

Public Accounts Committee

Scrutiny of Accounts 2018–19

Recommendations contained in the Committee's Report on the 2017–18 Annual Report and Accounts

Recommendation 1. The Committee recommends that the Welsh Government takes the necessary measures to prevent any recurrence of officials refusing to provide information to the Public Accounts Committee (in confidence if need be) on the supposed grounds that they cannot legally do so (and in flagrant contravention of A4.12.11).

Recommendation 11. The Committee recommends that the Welsh Government publishes its timetable for the production publication of its accounts and annual report on an annual basis to aid transparency and understanding of the process.

Recommendation 12. The Committee recommends that the Welsh Government provides an update to the Committee in respect of its discussions with the Wales Audit Office, including the agreed actions to address the issues encountered during the preparation and audit of the 2017–18 accounts.

Recommendation 13. The Committee recommends that the Welsh Government clarifies for the Committee the resources it has in place for the process, as well as explain how it ensures it has sufficient skills and capabilities for the delivery of its annual accounts.

Recommendation 14. The Committee recommends that the Welsh Government makes more detailed financial and performance information, such as analyses of annual expenditure within each MEG and how these programmes are delivering against planned outcomes. This should include information to allow the public to see how decisions are made and also reports about its in-year performance to increase transparency and accountability.

Recommendation 15. The Committee recommends that the Welsh Government puts measures in place to ensure that it complies with the Welsh

Language Standards to publish simultaneously its accounts in English and Welsh.

Recommendation 16. The Committee recommends that the Welsh Government updates the Committee on the timetable for taking the Welsh Government's policy on the internal use of the Welsh language to the Board and shares the outcome along with any accompanying papers considered by the Board.

Recommendation 17. We recommend that Welsh Government considers how to comply with best practice in financial reporting by including information about its performance, and adopting this practice for the preparation of next year's annual report and accounts, before issuing further guidance to its sponsored bodies. As a minimum, the annual report and accounts should set out how the money has been spent and what it has achieved, with reference to the targets set by Welsh Ministers and the Welsh Government, as well as performance against them. This should include an analysis of spend against the aims of "Prosperity for All" (and the subsequent programmes) and other organisational targets in the accounts, aligned to the expenditure reported in the financial statements.

Recommendation 18. The Committee recommends that the Welsh Government makes clear the requirements with which it aims to comply when preparing its annual report and accounts. It should also be clear about the Welsh requirements for Annual Reports and ensures that all bodies comply with this guidance, including themselves. This will help to provide sufficient and appropriate information is disclosed enabling effective scrutiny.

Recommendation 19. The Committee recommends that Welsh Government considers what information can be included in its accounts to promote transparency in respect of the support provided for business without deterring potential investors.

Recommendation 20. The Committee recommends that the Welsh Government liaises with its counterparts in the Scottish Government to enhance its understanding of the potential merits of introducing a Whole of Government Accounts for Wales and provides an update to the Committee.

Recommendation 21. The Committee recommends that the Welsh Government shares with the Committee its action plan for reducing the gender pay gap.

Recommendation 22. The Committee recommends that, to aid transparency and facilitate scrutiny, the Welsh Government considers whether more information could be included in its future accounts to explain the purpose of exit packages and/or severance schemes.

Recommendation 23. The Committee recommends that the Welsh Government includes in its annual report and accounts information about the efficiency activities across its organisation. This should include outturn against the targets set, with an explanation where performance goals are not met.

Recommendation 24. The Committee recommends that the Welsh Government provides, in advance of the Committee's scrutiny of its 2018–19 accounts, an update in respect of the work of the Improving Efficiency Board and in particular, the actions implemented as a result of the independent review of its corporate services.

Recommendation 25. The Committee recommends that the Welsh Government clarifies why and how the “future proofing initiative” differs from “Fit for the Future”, the scheme introduced by the former Permanent Secretary. This should set out how the new programme is working not only to improve the efficiency of the organisation but also advance its capacity and agility.

Recommendation 26. The Committee recommends that the Welsh Government clarifies for the Committee its position in respect of adopting the UK Civil Service's Success Profiles and how these will work in the Welsh context, including the relationship – or otherwise – between this approach and that of the standards and values for internal promotion at gateway grades developed with the input of Future Generations Commissioner and which framework has pre-eminence.

Recommendation 27. The Committee recommends that, to ensure they are able to provide independent oversight and challenge of the Executive and

avoid conflicts of interest (actual or perceived), the Welsh Government should not commission its Non-Executive Directors to undertake work beyond the scope of their non-executive roles.

Recommendation 28. The Committee recommends the Welsh Government explains fully how it will gain documented assurances for those matters previously reported through the “calling in procedure”