

# Remuneration Board

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Meeting Venue: **Conference Room 4B – Tŷ Hywel**

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Meeting date: **Thursday, 14 November 2013**

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Meeting time: **09.30 – 17.00**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



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## Concise Minutes:

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### Assembly Members:

**Sandy Blair CBE (Chair)**  
**Mary Carter**  
**Stuart Castledine**  
**Monojit Chatterji**

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### Witnesses:

**Hannah Beacham, Wragge & Co**  
**Richard Bettley**  
**Paul Carberry, Wragge & Co**  
**John Chick, National Assembly for Wales**  
**Adrian Crompton, Director of Assembly Business**  
**Anna Daniel, Clerk of the Business Committee**  
**Elisabeth Jones, Director of Legal Services**  
**Carys Evans, Principal Commission Secretary**  
**Matthew Richards**  
**Kevin Milton, Wragge & Co**

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### Committee Staff:

**Gareth Price (Clerk)**  
**Daniel Collier (Deputy Clerk)**

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## 1 Chair's introduction

1.1 The Interim Chair welcomed the Board to the meeting and noted that this was its first meeting without Sir George Reid. The Board were pleased to note that Sir George Reid's operation had been successful and that he was convalescing well. The Board recognised the important role that Sir George Reid had played in the Remuneration Board and wished him a speedy recovery.

1.2 The Interim Chair extended a welcome to Gareth Price and Dan Collier, recently appointed as the Clerk and Deputy Clerk respectively and wished to place on record his gratitude to the out-going Clerk and Deputy Clerk, Carys Evans and Al Davies, for their valuable contribution to the work of the Remuneration Board.

1.3 Minutes of the previous 22 March meeting were reviewed and confirmed as a correct record.

1.4 The Interim Chair declared an interest as he had recently been appointed Chair of the Bevan Foundation, which has previously undertaken work for the National Assembly for Wales and for individual Assembly Members. There were no other declarations of interest.

## **2 AM Pensions – Review of work to date**

2.1 Following a thorough and robust procurement process, the Remuneration Board selected Wragge & Co at its meeting on 30 October to provide legal advice on pension arrangements for Assembly Members.

2.2 The Board considered a method statement provided by PwC and formally appointed them to provide actuarial advice on pension arrangements for Assembly Members.

2.3 The Board noted that the Government Actuary's Department (GAD) had been confirmed to cost any proposals.

2.4 The Board agreed that Mary and Stuart should continue to lead the work on pension arrangements to ensure that progress could be made between board meetings.

2.5 The Board agreed that they would need to meet with HM Treasury officials to seek greater clarity on certain areas, including governance.

## **3 AM Pensions – Briefing from appointed legal advisers**

3.1 The Interim Chair welcomed Paul Carberry, Lead Partner; Helen Beacham, Senior Solicitor, Human Resources Group; and Kevin Milton, Associate Solicitor from Wragge &

Co. They introduced their proposals for delivering pension arrangements for Assembly Members.

3.2 The Board questioned Wragge & Co on their proposals.

3.3 The Board agreed that the Wragge & Co proposals and emphasised that any proposed pension scheme would be a small scheme.

3.4 The Board would seek advice on undertaking an Equality Impact Assessment of any proposals would need to be undertaken.

3.5 The Remuneration Board noted that the PSPA contained Transitional protections over 10 years and agreed they would explore the appropriateness of this timescale given the length of Assembly terms. It was noted that IPSA had selected a 10 year transitional protection for MPs.

3.6 The Board noted the issues list provided by Wragge & Co and agreed that it was an accurate reflection of the issues to date.

3.7 Wragge & Co agreed to brief the Board on the conclusions of the report on MPs expenses, which was expected to be published by IPSA towards the end of 2013.

3.8 Wragge & Co agreed to provide the Board with questions which could be answered by HM Treasury.

#### **4 AM Pensions – Discuss next steps**

4.1 The Board reflected on the discussion with Wragge & Co and discussed the next steps in the process to deliver pension arrangements for Assembly Members.

4.2 The Board formally appointed PwC as actuarial advisers on pension arrangements for Assembly Members and noted that a meeting would take place with PwC representatives by the end of November.

4.3 The Board agreed to request from PwC that they calculate employer/employee contribution rates.

Actions:

- Secretariat to contact the Welsh Government requesting the advice provided by Wragge & Co in relation to the future of the major public service pension in Wales;
- Secretariat to consider the legal implications of the Equality Impact Assessment and respond to Wragge & Co;
- Secretariat to prepare a note on the consequences of funding ceilings in pension schemes;
- Secretariat to arrange a meeting with HM Treasury as soon as possible.

## 5 AM salaries for 2015–16 and Fifth Assembly

5.1 The Board considered a paper prepared by the Research Service which provided background information on pay settlement for Assembly Members in 2015–16 and to discuss the approach to remuneration for the Fifth Assembly.

5.2 The Board agreed that party leaders should be consulted in the New Year on options for the base pay in the 2015–16 settlement for Assembly Members.

5.3 For the Fifth Assembly, the Board agreed to assess the roles and responsibilities of AMs, Ministers and other office holders. The Board agreed to take account of remuneration in other sectors and conduct a survey to gauge the extent to which remuneration is a factor in people's decision to stand for election.

5.4 The Board agreed to consider proposals for Assembly Members salaries for 2015/16 at its meeting on 21 March 2014.

5.5 The Board agreed that, in order to compare the role of the Assembly Member with occupations of a similar calibre, it would be necessary to procure an external organisation to conduct a job weighting exercise.

Actions:

- **Research Service to prepare a paper for the meeting on 31 January 2014 scoping potential survey methods to discover what deters people from becoming Assembly Members;**
- **Secretariat to prepare a scoping paper for the meeting on 31 January 2014 outlining potential methods for procuring advice on job weighting the role of Assembly Members;**

## **6 Standards Committee**

6.1 The Board considered correspondence from the Standards Commissioner, Gerard Elias QC, regarding the process in place for Assembly Members to claim overnight allowance.

6.2 The Board decided that the current procedures on overnight allowances were sufficiently robust and agreed not to amend the Determination.

6.3 The Board agreed that the Members' Business Support team should issue a reminder to AMs that claims can only be made to reimburse expenses "necessarily" incurred "in connection with the performance of their role as Assembly Members."

### **Actions:**

- Interim Chair to write to the Standards Commissioner explaining the Board's decision to maintain the current procedure on overnight allowances;
- Members' Business Support Team to write to Assembly Members reminding them of the procedures in place to claim overnight allowances.

## **7 AMSS salaries – Draft report**

7.1 The Board commented on and agreed its report on AMSS salaries, which would be published in December 2013.

7.2 The Board indicated that it would consult on AMSS pay for 2014–15 early in the New Year.

7.3 The Board agreed that the report would be published in December and circulated to each Assembly Member Support Staff.

### **Action:**

- The Secretariat would publish the report on AMSS salaries and circulate to all AMSS.

## **8 Discussion on expert adviser**