

John Booth
PCS
Floor 2
Transport House
1 Cathedral Road
Cardiff
CF11 9SD
wales@pcs.org.uk

Tuesday 30 September 2025

Finance Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

Senedd Commission Draft Budget 2026–27

I am writing on behalf of PCS Union to provide our views on the Senedd Commission's ('the Commission') draft budget for 2026–27. We hope to contribute to the Finance Committee's scrutiny, particularly as the Commission prepares to support the first year of an expanded Senedd.

PCS continues to advocate for a sustainable funding settlement, especially in light of the transformational demands of Senedd Reform. While we acknowledge the overall budget increase of 21.34%, we are alarmed by the real-terms cut in the core operational budget, which has increased by just 3.07%. The inflation indicator referenced by the Commission, the GDP deflator, stands at 4.07%. This marks a wholesale reversal from the Commission's explicit rejection of the GDP deflator last year as a realistic benchmark for operational budget growth. The conscious decision to now fall beneath that index is very concerning and risks undermining the Commission's ability to deliver its core functions effectively during a period of significant change. Although ring-fenced programme budgets exist for Senedd Reform, Bay 32, and election-related costs, this ring-fencing does not effectively insulate the operational base from the impact of enormous change.

We are concerned that the draft budget states that 'the assumption for the medium-term is that the Commission financing requirements will be in excess of the resourcing available' (p12). It looks like the Commission is asking Members for less than is needed. The Commission's explanation that 'making a cohesive and evidenced case for requesting additional resource' is 'at the extreme' end of their options (p12) is indicative of a concerning approach to resourcing. Although it is asserted that steps have been taken 'in the development of this budget to ensure it ... reflects Members' views' (p8) PCS is eager to learn what the Committee, in its scrutiny, makes of this approach.

Commission Staff Pay

This brings us on to pay. Members of the Senedd are due to receive a pay increase in line with the ASHE index, and a 5% increase has been included to cover this in the Determination that forms a part of this draft budget. Although we welcome that Members' support staff will benefit from this mechanism, it is disappointing that the proposed pay award for Commission staff falls significantly short. It even falls below the Welsh public sector remit for 2025-26 of an average of 3.75% (due to

the Commission's proposed tapering), and will not take effect until a year later than it does for their public sector colleagues. The award is also not even fully funded by the 3% increase in this draft budget for the existing ('business as usual') headcount. Funding for the remainder of these rises includes a reliance on "churn" within the year, potentially exposing staff to working in an under-resourced way rather than filling staffing gaps pro-actively, in order to realise these in-year cash savings.

PCS remains in dispute with the Commission. While the 2025-26 Commission staff pay award went a little way to claw back some of the real-terms loss in pay over the past few years, it did not undo it. There is no agreement on the proposed pay award. Indeed Trade Union Side (TUS) have yet to respond to Commission management to confirm the respective views of the three recognised unions, and there is no provision in this budget that would enable further meaningful negotiation. Such an oversight opens the institution up to the risk of acute instability at such a critical time.

AI

PCS also have concerns around Artificial Intelligence (AI), referenced in the Staffing section in the draft budget (p14). PCS believe AI could have a profound impact on how the Commission works, but believe the Commission should be cautious about overestimating the anticipated benefits, particularly where evidence for benefit is limited or absent. The broader AI strategy should focus on enhancing the working lives of staff and improving the quality of parliamentary services, rather than functioning to anticipate or justify effective reduction in spending on other resources.

Reduced Working Week

A time of change for the organisation would seem to PCS like the opportune moment to re-establish ways of working, and PCS are disappointed that the draft budget makes no mention of discussions and negotiations around the Reduced Working Week. PCS believe that meaningful progress towards a reduced working week could have been part of an effective compromise on pay and conditions between the organisation and the recognised unions, as ways of working with a new cohort of Members and MSS for the Seventh Senedd are established.

As the Senedd enters a new chapter, the Commission must be equipped to meet its obligations to Members and to the public. This requires a budget that reflects the true cost of delivering parliamentary services in a larger, more complex institution. We ask the Committee to apply its Statement of Principles with a view to long-term operational sustainability and to demand a budget that enables the Commission to fulfil its obligations to its staff, Members and the people of Wales. In our view, with particular focus on the operational budget and staff pay, the draft budget falls short.

Yn gywir,

John Booth
Industrial Officer