

National Assembly for Wales

Assembly Commission Draft Budget
2013-14



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

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

The Commissioners and their role National Assembly for Wales	
Portfolio	Commissioner
Presiding Officer and Commission Chair, taking lead responsibility for Communications, and professional development for Members and their staff.	Rosemary Butler AM
Budget, governance, including Audit Committee membership. Links with the Remuneration Board. The improvement of services to Members. The Commission as the employer of Assembly staff.	Angela Burns AM
ICT, broadcasting and e-democracy. The Assembly Estate and Sustainability.	Peter Black AM
Education services, front of house, the Assembly shop, catering and security. Assembly facilities. The Commission's statutory equality functions.	Sandy Mewies AM
The Commission's Welsh language functions and policy. Legal Services and Freedom of Information (FOI).	Rhodri Glyn Thomas AM

The Fourth Assembly – related documents on our website

Commission Strategy for fourth Assembly

www.assemblywales.org/fourth_commission_strategy.pdf

Key Issues for the Fourth Assembly

www.assemblywales.org/bus-home/research/bus-assembly-publications-key-issues.htm

Assembly Commission Budget 2012–13

www.assemblywales.org/bus-home/research/bus-assembly-publications-key-issues.htm

Remuneration Board's Determination for Assembly Members

www.assemblywales.org/bus-home/research/bus-assembly-publications-key-issues.htm

Annual Report and Accounts for 2011–12

www.assemblywales.org/bus-home/research/bus-assembly-publications-key-issues.htm

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Foreword

In preparing our draft budget for 2013-14, the Commission's aim is to ensure that the Assembly has the quality of support that it needs to make proper use of its greater law-making powers and to ensure that the aspirations of the people of Wales for the Assembly are met. We believe that the budget is an appropriate price to pay to provide support for law-making, scrutiny of Government and democratic representation.

At the beginning of the Fourth Assembly, we set out our three year spending plans to deliver our strategic aims. Those plans were supported by the Assembly's Finance Committee and the Assembly as a whole.

This year, we are maintaining the course we set within that three year plan. The draft budget for 2013-14 is exactly in line with the level we set out last year. Through leadership and careful management of our resources, we will deliver the required standard of parliamentary support for this Assembly with the same amount of money, in real terms, as was allocated to the Commission three years ago (see Annex 1).

The new constitutional position of the Assembly established following the referendum in 2011 reinforces the need for outstanding parliamentary support. This will be compromised unless the Commission secures an appropriate budget. As we set out last year, during the Fourth Assembly this approach will enable the Commission to:

- strengthen the specialist advice and services available to Members so that the scrutiny of Welsh Government policy, finance and legislation is sharper, more constructive and better informed;
- ensure that individual Members have the support they need to promote their own proposals for policy and legislative change; and
- create an environment for the Welsh public to be increasingly engaged in the work of the Assembly.

Through leadership and careful management of our resources, we will deliver parliamentary support with the same amount of money as allocated to us three years ago.

A Value for Money (VfM) programme is in place to ensure that we can demonstrate that all the public money that is spent in supporting the Assembly is money well-spent, by ensuring that resources are available and used in the most appropriate way in delivering effective services to the Assembly and the people of Wales.

In coming to our decisions on the budget strategy for the Fourth Assembly, the Commission considered the consequences of making further cuts. We rejected this as a way forward because of the likely detrimental impact on services and on contractors and their staff. Feedback from Assembly Members highlighted significant concerns with cuts that would have had an increasingly negative impact on the quality and breadth of services provided to Members, especially with regard to providing parliamentary support.

Our proposed budget will continue to maintain the same relation to the Welsh block (0.3%) as has been the case for several years. In each year of the Fourth Assembly we will spend, in real terms, less than our funding in 2010-11.

We believe this to be a prudent, balanced approach to the Commission's budget that is in the best interests of the Assembly and Wales.

Rosemary Butler,
Presiding Officer and Chair of the Assembly Commission

Angela Burns,
Commissioner

Peter Black,
Commissioner

Sandy Mewies,
Commissioner

Rhodri Glyn Thomas,
Commissioner

01. The Assembly Commission

The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

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

The Commission's strategic focus for the Fourth Assembly is to:

– **Provide outstanding parliamentary support**

The Assembly is in a new constitutional position and we will provide fitting support to enable Assembly Members to meet the new challenges they face.

– **Engage with the people of Wales**

We will create an environment that encourages interest in the work of the Assembly and facilitates engagement in the Assembly's roles of legislating, scrutiny and representation. We will engage actively and widely, and ensure that the Assembly benefits from the creative energy generated by such engagement.

– **Promote Wales**

Acting as an ambassador for Wales in the wider world, we will make the most of opportunities in the UK and abroad to promote Wales and the work of the Assembly and play our part in the development of parliamentary democracy elsewhere in the world.

– **Use resources wisely**

We will make the necessary investments to ensure that the Assembly is fully equipped to operate effectively as a parliament with new law-making powers. At the same time, we will reinforce the confidence of Assembly Members and the people of Wales in the way we deliver services and manage costs by making good use of tax-payers' money. We will manage our resources to deliver a vital public service with improved efficiency and value for money.

The Commission will exercise its functions in accordance with statutory principles; with due regard to the principle that there should be equality of opportunity for all people; due regard to the principle of promoting sustainable development; and, so far as is both appropriate in the circumstances and reasonably practicable, that the English and Welsh languages be treated on the basis of equality.

375

**Staff of the
Assembly Commission**

5,000

**Tours given to Senedd
visitors in 2011-12**

9,000

Payments made in 2011-12

107,225

Assembly Questions

02. Cost of the National Assembly

Cost of the National Assembly in 2013-14

£49.5m

0.3%

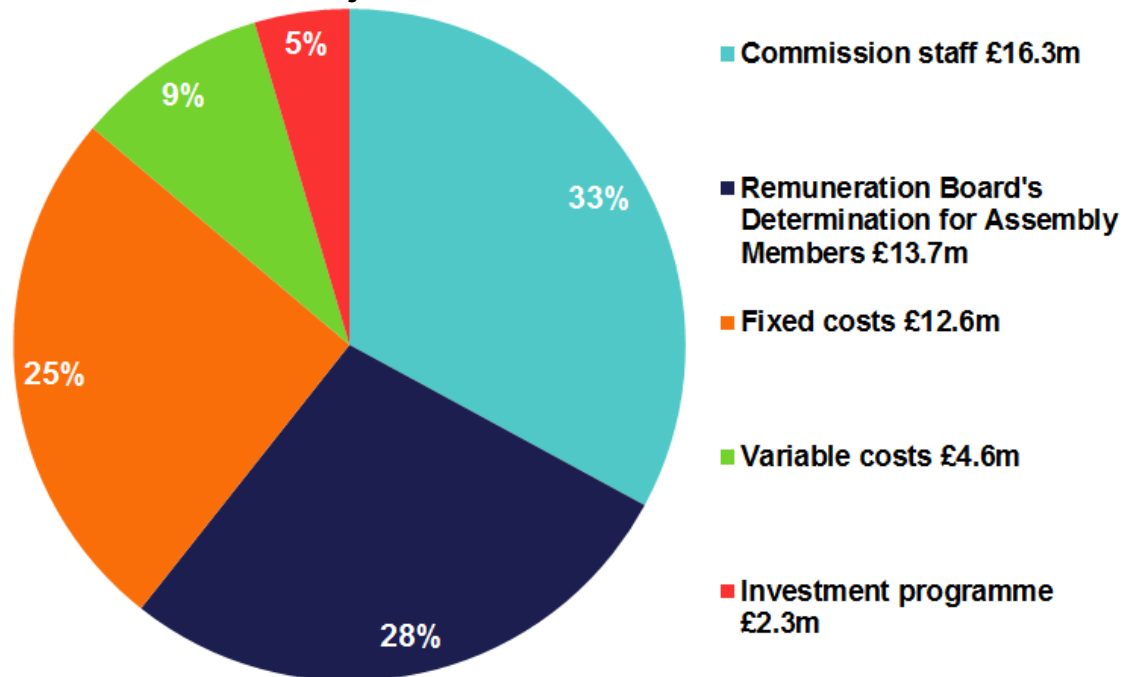
of £15 billion
Welsh block

To put the Commission's budget in context, it represents 0.3% of the total funding that comes to Wales under the 'Welsh block', which is around £15 billion annually. Almost all of that money funds the delivery of public services in Wales in the light of the decisions of the Welsh Government. The Assembly's role is to scrutinise and challenge the actions and spending of the Welsh Government, make laws for Wales, and represent the interests of the people of Wales. The cost of doing this is funded by the Commission's £49.5 million budget (2013-14), which consists of:

- £13.7 million to provide the budget for the Remuneration Board's Determination for Assembly Members. The Determination sets out the funding for Assembly Members' salaries, those of their Support Staff and the costs of running their constituency/regional offices located all over Wales. Members' salaries are frozen at their 2011 level until at least 2015;
- £16.3 million to meet the costs of employing the Commission's staff;
- £19.5 million to meet investments and running costs, for the Senedd and Assembly estate, ICT and other supplies and services.

Comparator figures are available in Annex 1.

Cost of the National Assembly 2013-14 £49.5m



03. The Fourth Assembly – in progress

The three-year budget plans the Commission set out last year committed us to:

- strengthen specialist advice and services so that the scrutiny of Welsh Government policy, finance and legislation is sharper, more constructive and better informed;
- ensure that individual Members have the support they need to promote their own proposals for policy and legislative change; and
- create an environment for the people of Wales to be increasingly engaged in the work of the Assembly.

The Commission’s strategy of investment for the future, despite the difficult financial and economic backdrop, means we have been able to deliver for the Assembly without compromising the values and the quality which is important to Members. Achieving value for money through all our services is fundamental to our strategy, along with adhering to our constitutional and corporate responsibilities of ensuring that

Assembly Members are fully equipped to undertake their scrutiny, legislative and representational roles on behalf of the people of Wales.

The first year of the Fourth Assembly saw 59 plenary meetings and 209 committee meetings. There have been four Bills introduced so far in this Assembly, 18 committee inquiries had already been completed, with a further 22 underway. With one year of a five year Assembly completed, these already cover a broad cross section of subject matter.

We have supported a significant change to the Assembly’s committee structure where committees perform a dual role of undertaking inquiries and holding the Government to account by scrutinising both policy and legislation. This allows Members to develop subject specialism over time and optimises the available time and Member resource within a relatively small legislature. It also makes it easier for stakeholders to engage with committees on both legislation and policy in the subjects they have an interest.

Fourth Assembly committees are extremely active, borne out in the emerging pattern of meetings. In addition to their formal meetings, committees are making use of informal meetings and visits to inform their work. This has enabled them to hear the views and experiences of a wider range of stakeholders in locations outside Cardiff.

Committees have worked in new and innovative ways, including the establishment of task and finish groups, either to look at a subject in detail over a long period of time, or to allow a small number of committee members to be able to undertake short, tightly-focused inquiries on specific issues. Use of formal sub-committees has increased in comparison

Since May 2011...

225

Hours in Plenary meetings

209

Committee meetings

18

Committee inquiries already completed

22

Committee inquiries

with the Third Assembly with task and finish groups carrying out specific inquiries ranging from an assessment of the future of the media in Wales to proposing amendments to EU proposals to change the Common Agriculture and Fisheries Policies.

We have strengthened support for formal Assembly business through additional capacity for research and committee clerking and have enhanced arrangements for public engagement. We have improved access to specialist advice and we are better placed to provide high quality support for Members seeking to progress their own proposals for legislation. Additional resource has been put in place to strengthen services offered in terms of financial analysis and scrutiny to enable the Assembly to more effectively scrutinise Welsh Government spending proposals and costings.

Support for Committee scrutiny has been further enhanced by the increased amount of external expertise they have drawn on, with more expert advisers being appointed in 2012 to date than in any previous full year. These advisers are drawn from a range of fields, including academia and specialist organisations.

Our Pierhead Sessions programme has attracted high profile internationally renowned speakers over the past twelve months such as Dr Rowan Williams, Archbishop of Canterbury, Helen Clark, former Prime Minister of New Zealand and Noam Chomsky, renowned linguist and scholar.

A range of professional development activities has been delivered for Assembly Members and their support staff. These activities included scrutiny and questioning techniques, legislative scrutiny, speech writing and delivery, research skills, and induction for new support staff, including understanding Assembly business. Members and support staff may also be supported to obtain further qualifications where these directly contribute to the individual's roles and the strategic purposes of the Assembly. The continuous professional development programme has attracted recognition from other parliamentary bodies who are keen to replicate our approach.

We recently launched the Apprenticeship Scheme and are developing under/post-graduate placements and a more extensive secondment and job shadowing programme. This provides opportunities to bring in specialist skills for a fixed period, and enables us to learn from other organisations.

Delivery of our services is built on the foundations of good governance. This encompasses how we make decisions; how we manage budgets and performance; and how we secure assurances that our working arrangements are fit for purpose:

- for the fifth consecutive year, the Commission's Annual Report and Accounts have been given a clean bill of health by the Auditor General for Wales;
- our maturity with effective risk management practices has enabled us to simplify and rationalise our risk management framework;
- our strengthening of procurement and contract management arrangements means we are getting more from our contracts.

04. Outstanding Parliamentary Services

A key enabler for delivering outstanding service is our staff.

Our 60 Assembly Members carry a significant responsibility and privilege representing the interests of Wales and its people, making laws for Wales and holding the Welsh Government to account. The expectations of the Welsh public are high - they expect their Assembly Members to improve the lives of all who live in Wales. Members need access to high quality specialist staff and support services to enable them to meet these expectations.

Legislative programme and engagement with European issues

Last year's budget document identified two areas where there would be a need for specific resources to meet developing demands - a comprehensive and ambitious legislative programme in the wake of the Assembly's new law-making powers; and growing engagement with European Union legal issues as a result of the subsidiarity protocol of the Lisbon Treaty.

While the build-up in the legislative programme has been gradual, the flow of Bills being introduced by the Welsh Government (as well as Bills from the Assembly Commission and individual Members) is now increasing and it is clear that the number of Acts which will be passed by the Fourth Assembly will substantially exceed the 22 Measures passed by the Third Assembly. This is only part of the picture, however.

As predicted, there has been a marked development in the complexity and ambition of Assembly legislation, reflecting the comprehensive nature of the new legislative powers. The practical demands of supporting Members effectively in scrutinising legislation are growing both in volume and in sophistication, as was foreseen by the Commission at the outset of the Fourth Assembly. It is the Commission's legal duty, under the Government of Wales Act 2006, to provide the staff and services required to support the Assembly in meeting these demands.

We will ensure committees have the necessary resources to engage effectively and creatively.

The Assembly's potential for effective engagement with European issues has also been demonstrated. Assembly representations on an EU Commission proposal for a directive on procurement were adopted by the House of Commons and submitted to the EU Commission at the beginning of 2012. This contributed to a further raising of the profile of the Assembly as an effective contributor to EU decision-making as it affects Wales. The opportunities for further development of the EU dimension to the Assembly's work will inevitably multiply.

The Constitutional and Legislative Affairs Committee report on the powers granted to Welsh Ministers in UK Laws recommended that the Commission keep under review the resources available to Assembly committees to help them consider and prioritise work on Legislative Consent Memorandums.

The Commission is committed to providing the resources necessary to respond positively to all opportunities. The Commission will continue to ensure that the necessary legal, research and procedural capacity is in place to support the Assembly's growing legislative workload: in the scrutiny of government bills; in supporting individual Members and committees seeking to develop and promote their own proposals for legislation; in taking up the opportunities provided under the Lisbon Treaty in relation to subsidiarity issues.

Enhancing scrutiny

Scrutiny by Assembly Members is one of the key ways in which the Welsh Government is held accountable to the people of Wales for its policies and their implementation and whether public services are achieving desired outcomes.

The Presiding Officer has initiated changes to the way in which the plenary meetings of the Assembly operate in this regard. The opposition party leaders, for example now have a guaranteed, dedicated time each week to question the First Minister, whilst individual Assembly Members now have frequent opportunities to address the issues that matter most to them and their constituents by putting forward the topics for debate.

In committees, the increased use of expert advisers has provided an external perspective on their work and given them access to very specialist and focussed subject expertise. We will continue to build a resource of expert advisers who are able to provide a wide range of specialist skills to the committees.

The quality and range of evidence considered by committees is key to their being able to make well informed, evidence based recommendations. We are developing more innovative ways of engaging with committee work through the work of the Commission's communications staff to ensure that Members and the public benefit from the range of internal expertise we provide.

Additional resource has been put in place to strengthen services offered in terms of financial analysis and scrutiny. The key aims are to:

- Support and encourage more effective financial scrutiny of legislation and Government policy for Assembly committees;
- Undertake briefings on key areas of topical interest and developing the capacity to carry out costings of alternative spending proposals;
- Provide more resource for costing Assembly led Bills to ensure more robust methodology;
- Improve the research enquiry service in terms of coverage and depth of analyses available; and

–Provide briefings analysing key areas of Government spend and more economic/labour market information and analyses.

Strong governance and a great place to work

The Commission must balance the increasing expectations on the Assembly and its Members within its financial resources. A strong sense of stewardship of public funds and spending public money wisely exists across Assembly services. The Commission will continue in its drive for efficiencies and value for money but will not compromise on the quality of essential services the Assembly rightly needs to deliver for the people of Wales.

Looking forward, contracts for our corporate control systems covering finance and accounting, HR and payroll must be replaced and we will use this investment opportunity to re-engineer processes, integrate systems where beneficial to do so, and secure better value for money.

We have strengthened procurement governance and now want to do more to promote sustainable procurement principles – greater opportunities for SMEs, reduced environmental impact and greater use of framework contracts where appropriate.

As a Gold Standard Investor in People and ranked 20th in Stonewall’s top 100 UK employers for staff who are lesbian, gay or bisexual, we are proud to have a workforce that is passionately dedicated to serving the National Assembly.

Our budget plans ensure that we can push further – in promoting professional development for Members and staff; in using secondments and shadowing to share best practice with others; and in providing apprenticeships and parliamentary undergraduate placements for those who want this opportunity.

We have achieved many successes in promoting equalities and our new Equality Plan has created a centrally managed Access Fund to provide additional support to Assembly Members in engaging with constituents with diverse needs.

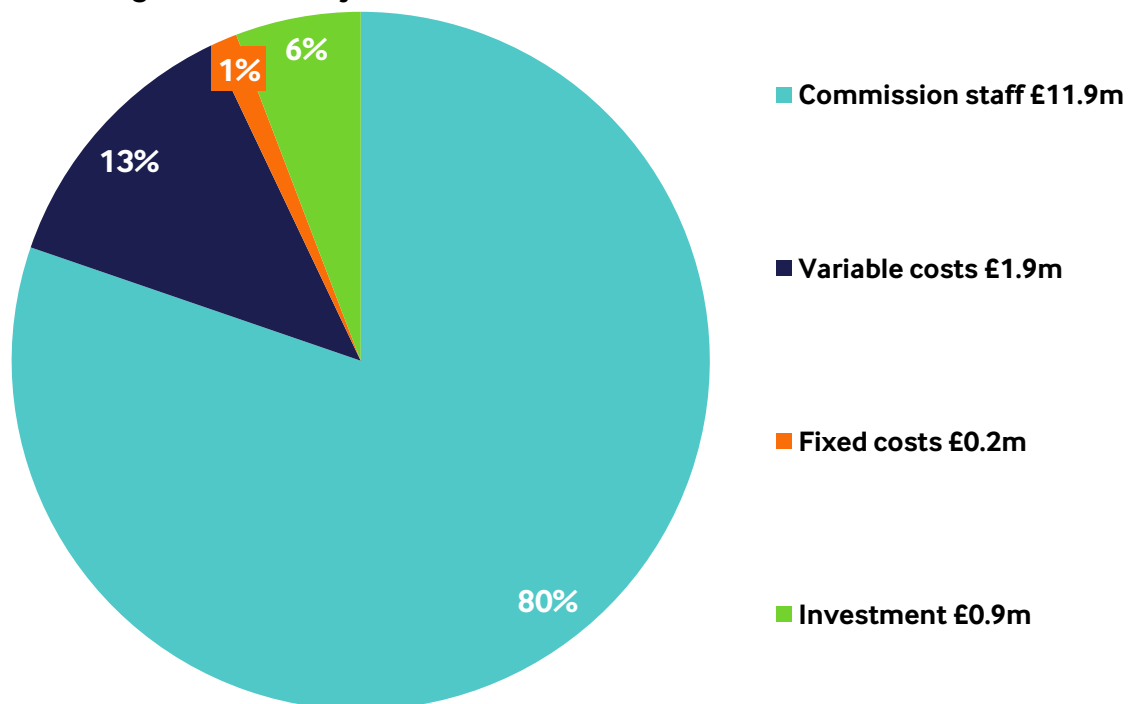
The National Assembly for Wales (Official Languages) Bill was introduced to the Assembly by the Commission on 30 January 2012 and the Assembly is expected to complete its consideration of the Bill in the autumn of 2012. The legislation will clearly place the duties of the Assembly and of the Commission, in relation to the provision of bilingual services, on a sound statutory footing.

The Commission’s Official Languages Scheme will outline the service provision underpinning the Bill, and will be considered by the Commission following the Assembly’s consideration of the Bill.

Delivery of our Value for Money Programme is being supported by advice from KPMG, to further progress our three aims of:

- Process simplification to maximise the effectiveness of Assembly services and improve our resource use;
- Maximising the benefits and cost savings from procurement and robust contract management; and
- Improving management information to better understand Assembly services' activity, costs and what drives those costs.

Outstanding Parliamentary Services 2013-14 cost £14.9m



We have achieved many successes in promoting equalities and our new Equality Plan has created a centrally managed Access Fund to provide additional support to Assembly Members in engaging with constituents with diverse needs.

05. Strategic Investment in ICT

Over

2,250,000

Assembly website pages viewed in the last 12 months

The Assembly is known for its innovation in the use of technology to support parliamentary working. Our ICT and audio-visual infrastructure allows the citizens of Wales to engage and interact with the Assembly, whether via Senedd TV, the Assembly's comprehensive website, or by using social media.

Over

275,000

Visitors to the Assembly website in the last 12 months

The ICT infrastructure delivers information and essential services to over 700 users, located at the Assembly estate in Cardiff Bay and at regional and constituency offices across Wales. This complex infrastructure is maintained and supported by Atos, via the Merlin contract which we currently share with the Welsh Government. Atos is also the Assembly's main deliverer of ICT change and new systems development. The current arrangement can give rise to challenges for both the Assembly

Over

10,000

Followers on twitter

and Atos and can make it difficult for the service to meet Members' and the Commission's needs and expectations consistently.

The Commission has negotiated an opportunity to either remain with the Welsh Government's ICT contract or begin new arrangements. The decision on future provision will be taken during 2012-13 and if this involves significant change, investment will be needed in order to achieve a successful transition. The level of change which would be required is not yet certain, but the draft budget contains a reasonable estimate.

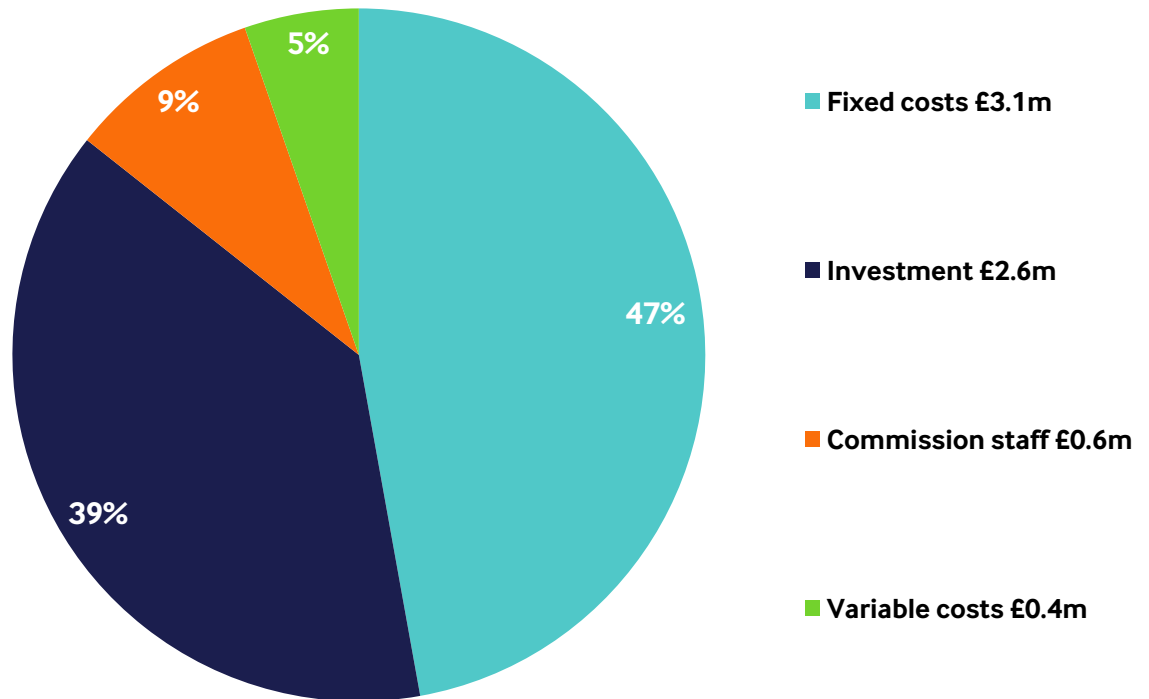
We will be enhancing our online channels such as our Twitter and Facebook profiles, and our video and images platforms flickr, vimeo and youtube. These methods complement more traditional methods of engaging the public, and increase our ability to inform a wider and different audience in our work. They are also allowing us to provide committees with consultation responses in a different format e.g. video footage from focus groups that are often considered more user-friendly and efficient by those we are engaging.

The Senedd has been operational for six years now and much of the original ICT infrastructure is approaching, or has reached, the point where it needs updating to ensure that the Assembly can continue to function effectively and efficiently. Some of this is under way. For example, work is progressing in phases to update the Siambr, Committee rooms and public areas under the Senedd refresh programme.

Finally, we are developing a Strategy that will define how we use ICT for the next 5 years and beyond. This Strategy will ensure continued alignment of future investment in ICT

with the business and engagement requirements of the Assembly, to ensure that this investment is wisely targeted and delivers benefits.

ICT 2013-14 cost £6.7m



Further essential investment will be needed in the Senedd ICT over the next three years in order to ensure that our technology infrastructure is able to better support our business needs.

06. A Venue for Wales

1.2 million

Visitors welcomed to the Senedd and Pierhead

As an internationally recognised venue with over 1.2 million visitors to the Senedd and Pierhead to date, we provide the home for national politics in Wales. A place to engage with Welsh democracy, we must be accessible and welcoming to all, a safe and secure place to visit, and provide an experience that is second to none.

670 events

Held annually

The Assembly estate is used throughout the year to host public and private events ranging from meetings,

launches, conferences and exhibitions, giving a platform for Welsh talent. We provide venues for and arrange large scale celebrations, such as St David's Day and International Women's Day. We welcome visitors including Her Majesty the Queen and the UK's Prime Minister and Deputy Prime Minister. Our visitors are not only from across Wales, but from across the world. All our visitors are special – and we have welcomed, for example, Destiny Africa Children's Choir from Kampala Uganda; the President of the European Commission; His Majesty King Letsie III King of Lesotho; the President of Estonia; Ambassadors and High Commissioners from around the globe. Over 30,000 visitors are welcomed to our estate via Tŷ Hywel's reception each year. Over half of these visitors are children and young people, often arriving in large parties and engaging with our education programme based in Siambr Hywel.

We will use our new public café and shop in the Senedd to show and sell Welsh products in ways which link to the Assembly and complement its work. The bringing together of the café and shop involved some capital investment. This has already seen a significant increase in sales income and has enabled us to save staff costs.

The Pierhead helped Wales forge its identity in the late nineteenth century; today its aim is to inform, involve and inspire a new generation to forge a Wales for the future. Through our agreement with the Wales Governance Centre of Cardiff University, the Pierhead is becoming the hub for an all-Wales public policy network drawing together the country's five research intensive Universities that form the St David's Day Declaration Group: Cardiff, Swansea, Aberystwyth, Bangor and Glamorgan. This will maximise the Assembly's access to Welsh academic expertise and knowledge to inform democratic debate on questions of public policy.

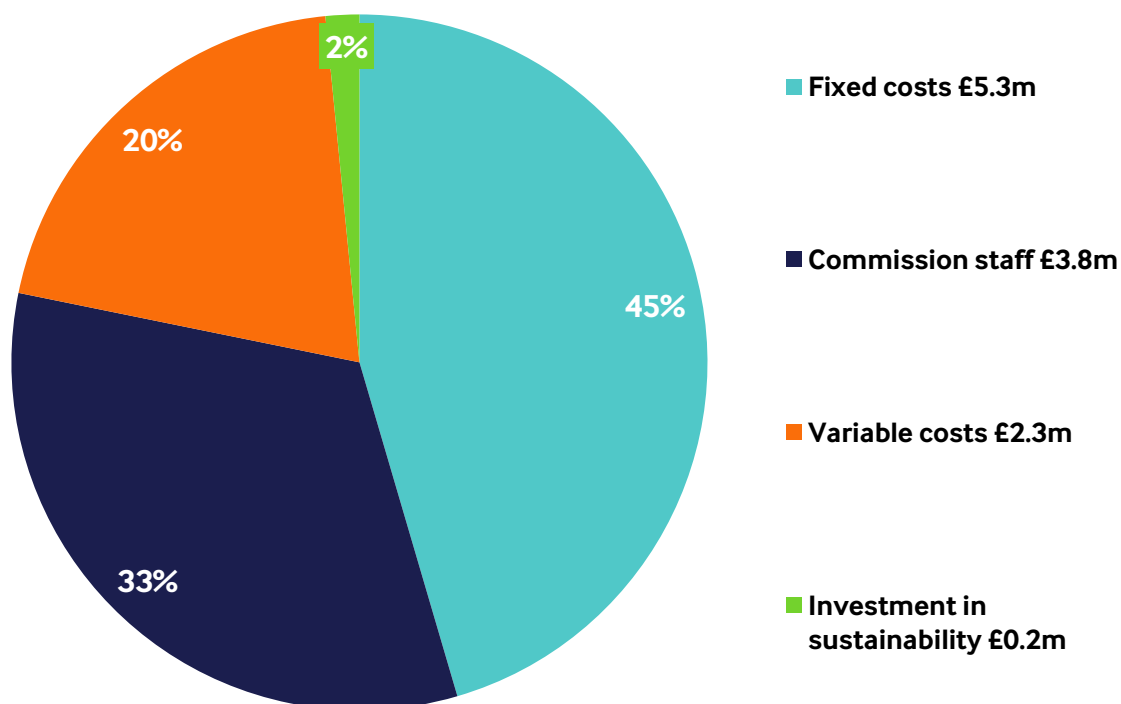
The Wales Governance Centre will provide improved support for specific programmes and inquiries of the Assembly's Committees, exploring how Assembly policy and practice can help strengthen civil society and evaluating the Assembly's arrangements for considering European affairs.

We are one of the few parliaments in the world with a duty to work sustainably. Since 2009, the Assembly has been working towards becoming a low carbon organisation by 2015. Our vision is to deliver 40 per cent reduction in energy emissions, 15 per cent reduction in business travel emissions.

As a result of continued investment in our buildings infrastructure and control systems, coupled with an environmentally-conscious culture across the Assembly, we have made excellent progress against our sustainability targets.

- cutting energy emissions by 24% over the past four years,
- recycling 95% of our waste, and
- we remain on target to achieve our business travel emissions.

A Venue for Wales 2013-14 cost £11.6m



We need to continue to maintain our buildings to a high standard to provide a great experience for our visitors and to have the staff in place to greet them. We see this as a key priority.

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

2013-14 budget

£13.7m

Decisions over the pay and other costs of Assembly Members are the responsibility of the National Assembly for Wales Remuneration Board, established by Assembly legislation in 2010. The Board is entirely independent of the Assembly and so Assembly

Members have no direct role in setting their own pay, that of their staff nor the amounts that can be reimbursed for office and other costs. The Board's decisions are published in its National Assembly for Wales Determination and, by statute, it is the Commission's responsibility to secure the funding necessary to meet the costs arising from the Determination.

Last year, the Board set the base salary of Assembly Members at £53,852 and froze it at that level, together with office holder allowances, until at least 2015. In light of these the predicted costs for the four-year period 2011-2015 were reduced by:

- freezing of salaries £1.5 million;
- freezing office holder allowances £0.4 million;
- office and other costs £0.2 million.

By 2013-14 the Remuneration Board will have completed its review of the staffing framework for Assembly Members, including support staff pay, which may have an impact on the Remuneration Board's Budget for Assembly Members.

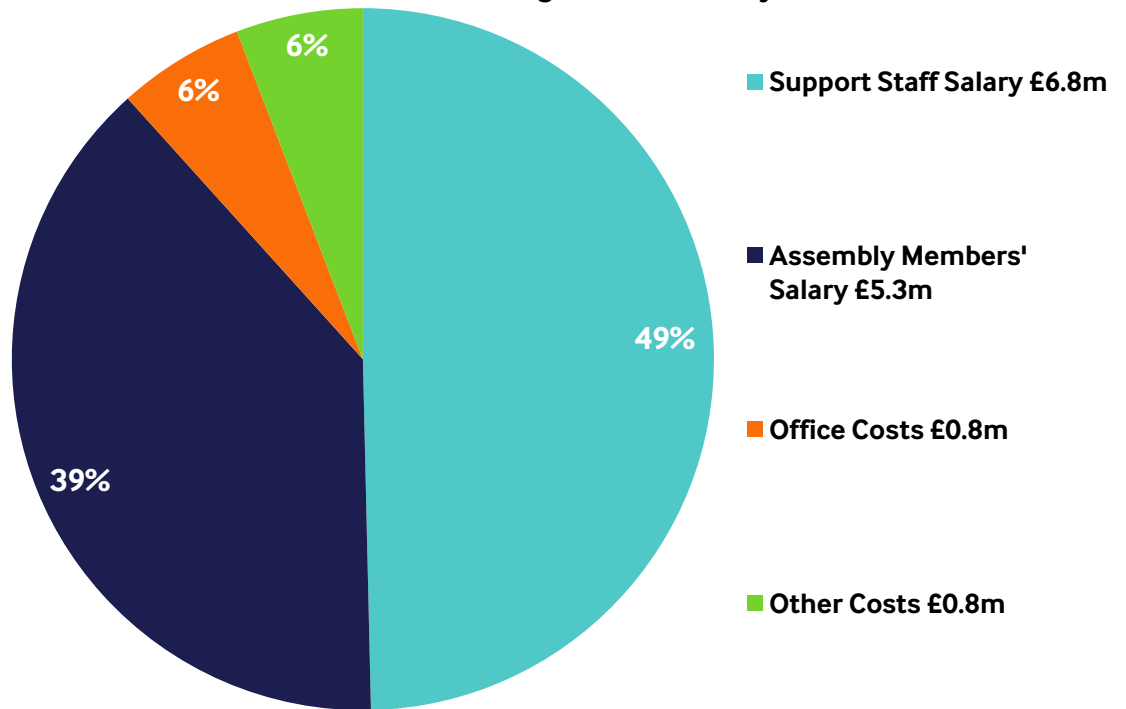
As set out in the Determination, Assembly Members have access to office and other costs to provide for:

- running an office and engaging with constituents;
- the salary and travel expenses of their own Support Staff;
- residential accommodation in Cardiff where needed for those eligible;
- travel expenses necessarily incurred in the performance of duties; and
- support for the Party Groups.

The percentage split across these costs is shown in the graph overleaf.

In addition there is a separate budget providing for accounting adjustments for the Members' pension scheme. This charge is reflected in the Annually Managed Expenditure (AME) budget and is expected to remain at £0.5 million, the same as 2012-13.

2013-14 Remuneration Board £13.7m Budget for Assembly Members



Estimated cost reduction for
the period 2011 to 2015

£2.1m

08. The Budget Ambit

- 01.** This budget submission is laid in compliance with National Assembly Standing Order 20 to assist in the compilation of the Annual Budget Motion required by Section 125 of the Government of Wales Act 2006. The submission covers the resource and cash requirements of the Assembly Commission for the year ending 31 March 2014 and provisional amounts for the subsequent two years.
- 02.** The Assembly Commission set out its spending requirements in its 2012-13 Budget which covers the period to 2015. This year's budget (£49.5m) and the provisional figure for 2014-15 (£50.6m) reflect the previously scrutinised and agreed funding levels. The Commission will be reviewing plans for its next phase of spending requirements for inclusion in its 2014-15 Budget. This will cover the period to 2017.
- 03.** The Budget Motion will authorise the net resources to be used for the services and purposes of Members and Assembly Services. The motion includes the maximum income (or accruing resources) that may be retained for use on those services and purposes instead of being paid into the Welsh Consolidated Fund, and the cash amount that will need to be issued from the Welsh Consolidated Fund to meet the anticipated net amounts falling due for payment by the Commission.
- 04.** The 2013-14 Draft Budget for the Assembly Commission, addressing these requirements, is set out in Table 1 below.

Table 1	£000
Resources other than accruing resources for use by the National Assembly for Wales Commission on revenue and capital costs associated with the administration and operation of Assembly Services to support the National Assembly for Wales ("the Assembly"); promotion of the Assembly including payments to the Electoral Commission and others; payments in respect of the Commissioner for Standards and Remuneration Board; any other payments relating to functions of the Assembly or functions of the National Assembly for Wales Commission.	36,000
Resources other than accruing resources for use by the National Assembly for Wales Commission in respect of decisions of the Remuneration Board.	<u>13,700</u>
<i>Total resources, other than accruing resources</i>	<i>49,700</i>
Annually Managed Expenditure for use by the National Assembly for Wales Commission in respect of Assembly Members' Pension provision.	500

Accruing resources for retention pursuant to section 120(2) of the Government of Wales Act 2006 and use by the National Assembly for Wales Commission: from the disposal of fixed assets and other capital income for use on the purchase or acquisition of fixed assets; or rental income; gifts; grant support; recharges and income from commercial sales and other services provided to the public or others for use on administrative costs of the Assembly.	250
Amount to be issued from the Welsh Consolidated Fund to meet the anticipated amounts falling due for payment in the year in respect of the above services and purposes less expected retainable receipts and recoverable VAT.	45,850

05. Table 2 below reconciles the net resource requirement to the cash drawing requirement from the Welsh Consolidated Fund.

Table 2 CASH REQUIREMENT	£000s		
	2013-14 Draft¹	2014-15 Provisional¹	2015-16 Provisional²
Members Net Revenue Requirement	13,700	13,900	14,300
Commission Net Revenue Requirement ³	35,000	35,698	35,798
Net Capital Requirement	750	1,000	500
Assembly Members' Pension Provision (AME)	500	500	500
<i>Adjustments:</i>			
Depreciation	(4,000)	(4,400)	(4,500)
Movements in provisions	(500)	(500)	(500)
Movement in debtors and creditors	300	0	0
Use of provisions	100	0	0
Net cash requirement for issue from the Welsh Consolidated Fund	45,850	46,198	46,098

¹ As previously set out in the 2012-13 Budget document.

² Provisional budget based on flat cash, 0% increase from 2014-15.

³ Assumes Accruing Income of £0.250 million year on year.

Annex 1 Financial Information

Assembly Commission Budget Strategy	£000s				
	2010-11	2011-12	2012-13	2013-14	2014-15
Assembly services	32,847	31,673	33,477	35,750	36,698
Remuneration Board's Determination	13,380	13,034	13,500	13,700	13,900
Total budget (DEL) required*	46,227	44,707 ⁴	46,977	49,450	50,598
Change from previous year		(3.3%)	5.1%	5.3%	2.3%
<i>Real terms change from 2010-11 baseline</i>		(6.0%) ⁵	(3.3%) ⁶	(0.7%) ⁶	(0.9%) ⁶

* An accounting adjustment of £0.5million per year is required for the Assembly Members' Pension Scheme. Since 2010-11, this is funded separately through the Annually Managed Expenditure budget.

Comparator: 2012-13 with 2013-14

Cost of the National Assembly for Wales

	2012-13	2013-14
	£m	£m
Commission staff	15.4	16.3
Remuneration Board's Determination for Assembly	13.5	13.7
Fixed costs	12.2	12.6
Variable costs	4.2	4.6
Investment Programme	<u>1.7</u>	<u>2.3</u>
	47.0	49.5

⁴Excludes 2011 election funds.

⁵National Assembly for Wales, Assembly Commission Budget 2011-12, November 2011, page 6.

⁶Uses H M Treasury assumptions 2012-13 2.7%, 2013-14 2.5% and 2014-15 2.5% as at 27 September 2012 [accessed 27 September 2012].

Annex 2 Glossary

Annually Managed Expenditure (AME)

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

Barnett formula

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

Capital

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

Creditor

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

Debtor

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

Depreciation

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

Draft Budget

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

Fixed Assets

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

Government of Wales Act 2006

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

Provisions

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

Real terms

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

Revenue/ Running Costs

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

Value for Money

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

Variable Costs

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

Welsh block

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

Welsh Consolidated Fund

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