terms of the funding mechanism—is it better to do a population-size grant, or is it needs-based bids .... that's something where we'd want to engage with colleagues and local government to determine the most appropriate mechanism in the future."<sup>42</sup>
- **49.** The Bill also places a duty on Welsh Ministers to put in place services to promote diversity in the protected characteristics and socio-economic circumstances of persons seeking election to the Senedd and to local government.
- **50.** The Committee asked the Minister to provide further clarification on the work being undertaken through the Bill to address diversity, particularly around the socioeconomic circumstances of candidates. The Minister explained that:

"I think that is something that is going to tax minds in terms of how you actually address that. What I think is important is that it's actually recognised within the legislation, and at least

<sup>&</sup>lt;sup>41</sup> Explanatory Memorandum, page 99

<sup>&</sup>lt;sup>42</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 187

provides a platform now for beginning to, I think, address those sorts of issues that you're raising. Precisely how, I think, is the really challenging part that I think will be the subject of future discussions."43

**51.** The Minister's official went on to say:

"We are looking at commissioning research to make sure that there's a fair and consistent way of capturing that and being able to act on it, and being able to target the interventions that are listed in section 28 in relation to that."

#### **Affordability Assessment**

- **52.** In a letter to the Finance Committee in May 2023, the Minister for Finance and Local Government set out the Welsh Government's intention to include a "supplementary financial analysis which focuses on affordability"<sup>45</sup> for future Bills. The letter was in response to a recommendation in the Committee's report on the financial implications of the Social Partnership and Public Procurement (Wales) Bill.<sup>46</sup>
- **53.** The affordability assessment for this Bill considers the same period as the RIA and is a purely financial assessment in which only cash costs and cash-releasing benefits are included. The affordability assessment states:

"Any environmental, social, cultural and wider economic costs and benefits identified in an RIA would be removed from an affordability assessment."<sup>47</sup>

**54.** The affordability assessment says that cash costs and cash-releasing benefits have been adjusted to reflect anticipated inflation during the appraisal period, on the basis of the GDP deflator projections included in the Office for Budget Responsibility's (OBR) Economic and Fiscal Outlook (March 2023).<sup>48</sup> As the OBR's projection only extend to 2027-28, the RIA states the average of the OBR's projections have been used for the remainder of the appraisal period. The affordability assessment states that based on the total costs of the Bill and

<sup>&</sup>lt;sup>43</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 205

<sup>&</sup>lt;sup>44</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 208

<sup>&</sup>lt;sup>45</sup> Letter from the Minister for Finance and Local Government to the Finance Committee, May 2023

<sup>&</sup>lt;sup>46</sup> Finance Committee report on the Social Partnership and Procurement (Wales) Bill, page 7

<sup>&</sup>lt;sup>47</sup> Explanatory Memorandum, page 146

<sup>&</sup>lt;sup>48</sup> Economic and fiscal outlook – March 2023

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information outlined in the assessment, the Bill will be affordable over the appraisal period.

- **55.** When asked to expand on the approach taken to assess the affordability of the Bill over the appraisal period, the Minister said:
  - "... the affordability assessment is actually a product of the recommendations from this particular committee. It relates also to value for money and also the building into our costings of inflation as well to try and create more accurate."<sup>49</sup>
- **56.** The Committee asked if an affordability assessment would be used for future Bills, the Minister confirmed that this would be the case.<sup>50</sup>

#### **Committee View**

- **57.** The Committee welcomes the Minister's intention to put in place services to promote diversity in the protected characteristics and socio-economic circumstances of persons seeking election. We also welcome the improvements proposed in the Bill to provide assistance for disabled voters at Senedd and local government elections in Wales. We are however concerned about the uncertainty around how the Welsh Government intends to tackle this issue in practice. The Minister's official made reference to research the government were looking to commission to capture such information, however it was unclear to the Committee how the Minister intended to use this information to achieve the Bill's objective of improving diversity. We are also disappointed that this work has not been undertaken at an earlier stage, well in advance of the Bill's introduction.
- **58.** The Committee found the affordability assessment that was provided alongside the RIA very helpful. The Committee has long advocated that the Welsh Government makes available a detailed financial assessment which focuses specifically on the cash costs associated with legislation, as was made clear in recommendations by this Committee in relation to the Social Partnership and Procurement (Wales) Bill.<sup>51</sup> We very much welcome the commitment made by the Finance and Local Government Minister in her letter,<sup>52</sup> setting out the Welsh Government's intention to include such an assessment to accompany the EM when introducing future Bills. This is

<sup>&</sup>lt;sup>49</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 232

<sup>&</sup>lt;sup>50</sup> Finance Committee, draft RoP, 15 November 2023, paragraph 239

<sup>&</sup>lt;sup>51</sup> Finance Committee report on the Social Partnership and Procurement (Wales) Bill, page 7.
<sup>52</sup> Letter from the Minister for Finance and Local Government to the Finance Committee, May.
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particularly salient during a period of high inflation, such as the one we are currently experiencing, and provides assurances that this legislation has been costed correctly. We also welcome the additional transparency the affordability assessment provides and are encouraged by comments made by the Minister.

**Recommendation 3.** The Committee recommends that the Minister updates the Committee on costs associated with work being undertaken to increase the accessibility of elections to disabled voters.

**Recommendation 4.** The Committee recommends that the Minister provides information on the outcomes of the research it intends to commission to promote diversity in persons seeking elected office. Including:

- how that information is captured and collated; and
- how the Welsh Government intends use that information to make targeted interventions.

**Recommendation 5.** The Committee believes that the introduction of an affordability assessment, such as the one provided in this Bill, serves as a good practice model for future legislation and we recommend that the Welsh Government continues with this new approach.