

Peredur Owen Griffiths MS
Chair of Finance Committee
Senedd Cymru
Tŷ Hywel
Cardiff Bay
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8 November 2022

Dear Peredur

Thank you for your Committee's **Report on the Scrutiny of the Senedd Commission Draft Budget 2023-2024**, published on 21 October 2022. The Commission's response to the Finance Committee's recommendations is detailed in **Annex 1**.

I am pleased that the Committee supports the overall request for resource in 2023-24, and that it welcomes the inclusion of a dedicated budget line for Senedd Reform in the draft budget. It is the Commission's intention to provide as much transparency as possible in presenting costs attributable to plans for Senedd Reform in future budgets.

I am also pleased that the Committee noted the progress made by the Commission in reaching out to cohorts that have not historically engaged with the Senedd, highlighting that the work conducted by Senedd Committees and the Youth Parliament in this area are notable achievements.

I'd also like to draw the Committee's attention to a minor change to the narrative in Table 1 of the Commission's 2023-24 Budget. This is explained in **Annex 2**.

I would like to thank the Committee for its scrutiny and I look forward to the debate on the Commission's budget motion next week. If there is any further information your Committee would like to have, please do not hesitate to let me know.

Yours sincerely



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Handwritten signature of Ken Skates in black ink.

Ken Skates MS

cc Senedd Commissioners, Manon Antoniazzi, Nia Morgan

Croesewir gohebiaeth yn Gymraeg neu Saesneg / We welcome correspondence in Welsh or English



Annex 1

Finance Committee Recommendations

Recommendation 1. The Committee notes the ‘Senedd Commission Draft Budget 2023-24’ and, subject to the comments and recommendations in this report, supports the overall request for resource in 2023-24, and recommends the Senedd supports this budget.

Noted

Recommendation 2. The Committee recommends that the Senedd Commission adopts a collaborative approach to reducing energy use on the Senedd estate and engages with Members, their staff and Commission staff to gather ideas and to plan and implement projects and policies that meet these aims.

Accepted

We have engaged with Chiefs of staff, Commission staff, TUs and Commission networks to progress the implementation of the energy saving measures detailed below, to ensure a collaborative approach to the agreed measures.

Recommendation 3. The Committee recommends that the Senedd Commission provides periodic updates on:

- the energy-saving initiatives that are both planned and have been implemented;
- the effectiveness of those initiatives in delivering sustainable outcomes; and
- the associated impact on costs and savings.

Accepted

The Commission will be implementing the following energy saving measures to reduce gas usage over the winter:

Measure	Saving
Reduce the heating set-point across the estate by 1-degree (21C to 20C)	10%
Switch off heating to areas we know are unused on certain days (e.g. Siambr Hywel, Classroom)	5%+
Agree with WG to switch off heating in areas they do not use certain days (2A, 5 th floor, Ministers’ Members Offices)	
Utilise the new heating zone pumps to significantly reduce heating on certain floors on certain days. E.g. the heating off in 4A on Fridays, encouraging use of new 1A facilities.	



Maximise use of biomass, e.g. by having advanced woodchip orders scheduled	
Turning off heating in lift lobbies	
Slimming down time schedules where feasible	

The following wider energy-saving initiatives have also been agreed by the Executive Board:

- Minimise air-conditioning demand by increasing the setpoint at which air conditioning will operate and limit its use to certain zones (this would come into effect summer 2023).
- Housekeeping measures- checking appliances around the building are off and encouraging staff to do the same by communicating this price rise with them.
- Exploring options identified in EFM's Capacity Plan re. public access to buildings on quieter days.
- Energy audits - the EFM team has completed some energy audits and have others planned, to highlight savings opportunities.
- Renewables – prioritise the installation of solar panels (a medium-term measure within the Carbon Neutral Strategy)

We will provide the Committee with an initial update in May 2023.

Recommendation 4. The Committee recommends that the Senedd Commission:

- **considers the financial and operational benefits or otherwise of purchasing the freehold of Tŷ Hywel as an alternative to extending the current lease; and**
- **provides regular updates on the options evaluated in relation to the future of all buildings on the estate to ensure transparency and value for money.**

Accepted

The Tŷ Hywel lease expires in 2032. The lease includes an automatic right to renew for a further 25 years at expiry.

The Commission has established a Ways of Working programme. This includes a project to consider our accommodation needs for the long term in Cardiff Bay, including the options that may be available to the Commission in relation to Tŷ Hywel.

In-line with HM Treasury and Welsh Government best practice as set out in the Green Book, a three stage business case will be developed to underpin this project. The first stage of this business case will be the Strategic Outline Case. This will be drafted in the spring of 2023.

To support the project's Strategic Outline Case, the Commission has engaged professional property consultants to provide independent, technical advice on the options available to the Commission in relation to Tŷ Hywel.



The Commission expects to receive this detailed initial advice from its property consultants during the spring of 2023. It is anticipated that this will allow the completion of the Strategic Outline Case in May 2023.

We will therefore provide the Committee with an initial update in May 2023.

Recommendation 5. The Committee recommends that the Senedd Commission provides an update as soon as decisions relating to the future of the Colwyn Bay office and the Senedd presence in north Wales have been made.

Accepted

The Commission considered the future of the Colwyn Bay office and the Senedd presence in North Wales at its November meeting.

The in-principle outcome of this discussion is subject to further legal and professional advice. We will update the Committee in February 2023.

Recommendation 6. The Committee recommends that the Senedd Commission considers providing additional support for lower paid staff and/or staff who may experience difficulties as the effects of the increases in living costs are felt.

Accepted

The Commission considered the provision of additional support for lower paid staff and/or staff who may experience difficulties as the effects of the increases in living costs are felt at its November meeting and will keep this under review.

The Senedd Commission currently offers a number of assistance programmes to its staff including a number of salary sacrifice schemes ranging from support with childcare costs, and travel costs, Christmas salary advances and a newly introduced hardship fund. There are also several options available to opt into membership schemes which provides access to a greater degree of reduced cost services such as the Civil Service Sports Council through salary deductions.

The Financial Wellbeing intranet pages, developed as part of the Commission's Wellbeing Strategy, provide further signposts to external support, and financial guidance.

The Commission also offers an Employee Assistance Programme, which is available to all Members, Member Support Staff and Commission staff. It is a free helpline that is available 24 hours a day, 365 days a year or via a weblink. Information is available on the Commission intranet.



The service provider offers the highest level of confidentiality in line with the British Association for Counselling and Psychotherapy Code of Ethics and Practice, and no personal information is passed to the Commission or the Member as the employer.

The helpline is an avenue for staff to turn to for advice regarding a range of issues

Recommendation 7. The Committee recommends that the Senedd Commission puts steps in place to evaluate the effectiveness of the initiatives it has introduced to mitigate the impact of cost of living pressures on staff and shares its findings from such reviews.

Noted

The Senedd Commission has put in a number of steps designed to support staff to navigate the cost of living pressures, including an index-linked pay award, discretionary support schemes, agile working practices and signposting to external guidance. We monitor this through staff and Trade Union engagement mechanisms.

We will share findings with the Committee during May 2023.

Recommendation 8. The Committee recommends that the Senedd Commission seeks the views of Members to better understand the engagement work they wish to take forward and, once that work is completed, provide an update to the Committee on how such proposals can be delivered within existing budgets.

Accepted

We will make arrangements to meet with Members and provide the Committee with an initial update in February 2023.



Annex 2

Amendment to Table 1 of the Commission's 2023-24 Budget.

As a result of recent increases in interest rates, the Commission is now receiving interest on its working balances.

Table 1, as shown below, has been amended to allow any interest income received to be used to offset against the administrative costs of the Senedd.

Table 1: 2023-24 Budget for the Senedd against requirements

Senedd Requirements	2023-24 £000
Resources other than accruing resources for use by the Senedd Commission ('the Commission') on resource and capital costs associated with the administration and operation of services to support the Senedd; promotion of the Senedd including payments to the Electoral Commission and others; payments in respect of the Commission for Standards and Remuneration Board; any other payments relating to the functions of the Senedd or functions of the Commission. Resources other than accruing resources for use by the Commission in respect of the decisions of the Remuneration Board and expenditure in respect of Members of the Senedd Pension provision	£67,643 Table 2
Accruing resources for retention pursuant to section 120(2) of the Government of Wales Act 2006 and use by the Commission from the disposal of fixed assets and other capital income for use on the purchase or acquisition of fixed assets, rental income, gifts, grants, cheques, interest on working balances , recharges and income from commercial sales and other services provided to the public or others for use on administrative costs of the Senedd.	£170 Table 8
Amount to be issued from the Welsh Consolidated Fund to meet the anticipated amounts falling due for payment in the year and in respect of the above services and purposes less expected receipts and recoverable VAT	£61,971 Table 3

A similar adjustment to the 2022-23 Budget will be proposed in the Commission's second Supplementary Budget.

