

# Remuneration Board

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

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Meeting date: **Friday, 31 January 2014**

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Meeting time: **09.00 – 15.00**

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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**  
**Carys Evans, Principal Commission Secretary**  
**Dominic Houlihan**  
**Hannah Johnson**  
**Mark Packham, PwC**  
**Holly Pembridge, Equalities Manager**  
**Matthew Richards**

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### Committee Staff:

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

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## **1 Chair's introduction**

1.1 The Chair welcomed the Board to the meeting.

1.2 Minutes of the previous meetings on 18 October and 14/15 November were reviewed and, following a suggestion to amend the title of Sandy Blair from Interim Chair to Chair, were confirmed as a correct record.

1.3 Professor Monojit Chatterji declared an interest as he had recently been appointed lay member of the House of Commons Speaker's Committee for the Independent Parliamentary Standards Authority (IPSA). There were no other declarations of interest.

## **2 Issues for early decision and consultation/communication**

### **2.1 AM salaries for fifth year of Fourth Assembly**

2.1 The Board considered a paper prepared by the Research Service which provided background information on pay settlement for Assembly Members in 2015–16.

2.2 The Board noted that the Interim Chair had held a series of meetings with party leaders to discuss informally their salaries in 2015–16.

2.3 The Board agreed that Assembly Members should be consulted outlining proposals to apply no more than a 1 per cent increase in salary for 2015–16, in line with public sector salaries.

### **2.2 AMSS salaries – 2014–15 pay award**

2.4 The Board considered a paper prepared by Members' Business Support on AMSS salaries for the 2014–15 financial year.

2.5 The Board agreed that AMSS and Assembly Members should be consulted outlining proposals to apply no more than a 1 per cent increase in salary for 2014–15, in line with public sector salaries.

2.6 The Board agreed to re-establish a fully representative AMSS reference group to gather a wide range of views.

### **2.3 Review of Annual Determination**

2.7 The Board considered a paper prepared by Members' Business Support setting out areas for consideration as part of its annual review of the Determination.

2.8 The Board considered the budgets for rental allowance for Outer Area AMs, and office costs.

2.9 The Board agreed to consult Assembly Members on proposals to increase the rental allowance for Members whose main homes are located within the Outer area from £700pcm by 5% to £735pcm to reflect changes to the rental market.

2.10 The Board also agreed to consult on proposals to increase the Office Costs Allowance in line with inflation.

#### 2.4 Possible changes to transitional provisions

2.11 The Board discussed the transitional provisions for Assembly Members elected prior to 2011, including resettlement Grants and mortgaged properties.

2.12 The Board agreed to consider transitional provisions including the resettlement grant and mortgaged properties throughout its review of the full Determination.

### **3 Pay & Determination for the Fifth Assembly**

#### 3.1 The Determination for the Fifth Assembly

3.1 The Board considered a paper prepared by the Members' Business Support on the Determination for Assembly Members for the fifth Assembly and discussed its strategic approach.

3.2 The Board agreed to invite key stakeholders, including party leaders, to its meeting on 20 March to take evidence on aspects of the current determination and the development of the Determination for the fifth Assembly.

#### 3.2 AM salaries for fifth Assembly

3.3 The Board considered a paper on AM salaries for the Fifth Assembly, which had been prepared by the Clerk and the Research Service. The Board discussed a range of options for indexing and considered options for job evaluation.

3.4 The Board agreed to commission a job evaluation exercise to ensure that the enhanced responsibilities which AMs now enjoy are fully reflected in the remuneration package. The Board agreed that, for the first time, this evaluation will also cover ministerial responsibilities and a range of other office holders.

3.5 The Board also agreed to invite bids for research work with Assembly Member candidates and potential candidates to find whether any aspects of remuneration act as a barrier to individuals putting themselves forward for election.

## **4 Pensions**

### **Review of work to date (Paper 4a)**

4.1 The Board noted the work to date on the implementation of new pension arrangements for Assembly Members.

### **Consideration of proposals for a new scheme (Paper 4b & 4c)**

4.2 The Chair welcomed Paul Carberry and Hannah Beacham from Wragge & Co and invited them to introduce their draft of the legal report on proposed pension arrangements for Assembly Members from April 2015.

4.3 The Chair also welcomed Mark Packham from PwC and invited him to introduce the initial actuarial advice report.

The Board questioned Wragge & Co and PwC on their reports.

#### **Action:**

- The Secretariat would discuss governance arrangements for any proposed pension scheme with the legal advisers.

### **Options for consultation (Paper 4d)**

4.4 The Board noted a paper prepared by Carys Evans and Richard Bettley proposing options for the Board's consultation on Members' pension arrangements.

4.5 The Board discussed consultation options, including which stakeholders to consult and the method and structure of the consultation, which would take place in May 2014.

## **5 Equality Impact Assessment**

5.1 The Board considered a paper setting out options for conducting an Equality Impact Assessment, which had been provided by Holly Pembridge and Hannah Johnson.

5.2 The Board agreed that an Equality Impact Assessment should be conducted for the full Determination package for the fifth Assembly.

5.3 The Board also agreed that the Equality Impact Assessment should be conducted by Assembly Commission staff. However, it agreed that an external body should be commissioned to review the Equality Impact Assessment and provide advice.

## **6 Papers to note**

6.1 The Board noted the work programme for the Remuneration Board, the report on the Review of Support for Committees, and the IPSA report on MP's pay and pensions.

### **Action:**

- Secretariat to write to all Assembly members updating them on the issues discussed and decisions made by the Board at this meeting and requesting a response to issues raised in the note.