

Concise Minutes - Remuneration Board

Meeting Venue:

Meeting date: Thursday 10 March 2022

Committee Rooms 1 and 2 - Senedd

Meeting time: 09.00 – 15.30

IRB(02-22)

Attendance

Category	Names
Board members:	Dr Elizabeth Haywood (Chair); Rt Hon Sir David Hanson; Michael Redhouse; Hugh Widdis
Officials:	Huw Gapper, Clerk; Joanna Adams, Second Clerk; Ruth Hatton, Deputy Clerk; Anna Daniel, Senior Adviser to the Board; Craig Griffiths, Legal Adviser to the Board; Bethan Davies, Head of Member Support and Engagement; David Lakin, Committee Support Officer; Martin Jennings, Research Team Leader, Financial Scrutiny Unit; Matthew Richards, Head of Legal Services.
Witnesses	Tom Merrifield, Avison Young; James Williams, Avison Young.

1 Chair's Introduction (9.00 - 9.15)

Paper 1 – minutes from 27 January meeting

Paper 2 – Letter from the Chief Executive and Clerk, relating to a number of issues for consideration

- 1.1 The Chair welcomed everyone to the meeting.
- 1.2 Apologies were received from Jane Roberts.
- 1.3 The Chair gave feedback to the Board following her recent meetings with the Chief Executive and Clerk. The Board noted a letter from the Chief Executive and Clerk that covered a number of issues.
- 1.4 The Board noted the paper 'Respective Roles and Remit' that provides Members with an overview of the Senedd Commission, Accounting Officer, the Board and the Standards Commissioner in the governance of Members' access to services and resources. They agreed it provided helpful background.
- 1.5 The Board is keen to understand further the interaction and any overlap between the Determination and services provided to Members by the Commission and any gaps in provision.
- 1.6 The Board noted additional correspondence from the Chief Executive and Clerk that was received during the meeting. The correspondence provided the Board with an update on the consultation on the Rules on the use of Senedd Resources and also information on support for the Board in order to support its strategic work programme.
- 1.7 The Board agreed to consider the contents of the letter by email (out of Board), and feed any comments back to the secretariat, to be incorporated into the response to the Chief Executive and Clerk.
- 1.8 The Board reflected on the drop in session, held the previous day with Members in the Senedd, and agreed that it was useful and informative. The Board agreed for the next drop in session to trial appointments with Members and for Board Members to meet Members in groups of two or three.
- 1.9 The Board agreed the minutes of the 27 January meeting and asked for a matters arising paper and an actions agreed paper to be included in all future meeting packs.

Action: The Secretariat to prepare the update letter to Members following the meeting, draft response to the Chief Executive and Clerk and the draft minutes and matters arising.

2 Item for discussion and decision: Annual Review of the Determination - post consultation (9.15 - 12.15)

Paper 3 - overview

- 2.1 The Board considered all responses received and welcomed the high level of engagement from Members, Support Staff and groups on its consultation.
- 2.2 As part of its consideration, the Board acknowledged that we are living in exceptional times and that several of the consultation proposals, agreed by the Board in November 2021, are 'behind the curve' of the situation currently being faced.
- 2.3 The Board agreed to publish a consultation report and supporting evidence alongside the new Determination, which must be laid by 1 April 2022.

Action: The Secretariat to:

- prepare the revised Determination and report and make arrangements for its laying and publication by 1 April 2022.
- draft responses to all respondents of the consultation and issue said responses as soon as possible, and in any event by the Easter recess.

Paper 4 – Chapters 3,7 and 8 member and Support Staff remuneration and Support for Political Parties

- 2.4 The Board considered and agreed that staff salaries should increase by 3 per cent (consolidated), for both Member staff and staff employed by the Party Groups, and not increase by ASHE Wales which for this year was due to be 0.4%.
- 2.5 In coming to this decision the Board recognised the exceptional economic circumstances, and specifically how they impact on Member support staff. Given the current and future economic context, an increase of 3 per cent was deemed appropriate. The Board also recognised the value placed on support staff by their employing Members. This decision related to Proposal 7.
- 2.6 The Board agreed that in relation to Members' salaries, no change will be made to the Determination. Member's salaries will increase according to ASHE Wales, which for this year is 0.4 per cent.
- 2.7 The Board agreed to consider a paper at the next meeting in relation to the Support Staff Pension scheme in order to compare it with other schemes, including the Civil Service pension scheme provision.
- 2.8 The Board agreed to make provision for paid and unpaid time off for public duties. The decision taken for Reservists was to afford them up to 15 days per annum paid special leave for compulsory training. The Board agreed not to seek to recover the double

payment element in respect of any member of staff granted paid time off for reservist training where they also receive remuneration from the MOD. This decision related to Proposal 9.

- 2.9 The Board agreed to increase the proportion of the Support for Political Parties Allowance in 2022-23 that related to staffing expenditure by 3% rather than 0.4%. This decision related to Proposal 10.

Paper 5 – Chapter 4 Residential Accommodation Expenditure

- 2.10 The Board considered and agreed to uplift the allowance by applying the most recent CPI figure available to them of 5.5 per cent (January 2022) as opposed to that which had been proposed (3.1 per cent).
- 2.11 The Board agreed that this uplift would apply to both the quantum of the annual allowance for the rental of flats for outer area and intermediate area members. This decision related to Proposals 1 and 4.
- 2.12 The Board also agreed that the same uplift will apply to the quantum of the allowance for those Members with caring responsibilities. This decision related to Proposal 2.
- 2.13 The Board agreed that there would be no change to the allowance for essential repairs. This decision related to Proposal 3.
- 2.14 The Board agreed that the CPI uplift of 5.5 per cent would apply to the maximum nightly amount that may be claimed for hotel accommodation. This decision related to Proposal 5.

Paper 6 – Chapter 6 Office and Constituent Liaison Fund and the Policy, Research and Communications Fund

- 2.15 The Board commissioned external research by Avison Young on the rental market of offices across Wales. The Board took evidence from Avison Young during the meeting.
- 2.16 The Board considered the Avison Young report useful as it illustrated the wide variances across Wales and the report will be helpful for the Board to inform future thinking on its review of the Office and Constituent Liaison Fund.
- 2.17 The Board agreed that the report should be published in the spirit of openness.
- 2.18 In terms of the quantum of the allowance, the Board agreed to apply the increase as at the September CPI rate of 3.1 per cent.
- 2.19 The Board agreed to keep a close eye on energy prices and seek evidence from Members, via Member Business Support, of the increase in energy costs for Members' offices so as to make a more accurate and appropriate adjustments to the allowance to reflect these.

- 2.20 The Board agreed that the Policy Research and Communications Fund (PRCF) of £2,500 be subsumed into the Office and Constituent Liaison Fund. Members may therefore use the increased OCLF allowance to claim reimbursement for any items currently available only via PRCF as well as usual expenditure permitted under OCLF.
- 2.21 The Board agreed that the Office and Constituent Liaison Fund, including the subsumed PRCF, will increase in accordance with the index of CPI as at September 2021 (3.1 per cent). These decisions related to Proposals 6 and 8.
- 2.22 The use of the PRCF has been published in the Board's annual report. However, in line with the Board decision, there is no longer a need for separate publication of these items.
- 2.23 The Board also agreed that there will be no requirement for prior approval for research by Member Business Support. As set out in the Determination three quotes will be needed for items over £750.
- 2.24 The same rules will be applied to research being conducted by Party Groups from any remaining balance in their budgets, as currently set out in the Determination.
- 2.25 Members will also be able to claim for joint research between Members or a Member and Group.
- 2.26 Currently, claims from PRCF are not allowed 4 months prior to an election. The Board agreed that this rule was unnecessary given other safeguards in the Determination and the Accounting Officer's Rules on the Use of Resources.

Paper 7 – Miscellaneous Issues

- 2.27 The Board considered enhanced security measures recommended by the Senedd Security service on Members main homes should not be subject to the exceptional expense process but instead be treated in the same way as claims for security requirements for offices and residential accommodation. This decision related to Proposal 11.
- 2.28 The Board noted the security update and welcomed the additional support provided to Members, but were concerned at the pace of rolling out the support as reported to them by several Members.
- 2.29 In relation to childcare provision on the Senedd estate, the Board noted that the Chief Executive has agreed to review options. The Board agreed to consider the matter further in the light of the Commission's consideration.
- 2.30 A review of the regulatory framework was called for by two respondents and the Board noted that it was not a matter for the Board to initiate. However, it would welcome participation in such a review, should Members decide it is necessary. The Board also agreed to undertake a mid-term effectiveness review (to be conducted by the internal audit team).

2.31 The Board decided the cost of supplying broadband to Members' homes should be paid from the Determination (Members are already entitled to claim broadband costs for rented accommodation in Cardiff). The Board also requested an update on the Senedd Commission's discussions with HMRC in relation to the tax on broadband charges.

3 Item for discussion: Update paper (13.00 - 13.30)

Paper 8 – update paper

3.1 The Board noted updates on:

- the impact of Covid-19 arrangements on Senedd business;
- the Board's Member engagement programme;
- the work of the Special Purpose Committee on Senedd Reform;
- the Members' Pension Scheme; and
- finance.

3.2 The Board agreed to schedule its next formal meeting for Thursday 26 May.

4 Item for discussion: Board's Strategic work programme (13.30 - 15.00)

Paper 9 – Forward work programme

4.1 The Board considered its strategic forward work programme for its remaining term in office. It agreed that it would need to undertake two phased workstreams and conduct this work in tandem.

4.2 The first workstream to focus on the Determination for the Sixth Senedd which will include all routine business such as annual review, annual reports and existing commitments. Such commitments include for example, considering an update on security assessments for Members in the autumn term of 2022 and reviewing the implications of the Co-operation Agreement.

4.3 The Board also identified two additional priority areas for thematic review for the Sixth: new ways of working, which will include a review of the Office and Constituent Liaison Fund and support for working from home, and reviewing the support staff allowance, including the job role, pay and grading structure.

4.4 The Board agreed to begin the scoping of the new ways of working review at its next meeting in May and the support staff allowance at its July meeting.

4.5 The second workstream that the Board agreed related to preparing the Determination for Seventh Senedd. As decisions on Senedd Reform become clearer, the Board agreed its intention to take stock and decide on the scale of change required and priority areas for thematic review. In advance of this, the Board will seek to undertake preparatory research

and commence conversations regarding high level principles for the future design of the Determination during this coming year.

- 4.6 The Board also agreed to explore some particular cross-cutting issues, simplification and flexibility, as well as decarbonisation.
- 4.7 The Board agreed to continue to seek to work jointly with the Senedd Commission to explore the interaction between the uses by Members of the Determination's allowances and services provided to Members by the Commission. The Board also agreed to undertake a mid-term effectiveness review later in the year and will review how best to engage with Members and their staff to understand their needs.
- 4.8 The Board gave initial consideration to the approach to resourcing its strategic work programme and agreed that the Chair and Senior Adviser should consider this matter further and brief the Chief Executive and Clerk.