

Children's Commissioner for Wales Strategic Report and Accounts 2015-16



Introduction

The Children's Commissioner for Wales is an independent children's human rights institution. The principal aim of the Commissioner is to safeguard and promote the rights and welfare of children. Two laws set out rules about how she can carry out her work and give her certain powers. These are the Care Standards Act 2000 and the Children's Commissioner for Wales Act 2001 (which amended the Care Standards Act 2000.)

Here is a summary of the Commissioner's powers

- The power to review and monitor the arrangements for complaints, whistleblowing and advocacy of defined public bodies;
- The power to review the exercise of functions (powers and duties) or proposed exercise of functions of defined public bodies, including Welsh Government;
- The power to examine cases, in respect of individual children;
- The power to provide assistance to individual children; and
- The power to make representations to the First Minister, Welsh Ministers and the Counsel General about any matters affecting the rights and welfare of children which concern her and for which she does not have the power to act.

The Commissioner does not have the power to act in a number of defined circumstances:

- Matters that have not been devolved to the Welsh Government which include immigration and asylum, child poverty, justice and policing, and children in the military;
- Where CAFCASS (the Children and Court Advisory Service) is able to act;
- Where Welsh Ministers have functions in respect of family proceedings; and
- From enquiring about or reporting on any matter that is or has been the subject of legal proceedings.

Professor Sally Holland took up her post as the Commissioner from 20th April 2015, having been appointed by the First Minister, for a seven year term. Between 8th March and 19th April 2015 Eleri Thomas took up the role of Acting Commissioner, in accordance with the Care Standards Act 2000.

There's a team of people who work with the Children's Commissioner to help her:

- support children and young people to find out about children's rights;
- listen to children and young people to find out what's important to them;
- advise children, young people and those who care for them if they feel they've got nowhere else to go with their problems;
- influence government and other organisations who say they're going to make a difference to children's lives, making sure they keep their promises to children and young people; and
- speak up for children and young people nationally on important issues – being the children's champion in Wales.

Audit and Risk Assurance Committee

The Commissioner's Audit and Risk Assurance Committee provides advice and assurance in respect of corporate governance, risk management and control within the Commissioner's office and the adequacy of the internal and external audit arrangements.

It meets at least bi-annually and is made-up of senior officials of the Commissioner's Office and Non-Executive members. The Non-Executive members of the Committee are:

- Wyn Mears – Business Consultant and former Director of the Association of Certified Chartered Accountants;
- Ian Summers – Former Partner at the Wales Audit Office;
- Greta Thomas – Former Director of NSPCC in Wales, until September 2015;
- Dr Iolo Doull – Consultant Respiratory Paediatrician at the University Hospital of Wales, Cardiff; and
- Aine Denvir – Child Care Solicitor.

Senior Officers

The following persons served as the Management Team during the year:

- Professor Sally Holland - Children's Commissioner for Wales (from 20th April 2015);
- Eleri Thomas – Chief Executive Officer and Deputy Children's Commissioner (Acting Commissioner from 8th March to 19th April 2015);
- Tony Evans - Head of Corporate Services;
- Andy Wallsgrove – Head of Operations;
- Sara Jermin – Communications Officer, until August 2015 (maternity leave);
- Amanda Evans – Human Resources Officer; and
- Gwion Evans – Communications Officer, from August to November 2015.

Funding

The Children's Commissioner for Wales is independent of, but funded by the Welsh Government. In 2015-16 the Commissioner received £1.718 million (2014-15: £1.715 million) to fund the Commissioner's activities. The funding for 2015-16 includes £2,500 in respect of funding for the Healthy Relationships Project.

Format of the Accounts

These financial statements have been prepared in accordance with Paragraph 7(2) Schedule 2 of the Care Standards Act 2000 and the Accounts Direction issued by Welsh Ministers. A copy of that direction can be obtained from the Head of Corporate Services, Children's Commissioner for Wales, Oystermouth House, Charter Court, Phoenix Way, Swansea, SA7 9FS.

These accounts have been prepared for the period from 1st April 2015 to 31st March 2016 and reflect the assets, liabilities and resource outturn of the Children's Commissioner. These financial statements have

been prepared in accordance with the Government's Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM apply International Accounting Standards (IFRS) as adopted or interpreted for the public sector context.

Results for the Year

The Statement of Comprehensive Net Expenditure shows expenditure, for the period, of £2.048 million (2014-15: £1.697 million). The general fund balance as at the year-end is £78,000 (2014-15: £408,000).

During 2015-16 the Commissioner's staff changed to 24.4 (whole time equivalent) from 25.1 (whole time equivalent) members of staff, which includes full time and part time employees. The change in staff numbers was due to the effect of the restructuring changes.

Learning and Development

The Commissioner continues to invest in the provision of learning and development opportunities for staff. Through the Commissioner's Appraisal Process all staff are encouraged to identify personal development needs and record these needs on a Personal Development Plan. The Appraisal Policy is a process which links individual performance and development to the objectives of the organisation. The main purpose of this process is to improve every employee's performance and contribution to the achievement of objectives by providing them with the right skills and environment to do their job to the best of their ability.

In addition the Office provides all employees with regular staff development sessions each financial year. These meet its obligations with regards to learning and development that is either dictated by statute or is considered essential for all staff groups, covering topics, for example, on Child Protection and Safeguarding.

Staff Consultation and Engagement

The Commissioner regularly consults with staff on major changes to the organisation and organisational development priorities. In the period the Commissioner undertook a reorganisation of her office, during which she ensured that all staff were involved in the consultation of the proposed options. This was achieved through a variety of methods including staff meetings, regular surveys and the intranet. In addition all staff were provided with opportunities as individuals and in groups to contribute to the strategic planning and restructuring processes.

Staff Absences

During 2015-16 the sickness absence rate within the Commissioner's office was 4 percent (2014-15: 6.2 percent), based as a percentage of the total available working days.

Sustainability

The Commissioner is committed to the principles as outlined in the Wellbeing and Future Generations Act 2015, which are:

- A prosperous Wales;
- A resilient Wales;

- A healthier Wales;
- A more equal Wales;
- A Wales of cohesive communities;
- A Wales of vibrant culture and thriving Welsh language; and
- A globally responsible Wales.

The Commissioner is committed to minimising her Office's impact on the environment wherever possible and seeks to reduce its impact via the following steps:

- Stationery and office resources: staff are encouraged to minimise their use of office consumables whenever possible. Printing and photocopying are kept to the minimum;
- Travel: where practical, meetings are held using video conferencing wherever possible. More than 90 percent of the Commissioner's official journeys are carried out by train or bicycle and she encourages her staff to do the same;
- Energy: the Commissioner encourages all staff to be energy conscious and consider ways of reducing their carbon footprint; and
- Waste disposal: the Commissioner is committed to recycling all waste, subject to external restrictions.

Senior Official Appointments

Professor Holland was appointed as the Children's Commissioner for Wales with effect from 20th April 2015. The remaining senior officers took up appointments between May 2006 and November 2009 and were appointed by the Commissioner under Schedule 2 paragraph 4 of the Care Standards Act 2000.

Equal Opportunities

All applications for employment with the Children's Commissioner for Wales are considered on the grounds that all job applicants should have equal opportunity for employment and advancement on the basis of their ability, qualifications and suitability for the work.

No job applicant or employee should receive less favourable treatment on grounds of race, colour, sex, sexual orientation, age, marital status, disability, religion, family/domestic responsibilities or working patterns, nor should any individual be disadvantaged by conditions or requirements which cannot be shown to be justifiable.

Auditors

The Children's Commissioner for Wales' accounts are examined and certified by the Auditor General for Wales in accordance with paragraph 9 of Schedule 2 to the Care Standards Act 2000.

RSM Risk Assurance Services provides internal audit services for the Commissioner.

During the period no remuneration was paid to the auditors for non-audit work.

Disclosure of Information to the Auditors

So far as the Commissioner's Office is aware, there is no audit information of which the auditors are unaware; and the Office has taken all the steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

Personal Data Related Incidents

Within the financial year, there were no reported incidents involving personal data. The Commissioner maintains an information security policy and procedures that ensure incidents related to personal data related incidents are minimised.

Events since the End of the Financial Year

There have been no events since the end of the financial year that affect the understanding of these financial statements.

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under Schedule 2 of the Care Standards Act, Welsh Ministers have directed the Children's Commissioner for Wales to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Children's Commissioner for Wales and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

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

The Commissioner is the Accounting Officer for her office by virtue of paragraph 10 of Schedule 2 to the Care Standards Act 2000. The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Children's Commissioner for Wales' assets, are set out in an Accounting Officers' Memorandum issued by HM Treasury.

ANNUAL GOVERNANCE STATEMENT

Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of governance that supports the successful implementation of my policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

The Purpose of the Governance Framework

The Governance Framework comprises the systems and processes, culture and values by which I direct and control the activities of my office. The Framework enables me to monitor the achievement of my strategic objectives and to determine whether the objectives have been delivered in a cost effective manner.

The system of internal control is a significant part of the Framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

This system of internal control is based on an ongoing process designed to identify and prioritise the risks to the successful implementation of my policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control – which accords with HM Treasury Guidance - has been in place for the year ended 31st March 2016 and continuing up to the date of approval of the annual report and accounts.

The Governance Framework

This office has no governing body, but is instead a Corporation Sole. This independence is critical to the holding to account role performed by the office in relation to the human rights of children and young people.

Given the emphasis on the role of the Commissioner as an individual, there are some respects in which the decision-making structure is different to other public sector bodies. However, as it is a public role involving use of public funds, accountability and decision-making need to be rigorous and transparent.

In principle, decisions should be made at the lowest level possible, however, there must always be a relationship between authority and responsibility. Those who are responsible for particular areas of work should have a clearly defined authority to make decisions, and a clear route and measure of accountability. Managers have overall responsibility for their area of work and the supervision of their staff teams. Delegation operates on the basis of delegation to named officers rather than to groups or committees. It is essential therefore that the scope and limits of that delegation be clearly spelled out. This is determined within my Governance and Decision Making Policy and within financial procedures.

The strategic and operational management of the office is carried out by the Management Team. The Management Team is responsible for the delivery of the aims and objectives of the office. In pursuing

the aims and objectives of the office, employees must adhere to office policies and procedures and keep within allocated budgets.

The Management Team meets monthly. Its primary purpose is to provide leadership, vision, purpose and accountability in taking forward and delivering the principal aims of the office. The Terms of Reference are reviewed every year and a copy is posted onto the staff intranet. Table 1 shows a record of attendance at Management Team during 2015-16.

Table1: Attendance record at Management Team during 2015-16

Monthly meeting	Professor Sally Holland	Eleri Thomas	Tony Evans	Andy Wallsgrove	Sara Jermin	Amanda Evans	Gwion Evans
April 2015	✓	✓	✓	✓	✓	✓	**
May 2015	✓	✓	✓	✓	X	✓	**
June 2015	✓	X	✓	✓	✓	✓	**
July 2015	✓	X	✓	✓	✓	✓	✓
August 2015	✓	✓	✓	✓	✓	✓	✓
September 2015	✓	✓	✓	X	***	✓	✓
October 2015	✓	✓	X	✓	***	✓	✓
November 2015	✓	✓	✓	✓	***	✓	✓
December 2015*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
January 2016	✓	✓	✓	✓	***	✓	N/A
February 2016	✓	✓	✓	✓	***	✓	N/A
March 2016	✓	✓	✓	✓	***	✓	N/A

Notes:

*December's meeting was not held. It was replaced by a whole organisation strategic planning day.

**Gwion Evans had lead responsibility for Communication between August and November 2015.

***Sara Jermin went on maternity leave from August 2015.

I have an Audit and Risk Assurance Committee to provide advice and support in relation to our governance arrangements. It plays an integral role in holding the Commissioner and the office to account. Members ask questions of us to ensure we are delivering on the things we've promised to do; that we are delivering on what the legislation that set up the organisation requires us to do; and ensures

the Commissioner, as Accounting Officer, is following the guidance and procedures set out by HM Treasury and the National Assembly for Wales.

The Audit and Risk Assurance Committee have Terms of Reference, which sets out their roles and responsibilities. The Committee provides advice and assurance in respect of corporate governance, risk management and control within the office and the adequacy of the internal and external audit arrangements. As reported in 2014-15, the Audit and Risk Assurance Committee completed an effectiveness review, based upon the HM Treasury’s Handbook on Risk and Assurance Committees, which highlighted a number of developmental needs. Following on from this review, the Committee has developed an action plan to take forward these needs.

The Committee published its Annual Report in November 2015 – a copy of this can be obtained on the Commissioner’s website – www.childcomwales.org.uk.

It met five times in 2015-16 and is made up of senior officials of the office and non-executive members. Table 2 shows attendance at the Committee during 2015-16:

Table 2: Independent Members attendance record during 2015-16

Quarterly meeting	Wyn Mears (Chair)	Ian Summers	Dr Iolo Doull	Greta Thomas	Aine Denvir
April 2015*	X	✓	✓	X	X
July 2015	✓	✓	✓	X	✓
October 2015	✓	✓	✓	N/A	✓
January 2016	✓	✓	✓	N/A	✓

Note:

*Ian Summers chaired this meeting in Wyn Mears’ absence.

**An additional meeting was held in December 2015 to discuss the Commissioner proposed restructuring business case.

Restructuring

Upon taking up my role, in April 2015, the organisation’s staffing structure was based upon an organisational review completed in 2010. The staff compliment of the Office (excluding the Commissioner) in terms of permanent posts was 25.1 whole time equivalents (WTE), as reported in the 2014-15 Annual Report and Accounts. Internal and external developments pointed to a need for some reorganisation of the structure, in order to respond to the continuing demands placed upon the team. These included:

- The Shooter Review in December 2014, and the Public Accounts Committee scrutiny of 2014-15 which made recommendations relating to the need for a review of the organisational structures.
- Societal and governmental changes since the establishment of the office in 2000, and the last reorganisation in 2008 that demand a changed response (including the rapid escalation of social

media, continued evolution of the devolution settlement and the corresponding development of civil society).

- Consultation about the future direction of the office: Beth Nesaf/What Next.

Whilst undertaking the review the parameters of the proposed reorganisation and likely redundancy costs changed with the announcement by the Welsh Government in December 2015 of a ten percent reduction in the funding for 2016-17.

The revised restructure of the office will be completed in 2016-17 and will be communicated with stakeholders upon its completion. I also took the difficult decision not to renew the lease on the Colwyn Bay office, firmly on the basis that we will continue to include and engage with children and young people from across Wales within all of our work streams. All staff are now based in our office in Swansea, bringing efficiencies in terms of office costs, supervision and management and the advantages brought about by co-location in terms of day-to-day support. We will be auditing our delivery to ensure that we maintain or increase our involvement throughout Wales.

Eight colleagues left the organisation this year due to the new structure and new opportunities. They all contributed to the work outlined in this report and over a number of years and I extend my sincere thanks to them all for their commitment to the organisation.

Focusing on the Purpose of the Organisation and on Outcomes

Strategic planning is the systemic approach to determining our goals. It enables me as a corporation sole, to fulfil my legislative remit and to deliver against the vision that I will set out in my Corporate Plan of ensuring positive and lasting changes for children and young people in Wales. The strategic and annual planning processes provide an overall strategic direction for all functions within the office; and helps to ensure we make the most effective use of organisational resources to maximise our impact for children and young people in Wales.

In 2015 I undertook a large-scale consultation exercise, *Beth Nesaf/What Next* to inform my strategic priorities for 2016-19. I drew on the findings of this consultation, which included 7,000 children and young people and over 1,000 adults, and other important evidence including the *Children and Young People Well-being Monitor for Wales* (published December 2015), and the *Analysis Of The Current State Of Children's Rights in Wales and The UK* as reported to the UN Committee on the Rights of the Child in 2015 and the Committee's list of issues arising from the committee session in October 2015.

In February 2016 I published *A Plan for all Children and Young People: 2016-19: Championing Children and Young People's Human Rights*, which set out my strategic priorities and the areas in which I hope that Welsh Government and other public services will have made significant progress by 2019. From this I developed a detailed preliminary annual work plan for 2016-17 for my team.

Records of progress are also shared with staff through regular staff meetings.

From 2016-17 the annual work plan sits within a three year strategic plan which sets longer term goals for my office with a clear framework for how these will be achieved and measured. The annual planning process will continue within this, providing an opportunity to review progress, make adjustments to the three year plan if necessary and respond to feedback from children and young people and other key stakeholders.

Promoting Values for the Organisation and Demonstrating the Values of Good Governance through Upholding High Standards of Conduct and Behaviour

Values

As an organisation:

- Children and young people play a clear and genuine part in informing and helping direct our work.
- We will ensure that children and young people with whom we have contact are kept safe through our policies and practices.
- We aim to combat discrimination in all forms and adhere to equalities legislation in all spheres of our work.
- We give English and Welsh languages equal status in our organisation and external communications and encourage the use of Welsh as an everyday language in our office.
- We adhere to the *One Welsh Public Service Values* as a context for the values and principles of our work.

Principles for delivery

As an organisation:

- We deliver the best value we can with our public money.
- All activities are linked clearly to the organisation's strategic plan.
- We are as transparent as possible, internally and externally, regarding how we have made decisions about priorities and methods of delivery.
- We maintain clear, logical and strong governance structures and quality assurance mechanisms.
- Wherever possible, the organisation measures the impact of its activities.
- We develop and maintain logical and efficient systems management for storing, retrieving, analysing, monitoring and reporting data.
- We work alongside other organisations where this will be of benefit to further the rights of children in Wales, but we retain the ability to independently scrutinise public bodies.
- We treat all people who contact our office with respect and courtesy at all times. We maintain a clear and accessible complaints policy.
- We are an employer that values and enables employees' contributions and gives them an opportunity to develop their skills.

These values were developed with staff during 2015, communicated to all staff and are posted onto the staff intranet. All new staff undertake induction training which provides information on the Commissioner's office, values and culture, policies and procedures relating to Employment, Health and Safety, UNCRC, Vision and Purpose, Financial procedures and ICT Security.

I take issues around fraud and maladministration very seriously and my office has established the following policies:

- Whistleblowing Policy;
- Anti-Fraud Policy;
- Policies relating to disciplinary or code of conduct; and
- Complaints Policy.

The Management Team regularly reviews and monitor compliance with these policies. These policies are also subject to regular review on a rolling basis. The policies are dated when complete and new review dates are noted following their review.

Taking Informed and Transparent Decisions which are Subject to Effective Scrutiny and Managing Risk

Responsibility for decision making in the office rests with me, however, I have delegated aspects of the operational decision making to the Management Team. Roles and responsibilities for all staff are clearly defined in the Governance and Decision Making Policy and detailed within the Overview of Roles and Responsibilities document. These documents outline the level of delegated responsibility within the office; and are posted onto the staff intranet. All employees have clear conditions of employment and job descriptions, which set out their roles and responsibilities.

Managers have overall responsibility for their area of work and the supervision of their staff teams. The Children's Commissioner for Wales also operates a project system which involves establishment of project teams that may draw members from the whole staff group.

Decisions made by the Management Team are documented and recorded in the minutes, which are posted to the staff intranet. All staff are informed of decisions made by the Management Team which are communicated via email, updates to the intranet and through verbal updates presented by the Commissioner in staff meetings.

Risk Management and financial management

I have a Risk Management Policy and Framework in place. As part of his role, my Head of Corporate Services ensures that the risks associated with the management and control of information within my office are assessed. All staff are aware of the policy and framework which details the approach and attitude to risk management and defines the structure for management and ownership of risk.

Training has been provided to all managers with authority to make decisions about risk treatment, recognising that some risks will need to be referred to the Management Team. All staff are encouraged to discuss risk management issues during their team meetings. Training for all staff to ensure that they are aware of guidance and best practice was provided during 2013-14; and training was also provided to the independent members of my Audit and Risk Assurance Committee. Training will be provided to all staff in 2016-17.

Risk management is incorporated into the strategic planning process. The key strategic risks are assessed by the Management Team. Each risk is owned by a member of the team and the risk register is made available to all staff. During the year, the risk register has been regularly reviewed at Management Team meetings and by the Audit and Risk Assurance Committee. Any new risks or changes are identified and evaluated. For example, as noted above, the reduction in funding was identified and evaluated as a high risk to the achievement of the Commissioner's aims and objectives. The risk appetite is determined by the Management Team in the context of the impact on the reputation of the office; the executive, operational and individual performance; the independence of the office; and the independent and objective review of activities, censure of any kind by regulatory bodies, financial loss, poor value for money, inappropriate use of public funds or any breach of

regularity or propriety. A risk assessment of each operational or project activity is undertaken prior to commencement.

Financial management is based upon a framework of regular management information and a set of clear financial procedures, these are contained within my Finance Handbook.

Review of management information involves regular budget monitoring and reporting. Comparison of spend against budget is reported to the Management Team on a monthly basis; and to the Audit and Risk Assurance Committee on a quarterly basis. The development of financial targets and other performance measures are undertaken as part of the development of annual work plans and the three year strategic plan.

My internal auditors for the period 2015-16, RSM Risk Assurance Services, have undertaken a review of my management of risk in 2015-16. In addition they have undertaken a review of my compliance with key financial control environment. They have made a number of recommendations which are being implemented.

Following a procurement exercise, I have appointed Deloitte as my internal audit providers.

Developing the Capacity and Capability of Officers to be Effective

Through my Management Team, I ensure that all members of staff have the necessary skills, knowledge and capacity to discharge their responsibilities. I recognise the importance of competent and well trained employees to ensure the effective delivery of my objectives. All new members of staff attend an induction process which introduces them to the policies and procedures; and culture of the office.

I have policies and procedures for supervision, appraisal and learning and development which link individual performance and development to the strategic objectives of the organisation. This is designed to improve every employee's performance and contribution to the achievement of the organisations objectives by providing them with the right skills and environment to do the job to the best of their ability.

I am committed to enabling and empowering employees to meet individual, team and organisational goals and I consider the process of annual appraisals, objective setting and personal development planning processes to be fundamental to achieving this aim.

Engaging with Local People and Other Stakeholders

This area of work sits within the 'Participation' and 'Promotion' areas of my strategic plan.

I am governed by legislation that states I must take reasonable steps to ensure that children and young people are encouraged to give their views on the role and functions of the Commissioner and the programme of work they undertake. In 2015-16 I consulted with 7,000 children aged 3-18 and 1,000 professionals and parents about my strategic priorities. I also have regular means of consulting with children through my super ambassador, secondary ambassador and community ambassador schemes. From July 2016 I will have a young people's panel which will have a role in advising my strategic planning and operational delivery.

Our External Relations Strategy outlines the internal procedures we adopt to maintain and build upon the current awareness levels and to help achieve an improved understanding among key audiences of the role, responsibilities and achievements of the Commissioner and to enhance the Commissioner's relationship with key influencers and stakeholders.

It also seeks to manage our messages externally in order to protect and enhance the organisation's reputation and to help clearly identify the desired outcomes for the organisation when engaging with external stakeholders. To support the implementation of this strategy, a media policy and social media policy are in operation.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of governance and in accordance with Managing Public Money in Wales, whether I comply with the Cabinet Office's Corporate Governance Code. This review is informed by the work of the internal auditors and the Management Team who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have also been advised on the effectiveness of the system of governance by the work of the Audit and Risk Assurance Committee. I have undertaken to ensure the continuous improvement of the internal systems and to address any weaknesses as they arise.

The process applied in maintaining and reviewing the effectiveness of the governance framework was:

- Collectively, the Management Team discussed and reviewed the operation of internal financial controls and the quality of the information provided;
- internal audit completed a review of the effectiveness of key internal controls; and
- the Audit and Risk Assurance Committee met in the year and advised on the implications of assurances provided in respect of corporate governance, risk management and control, the adequacy of the internal and external audit arrangements and management responses to audit recommendations.

RSM Risk Assurance Services provides the Internal Audit for my office within the period. They operate to Public Sector Internal Audit Standards. They submit regular reports which include the independent opinion on the adequacy and effectiveness of the Commissioner's system of internal control together with recommendations for improvement. During 2015-16 RSM provided me with assurance for this period that I have adequate and effective framework for risk management, governance and financial control in the areas which were reviewed in 2015-16.

In addition to the work of my internal auditors, my predecessor commissioned an external contractor to review our independent advice and support service. The contractor's report was submitted in 2014-15, a number of recommendations have been made which are now being implemented, led by my Head of Operations.

From my review of the effectiveness there are no significant internal control issues and where applicable, I comply with the principles as outlined in the Corporate Governance Code.

Programme of Improvement for Governance Issues

During the period there were no significant issues that impacted upon the governance framework. However, as noted in the previous year's Governance Statement, the Welsh Government completed an independent review of the powers and remit of the Commissioner and reported to the Minister for Communities and Tackling Poverty in December 2014. The Shooter Review covered seven general principles:

- Independence;
- Role and Function;
- Impact and Value for Money;
- Legislation and Powers;
- Participation;
- Accessibility; and
- The Office, its People and Processes.

The Review made 41 recommendations. I submitted my response, to the Welsh Government, in June 2015; and we are having ongoing discussions with the Welsh Government and others about the recommendations included within the report.

The National Assembly for Wales' Public Accounts Committee (PAC) held a number of evidence sessions with public bodies in the autumn of 2014. My predecessor, Keith Towler, attended an evidence session on 13th October 2014. The PAC has subsequently issued a report on their findings in March 2015, a copy of which can be found on my website – www.childcomwales.org.uk. I reported in 2014-15 a summary of their findings relating to my office, Table 3 provides an update on progress made against each recommendation:

Table 3: Recommendations made by the National Assembly for Wales' Public Accounts Committee

Recommendation number	Recommendation	Update on Progress
Recommendation 1	The in-coming Children's Commissioner should consider the Older People's Commissioner's (OPC) experience of planning and consultation on restructuring in undertaking any restructure of her own.	I have undertaken a restructuring exercise; and during this process have consulted with others, including the OPC, to help develop my proposals.
Recommendation 3	The Committee recommends that efforts to achieve efficiencies and greater productivity through collaboration, including integration of back-room functions, continue between the Commissioners and Ombudsman, and that this be reported on in their 2014-15 annual report and accounts.	I have worked with the Welsh Government officials, the Older Persons Commissioner and the designated Future Generations Commissioner to examine support functions and implement greater efficiencies. A number of efficiencies have been identified and implemented. I also continue to work with other organisations to work in a collaborative manner.
Recommendation 4	If the current funding relationship continues, the Welsh Government should communicate	I continue to work with Welsh Government to ensure my funding

	its decision at an early stage on the funding available to the Commissioners. These budgets should then be protected from later in year departmental reductions.	is delivered in a sustainable way.
Recommendation 5	The Commissioners and Ombudsman should publish clear information on the responsibilities they have delegated to their staff.	I have included a section within my Governance Statement relating to delegation of responsibility to my officers.
Recommendation 8	The three independent Commissioners should be clear in their estimates and their annual accounts on the level of reserves they seek to carry, and the types of activity that they may wish to use the reserves for.	I have included a section within my 2016-17 Budget Estimate on the impact of my work programme on the level of reserves. I have implemented a new reserves policy with the approval of my Audit and Risk Assurance Committee.
Recommendation 9	The Committee encourages organisations funded by public money to consider how they present information to ensure that it is readily understandable for the public, and that shows the organisation's priorities and the level of resource committed to those priorities.	I have ensured that this has been considered in the production of my 2015-16 Annual Report and Accounts.

The Welsh Government undertook a review of the support functions of my office and those of the Older Persons Commissioner for Wales (OPCW). The newly appointed Future Generations Commissioner for Wales (FGCW) joined the review process at a later date. The findings were reported to the Finance Minister in February 2016 who accepted the report in full. The Minister wrote to me thanking me and my fellow commissioners for engaging positively in the review and delivering benefits which go beyond financial savings. In addition to joint procurement of internal audit services with the other Welsh Commissioners and Public Services Ombudsman, I have agreed to share Human Resources delivery with the Future Generations Commissioner. I am also delivering joint programmes of work with the FGCW, OPCW and Welsh Language Commissioner.

Along with my Management Team I will continue to monitor the internal control environment and ensure that the governance framework continues to meet the needs of the organisation.

During 2016 I will be establishing an enhanced governance structure in line with recommendations from the Shooter Review and my own analysis of the organisation's governance needs. There will be a Commissioner's Advisory Panel (first meeting October 2016). The Audit and Risk Assurance Committee will form a sub-committee of this panel. I am also establishing a Young People's Panel (first meeting July 2016). Members of the Young People's Panel will sit on the Commissioner's Advisory Panel and one young person will co-chair this panel.

As Accounting Officer I have a legal duty to properly manage the resources made available to me to enable my office to deliver on its statutory obligations. I must also ensure that arrangements have been put in place to ensure that my office is properly managed and governed. This Governance Statement has provided a detailed description of these arrangements.

Certification by Accounting Officer

I am assured that the system of governance in operation within my office during 2015-16 has been robust. From the review of the effectiveness of the systems of internal control I am assured that the present arrangements meet the needs of the office and ensure that they comply with best practice.

**Professor Sally Holland, Children's Commissioner for Wales and Accounting Officer
21st July 2016**

Remuneration Report

Remuneration of Senior Members of the Management Team

The Welsh Ministers determine the remuneration of the Children's Commissioner for Wales in accordance with Schedule 2 paragraph 3 to the Care Standards Act 2000.

For other members of the Management Team, remuneration was determined by the Children's Commissioner for Wales based on guidance from civil service recruitment specialists.

The following sections, which have been subjected to audit, provide details of the remuneration and pension benefits of the most senior officials who have delegated responsibility within the Commissioner's office:

	Salary £000*		Benefits in Kind (to nearest £100)*		Pension Benefits (to nearest £1000)*		Total £000*	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Professor Sally Holland - Children's Commissioner for Wales, from 20 th April 2015.	85-90	-	-	-	33,000	-	120-125	-
Eleri Thomas – Chief Executive Officer and Deputy Commissioner ; and Acting Commissioner from 8 th March to 19 th April 2015.	70-75	65-70	-	-	28,000	25,000	100-105	90-95
Andy Wallsgrove – Head of Operations.	55-60	55-60	-	-	36,000	15,000	95-100	70-75
Tony Evans – Head of Corporate Services.	55-60	55-60	-	-	33,000	8,000	90-95	65-70

* This information is subject to audit.

Median Remuneration

	2015-16		2014-15	
Band of highest paid individual's remuneration (£000)	85-90	Band of highest paid individual's remuneration (£000)	90-95	
Median total	34,750	Median total	33,900	
Ratio	2.46	Ratio	2.71	

I am required to disclose the relationship between the remuneration of the highest-paid individual and the median remuneration of employees. The banded remuneration of the highest-paid individual in 2015-16 was £85-90,000 (2014-15: £90-£95,000). This was 2.46 times (2014-15: 2.71) the median remuneration of employees. Total remuneration includes salary and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Compensation Paid, Significant Awards to Former Senior Managers

During the period of restructuring a senior manager was made redundant. The compensation paid has been included in these financial statements.

Pension Benefits – Civil Service Pension Scheme

	Real increase in pension* £000	CETV(i) at 31.3.16* £000	CETV(i) at 31.3.15* £000	Real increase/(decrease) in CETV* £000
Professor Sally Holland – Children's Commissioner for Wales from 20 th April 2015.	2	22	-	15
Eleri Thomas – Chief Executive Officer and Deputy Commissioner; and Acting Commissioner from 8 th March to 19 th April 2015.	2	113	86**	10
Andy Wallsgrave – Head of Operations.	2	485	425**	19
Tony Evans – Head of Corporate Services.	3	347	299	19

* This information is subject to audit.

** The prior year figures have been restated to reflect adjustments made to the individuals accrued Nuvos pension benefits.

Pension Scheme

Pension benefits are provided through the Civil Service pension arrangements. From 30th July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (**classic, premium or classic plus**); or a 'whole career' scheme (**nuvos**). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year; and although these are defined benefit schemes it is not possible to disclose the amount of assets and liabilities of the schemes. Pensions payable under **classic, premium, classic plus** and **nuvos** are increased annually in line with changes in the Consumer Prices Index (CPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (**partnership** pension account).

Employee contributions are set at a percent of pensionable earnings for **classic, premium, classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **classic plus** is essentially a hybrid with benefits in respect of service before 1st October 2002 calculated broadly as per **classic** and benefits for service from October 2002 calculated as in **premium**. In **nuvos** a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31st March) the member's earned pension account is credited with 2.3 percent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

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

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic, premium** and **classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk.

(i) Cash Equivalent Transfer Values

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

senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme arrangement which the individual has transferred to the Principal Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

(ii) Real increase in CETV

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

Changes to the Civil Service Pension Scheme

From 1st April 2015 a new pension scheme, called Alpha, came into effect. The Alpha scheme replaces the **classic, premium, classic-plus** and **nuvos** schemes. The majority of staff transferred directly into Alpha on 1st April 2015.

Professor Sally Holland, Children's Commissioner for Wales and Accounting Officer
21st July 2016

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

I certify that I have audited the financial statements of the Children's Commissioner for Wales for the year ended 31 March 2016 under paragraph 9 (2) of schedule 2 to the Care Standards Act 2000. These comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, the Statement of Cash Flows, Statement of Changes in Taxpayers Equity and related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for preparing the financial statements, in accordance with the Care Standards Act 2000 and Welsh Ministers' directions made there under and for ensuring the regularity of financial transactions.

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

Scope of the audit of the financial statements

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

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

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

Opinion on Financial Statements

In my opinion the financial statements:

- give a true and fair view of the state of the Children's Commissioner for Wales' affairs as at 31 March 2016 and of its net expenditure, for the year then ended; and
- have been properly prepared in accordance with Welsh Ministers' directions issued under the Care Standards Act 2000.

Opinion on Regularity

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

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Welsh Ministers' directions issued under the Care Standards Act 2000; and
- the information in the Strategic Report and Accounts is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

I have no observations to make on these financial statements.

Huw Vaughan Thomas
Auditor General for Wales
28 July 2016

Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

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

Expenditure	Note	2015-16	2014-15
		£000	£000 Restated*
Administration costs:			
Staff Costs	2	1,365	1,149
Depreciation	4	21	22
Other Administration Costs	4	662	526
		<u>2,048</u>	<u>1,697</u>
Income			
Income from Activities		-	-
Other Income		-	-
		<u>-</u>	<u>-</u>
Net Expenditure		2,048	1,697
Interest payable/receivable		-	-
Net Expenditure after interest		2,048	1,697
Other Comprehensive Expenditure			
		2015-16	2014-15
	Note	£000	£000
Net gain/(loss) on revaluation of Plant and Equipment		-	-
Total Comprehensive Expenditure for the year ended 31st March 2016		<u>2,048</u>	<u>1,697</u>

*The prior year figures have been restated to reflect accounting adjustment.

All income and expenditure is derived from continuing operations. There are no gains or losses other than those reported in the Statement of Comprehensive Net Expenditure.

The Commissioner receives funding from the Welsh Government.

The notes on pages 29 to 37 form part of these accounts

Statement of Financial Position as at 31 March 2016					
		2016		2015	
		£000	£000	£000	£000
	<i>Note</i>				
Non-current assets:					
Property, plant and equipment	6		16		26
Current assets:					
Trade and other receivables	7	131		51	
Cash and cash equivalents	8	<u>204</u>	<u>335</u>	<u>583</u>	<u>634</u>
Total assets			<u>351</u>		<u>660</u>
Current liabilities:					
Trade and other payables	9	<u>(75)</u>	<u>(75)</u>	<u>(120)</u>	<u>(120)</u>
Total assets less current liabilities			<u>276</u>		<u>540</u>
Non-Current liabilities:					
Provision for liabilities and charges	15	<u>(198)</u>	<u>(198)</u>	<u>(132)</u>	<u>(132)</u>
Total assets less total liabilities			<u>78</u>		<u>408</u>
Taxpayer's equity:					
General fund			<u>78</u>		<u>408</u>

Professor Sally Holland, Children's Commissioner for Wales and Accounting Officer
21st July 2016

The notes on pages 29 to 37 form part of these accounts

Statement of Cash Flows
for the period 1st April 2015 to 31st March 2016

		2015- 2016	2014- 2015
		£000	£000
	Note		
Cash flows from operating activities			
Net Expenditure	2,4	2,048	1,697
Adjustment for non-cash transactions Increase/(decrease) in trade and other receivables	4 7	(110) 80	(24) (8)
(Increase)/decrease in trade payables	9	45	(84)
Use of Provisions	15	23	22
Net cash outflow from operating activities		<u>2,086</u>	<u>1,603</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	6	11	21
Net cash outflow from investing activity		<u>11</u>	<u>21</u>
Cash flows from financing activities			
Financing from the Welsh Government		1,718	1,715
Net Financing		<u>2,097</u>	<u>1,624</u>
Net increase/(decrease) in cash and cash equivalents	8	(379)	91
Cash and cash equivalents at beginning of period		583	492
Cash and cash equivalents at end of period		<u>204</u>	<u>583</u>

The notes on pages 29 to 37 form part of these accounts

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

	Note	General Fund £000
Balance as at 31st March 2015		408
		<hr/>
Changes in Taxpayers' Equity 2015-2016		408
Funding from Welsh Government		1,718
Comprehensive net expenditure for the year		(2,048)
		<hr/>
Balance at 31st March 2016		78
		<hr/>

The notes on pages 29 to 37 form part of these accounts

Notes to the Accounts

1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the Government's Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Accounting Standards (IFRS) as adopted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commissioner for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items considered material in relation to the accounts.

We have considered the impact of standards and interpretations which have been issued but are not yet effective and which have not been adopted early by the Commissioner. With the exception of International Financial Reporting Standards (IFRS) IFRS16 Leases, the Commissioner anticipates that the adoption of these Standards and interpretations in future periods will have no material impact on the financial statements. The impact of IFRS16, which has been issued by the International Accounting Standards Board (IASB) but not yet adopted by the European Union and will apply from 2019-20, is not reasonably estimable at this stage.

The particular accounting policies adopted by the Children's Commissioner for Wales are described below.

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention as in the opinion of the Children's Commissioner for Wales the effect of the revaluation of fixed assets at their value to the organisation by reference to their current cost is considered to be immaterial.

1.2 Funding

The only source of funding for the Children's Commissioner for Wales is from the Welsh Government via an annual grant, which is credited to the general fund when the grant is received. The grant is recognised in the period in which services are provided.

1.3 Property, Plant and Equipment

The Commissioner has valued all non-current assets at historic cost as any revaluation adjustments are, in the Commissioner's opinion, not material. The minimum level for capitalisation of individual assets is £1,000. Large numbers of the same type of asset have been grouped together in determining if they fell above or below the threshold.

1.4 Depreciation

Depreciation is provided at rates calculated to write off the value of non-current assets by equal instalments over their estimated useful lives, as follows:

• ICT Equipment	3 years
• Furniture	5 years
• Office Equipment	5 years
• Fixtures & Fittings	5 years
• Vehicles	5 years

A full year's depreciation is charged in the year of acquisition.

1.5 Statement of Comprehensive Net Expenditure

Operating income and expenditure is that which relates directly to the operating activities of the Commissioner. It comprises charges for goods and services provided on a full cost basis. All expenditure is classed as administration expenditure.

1.6 Value Added Tax

The Commissioner is not registered for VAT. Expenditure and fixed asset purchases are accounted for VAT inclusive, as VAT is irrecoverable.

1.7 Pensions

The Commissioner's staff are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is a defined benefit scheme. The cost of the defined benefit element of the scheme is recognised on a systematic and rational basis over the period during which it derives benefit from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the scheme, the Children's Commissioner recognises the contributions payable for the year; these amounts are charged to the Statement of Comprehensive Net Expenditure in the year of payment.

1.8 Leases

Leases of assets where substantially all risks and rewards of ownership of a leased asset are borne by the Commissioner are classified as finance leases. The asset is recorded as a tangible fixed asset and a debt is recorded to the lessor of the minimum lease payments. Payments are charged to the Statement of Comprehensive Net Expenditure and a finance charge is made based upon the interest rate implicit in the lease.

Operating lease rentals are charged to the Statement of Comprehensive Net Expenditure in equal amounts over the lease term.

1.9 Segmental Reporting

The Commissioner's Office operates in Wales and deals with issues that impact upon children and young people in Wales. The Statement of Comprehensive Net Expenditure and associated notes reflects the segments that the operating results are reported.

1.10 Staff Expenses

The Commissioner provides for short term compensated absences unused at the year-end.

1.11 Provisions

The Commissioner provides for legal or contractual obligations which are of uncertain timing or amounts at the balance sheet date, on the basis of best estimate of the expenditure required to settle the obligation.

1.12 Cash and Cash Equivalent

The Commissioner holds cash which is deposited in a commercial bank account upon receipt. Petty cash is also held at each of the Commissioner's offices.

2. Staff Numbers and Related Costs

a) For the year staff costs consist of:

	2015-2016 £000			2014-2015 £000
	Permanently Employed Staff	Other	Total	Total
Wages and Salaries	949	48	997	948
Social Security Costs	79	-	79	78
Pension Costs	302	-	302	167
Sub Total	1,330	48	1,378	1,193
Less recoveries in respect of outward secondments	(13)	-	(13)	(44)
Total Net Costs	1,317	48	1,365	1,149

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the participating organisations are not able to identify their share of the underlying assets and liabilities. The scheme was last actuarially valued as at 31 March 2007 but since this date, actuarial valuations of the Scheme were suspended pending the implementation of the Hutton Review recommendations. Details can be found in the Resource Accounts of the Cabinet Office: Civil Superannuation – www.civilservice-pensions.gov.uk.

For 2015-16, employer's contributions of £168,808 were payable to the PCSPS (2014-15: £153,777) at one of four rates in the range 16.7 percent to 24.3 percent of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer's contributions of £17,040 were paid to one or more of a panel of appointed stakeholder pension providers (2014-15: £10,866). Employer contributions are age-related and range from 3 to 12.5 percent of pensionable pay (2014-15: 3 to 12.5 percent). Employers also match employee contributions up to 3 percent of pensionable pay. In addition, employer contributions of £750 or 0.8 percent of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of employees (2014-15: £1,107 or 0.8 percent). Contributions of £nil were due to the partnership pension providers at 31st March 2016, (2014-15: £1,851). All these contributions are included in Pension costs in Note 2a above.

b) The average number of whole-time equivalent persons employed (including senior management) for the period was as follows:

	2015-2016 £000			2014-2015 £000
	Permanently Employed Staff	Other	Total	Total
Directly Employed	23.1	1.3	24.4	25.1
Total	23.1	1.3	24.4	25.1

3. Reporting of Civil Service and Other Compensation Schemes – Exit Packages

Exit package cost band £000	2015-16			2014-2015		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10	-	-	-	-	1	1
£10-£25	-	3	3	-	-	-
£25-£50	-	3	3	-	-	-
£50-£100	1	-	1	-	-	-
£100-£150	-	-	-	-	-	-
£150-£200	-	-	-	-	-	-
Total	1	6	7	-	1	1
number of exit packages by type						
Total	79	179	258	-	1	1
resource cost £000						

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the Commissioner has agreed early retirements, the additional costs are met by the Commissioner and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and not included in the table.

The full costs of departure are charged to the Statement of Comprehensive Net Expenditure in the year that the decision is made. Amounts payable in future years are credited to a provision which is utilised when the payments are made (see note 15).

4. Other Administration Costs

	2015-2016 £000	2014-2015 £000 Restated*
4.1 Rental under operating leases:		
- vehicles	-	5
- accommodation	71	71
- photocopier	5	4
	76	80
4.2 Administration costs:		
Premises	53	53
Office	70	87
Training and recruitment	36	31
Travel and subsistence	26	33
External audit's remuneration	19	19
Internal auditor's remuneration	10	12
Communication	44	72
ICT equipment	18	57
Other	166	59
Legal and professional fees	55	21
	497	444
4.3 Non-cash items:		
- depreciation charge on ordinary assets	21	22
- loss on disposal of fixed assets	-	-
- in year provision made	89	2
	110	24
	683	548

*The prior year figures have been restated to reflect accounting adjustments

5. Segmental Information

The Commissioner's office operates in Wales and deals with issues that impact upon children and young people in Wales. The monthly information presented to the Management Team is based upon the ledger balances. This information is consolidated into the budget lines and matches the budget lines presented to the Welsh Government as part of the estimate process. The information does not differentiate between different activities within the Commissioner's office. Further analysis of the information does not identify different activities or segments. It is therefore the Commissioner's opinion that her office only operates in one segment as reported.

6. Property, Plant and Equipment

	IT Equipment £000	Fixtures & Fittings £000	Office Furniture and Equipment £000	Transport Equipment £000	Total £000
Cost					
At 1 April 2015	262	211	271	49	793
Additions	11	-	-	-	11
Disposals	-	-	-	-	-
At 31 st March 2016	273	211	271	49	804
Depreciation					
At 1 st April 2015	243	207	268	49	767
Charged in year	19	1	1	-	21
Disposals	-	-	-	-	-
At 31 st March 2016	262	208	269	49	788
Net book value At 31 st March 2015	19	4	3	-	26
Net book value At 31 st March 2016	11	3	2	-	16
Asset financing:					
Owned	11	3	2	-	16
Net book value At 31 st March 2016	11	3	2	-	16
Owned	11	3	2	-	16
Net book value At 31 st March 2015	19	4	3	-	26

All assets are owned by the Commissioner, there are no assets financed through a finance lease.

7. Trade Receivables and Other Current Assets

	2015-2016 £000	2014-2015 £000
Amounts falling due within one year:		
Trade and other receivables	89	11
Prepayments and accrued income	42	40
	<u>131</u>	<u>51</u>

8. Cash and Cash Equivalents

	2015-2016 £000	2014-2015 £000
Balance at 1st April	583	492
Net change in cash and cash equivalent balances	379	91
Balance at 31st March	<u>204</u>	<u>583</u>

All balances as at 31st March 2016 were held with a Commercial bank and cash in hand.

9. Trade Payables and Other Current Liabilities

Amounts falling due within one year	2015-2016 £000	2014-2015 £000
Taxation and social security	18	55
Trade payables	31	11
Accruals	26	54
	<u>75</u>	<u>120</u>

10. Commitments under Leases

Operating Leases

The Commissioner was committed to making the following payments in respect of operating leases expiring

	2015-2016 £000		2014-2015 £000	
	Land & Buildings	Other	Land & Buildings	Other
Obligations under operating leases:				
Not later than one year	59	-	59	4
Later than one year and not later than five years	199	-	199	-
Later than five years	17	-	66	-
	<u>275</u>	<u>-</u>	<u>324</u>	<u>4</u>

11. Financial Instruments

IFRS7, Financial Instruments, requires disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the non-trading nature of the Commissioner's activities and the way in which her operations are financed, her office is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS7 mainly applies. The Commissioner has very limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks she faces in undertaking her activities.

Liquidity Risk

The Commissioner's net revenue and capital resource requirements are financed by the Welsh Government. Her office is not therefore exposed to significant liquidity risks.

Interest-rate Risk

The Commissioner's financial assets and liabilities are not exposed to interest-rate risks.

Foreign Currency Risk

The Commissioner's financial assets and liabilities are not exposed to foreign currency risks.

Fair Values

There is no difference between the book values and fair values of the Commissioner's financial assets and liabilities as at 31st March 2016.

12. Capital Commitments

There were no capital commitments as at 31st March 2016.

13. Contingent Liabilities

There were no contingent liabilities as at 31st March 2016.

14. Related Party Transactions

The Welsh Government is a related party, the Commissioner received her sole source of funding from the Welsh Government; she received £1.718 million during the period. The Commissioner has had a small number of material transactions during the period with HM Revenue and Customs (Tax and National Insurance payments); and the Cabinet Office (payments in respect of the Principle Civil Service Pension Scheme).

There were no material transactions with organisations in which senior staff, or any of their family, held positions of influence.

15. Provisions for Liabilities and Charges

	Early Departure	Other	Total
	£000	£000	£000
Balance as at 1 April 2015	132	-	132
Use of provision	(23)	-	(23)
In year provision	83	6	89
Balance as at 31 st March 2016	192	6	198

Analysis of Expected Timings of Provisions

	Early Departure	Other	Total
	£000	£000	£000
Not later than one year	102	6	108
Later than one year and not later than five years	90	-	90
Later than five years	-	-	-
Balance as at 31 st March 2016	192	6	198

Early Departure Costs

The Commissioner meets the additional cost of benefits beyond the normal Principal Civil Service Pension Scheme (PCSPS) benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement age. The Commissioner provides for this in full when the early departure becomes binding by establishing a provision for the estimated payments.

Other

The Commissioner has established a provision to meet the costs linked to the Commissioner compliance with the leases of the Swansea and Colwyn Bay offices.

16. Events after the Reporting Period

There were no events between the statement of financial position date and the date the accounts were signed that impact upon these statements. The Accounting Officer authorised these financial statements for issue on 21st July 2016.