

Concise Minutes – Remuneration Board

Meeting Venue:

Meeting date: Wednesday, 6 July 2016

Meeting time: 09. – 15.30

WRB (05)

Attendance

Category	Names
Assembly Members:	Rt Hon Dame Dawn Primarolo (Chair) Trevor Reaney Michael Redhouse Dame Jane Roberts
Witnesses:	Jill Youds, Chair of Pension Board
Committee Staff:	Daniel Collier (Deputy Clerk) Adrian Crompton Anna Daniel Carys Evans (Clerk) Matthew Richards Donna Davies (Secretariat) Matt Dicks (Secretariat) Non Gwilym

1 Chair's introduction



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

- 1.1 The Chair welcomed Board members to the meeting.
- 1.2 The Board agreed the minutes of the meeting on 24 March 2016.
- 1.3 Board members conveyed their thanks to Gwion Evans who had moved from his role as Clerk of the Board to support the Presiding Officer.
- 1.4 The Board also wished John Chick well on his career break for 12 months.
- 1.5 The Board agreed to consider the update from MBS as its first item on the agenda for today's meeting.

2 Introduction to the Independent Chair of the Pension Board

3 Update and consideration of the Board's work programme

3.1 The Board considered a paper outlining the work scheduled to be undertaken and forthcoming key decision required. The Board considered the work plan for the spring/summer term 2016.

3.2 Board member provided their views on the drop-in session held during the Plenary session on 6 July. The Board agreed that it was a useful exercise and that it should be repeated in the future to enhance relations with Assembly Members.

Enterprise Bill

3.3 The Board discussed the implications of the Enterprise Act 2016 . The Act imposes restrictions on “exit payments” to, among others, Assembly Members and members of the Welsh Government. At its previous meeting, the Board agreed to monitor discussions on how the arrangements under the Act will work in practice and to receive regular updates.

3.4 Subject to the response to matters raised by the Presiding Officer with the UK and Welsh Government, the Board agreed to write to the Secretary of State for Business, Innovation and Skills to raise concerns about provision in Part 9 of the Act , which conflict with the remit of the Remuneration Board and other remuneration panels in the UK.

3.5 The Board agreed that protection of the independence of the Board was a requirement of the legislation which established the Board.

Pensions

3.6 The Board noted that the final pension scheme rules, including the contribution rate agreed by the Board, have been approved by HM Treasury.

3.7 The content of the new pension scheme rules have been communicated to Assembly Members via the document 'The new Pension Scheme – what you need to know'.

Meeting dates

3.8 The Board agreed to consider dates for meetings after March 2017. The Secretariat to propose dates to Board members in May, July, September and November in 2017 and January and March 2018.

4 Item for decision: Consideration of draft Remuneration Board Annual Report 2015–16

5.1 Subject to previous Board members approving the budget expenditure, the Board agreed its annual report 2015–16, which would be published before the summer recess.

5 Item for decision: Appointment of Pension Board

5.1 The Board formally appointed the membership of the Pension Board for the Assembly Member Pension Scheme:

- Jill Youds (Independent Chair) – from the start of the fifth Assembly
- Gareth Jones (Former Plaid Cymru Assembly Member) – from the start of the fifth Assembly
- Mike Hedges (Labour Assembly Member) – from the start of the fifth Assembly
- Suzy Davies (Conservative Assembly Member and Assembly Commissioner)
- Director of Finance, Assembly Commission (currently vacant, to be appointed).

5.2 The Board had some reservations regarding the appointment of an Assembly Commission employee on the Pension Board, in particular if there is a scenario where they have to make individual decisions about Assembly Members. The Board agreed to seek assurances from the Commission about this approach.

Action points:

- Head of Pensions to formally notify the Assembly Commission of the Board's appointment.
- The Board agreed to write to the Assembly Commission Chief Executive and Clerk regarding the Assembly Commission's representation on the Board.

6 Item for decision: AM pensions: Consideration of roles and responsibilities relating to the Pension Scheme and Memorandum of Understanding with the Pension Board

6.1 The Board considered and agreed the roles and responsibilities as set out in the Memorandum of Understanding between the Board and the Pension Board

6.2 The Board noted that the new Pension Board would consider the document at its first meeting on 11 July. The document will also be counter-signed by the Chief Executive of the Assembly as Accounting Officer.

6.3 The Board agreed the demographic assumptions which will be used to set the employer cost cap for the Assembly Members' pension scheme. The new Pension Board will consider the assumptions at its meeting on 11 July.

7 Consideration of latest issues raised with Members' Business Support

7.1 The Board considered a paper outlining the impact of the new Determination and other matters that have arisen since the start of the Fifth Assembly. The Board made these decisions based on the remit and responsibilities set out in the Remuneration (2010) Measure.

Residential Accommodation Expenditure (RAE)

7.2 The Board noted that the Determination does not provide Members whose main home is not within Wales with the same support as is available to other Members to exercise the office to which they have been elected by the people of Wales.

7.3 The Board noted that neither Welsh Legislation or electoral law identify any residential qualification to stand for election as an Assembly Member.

7.4 The Board agreed that it should ensure that all Assembly Members have appropriate and reasonable resource in place to represent their constituents to the very best of their ability.

7.5 The Board considered its approach to consultation. The Board agreed to consult Assembly Members and the public.

7.6 The Board agreed to consider the responses to the consultation and make a decision outside Board meetings in order for a decision to be implemented as close as possible to the beginning of the autumn term 2016.

Furniture Allowance

7.7 The Board noted that New Members are entitled to make a one-off requisition for office furniture to equip their new office, to a maximum cost of £5,000.

7.8 Members' Business Support have had representations to expand this definition beyond furnishings to cover items not payable by the landlord but admissible within the office costs budget that improve the working environment for staff and visitors.

7.9 Board members agreed that MBS should have additional flexibility in interpreting the definition of the furniture allowance for Members in this way.

Security in constituency and regional offices

7.10 The Board noted that, following the tragic death of Jo Cox MP, the Assembly Commission had requested a briefing paper on the current security provisions for Assembly Members, particularly the support available when they are away from the Assembly estate. The Board noted that many simple precautions could be made to ensure the safety and security of Assembly Members.

7.11 Board Members indicated that they would prioritise any security matters highlighted by the Assembly Commission which were within the Board's remit.

Individual Business Cases

7.12 The Board considered individual Business Cases from Members' in response to their exceptional circumstances.

Action point:

- Letters would be sent to those affected by the Board's decisions. Members Business Support to feed back the Board's decisions to the Assembly Members who made business cases.

8 Item for decision: Determination: Review of the remuneration of Committee Chairs

- 8.1 The Board considered a paper setting out the new committee structure, their remits and the roles of the Committee Chairs
- 8.2 The Board noted the new committee structure and agreed to consult that the proposed salary level for the two different Committee Chair roles should be retained. The Board agreed that it would seek the views of Assembly Members on the whether the two tier system of remuneration of Chairs remained appropriate.
- 8.3 The Board agreed to consult Members on these proposals, with the aim of reaching a decision by September.
- 8.4 The Board agreed that the salary should be backdated to the date of the appointment. As with all Office Holder salaries the Chairs salaries would be subject to the annual indexation.

Action point:

- Secretariat to issue consultation on the Board's proposals for the remuneration of Committee Chairs.

9 Item for decision: Proposals for Remuneration Board strategic away day

- 9.1 The Board considered a paper with proposals for the Board's strategy day in September which would take place in Colwyn Bay.
- 9.2 The Board agreed that it should explore methods and principles of effective engagement and consultation. The Board would also explore the potential to invite a facilitator to the meeting to steer the Board through strategic discussions.
- 9.3 The Board agreed to visit constituency offices in North Wales to engage with AMs and AMSS.

Action points:

- Research Service to provide briefing on examples of international practice in managing the remuneration of elected Members to be provided weeks before the strategy day.
- Secretariat to design a programme for the strategy day.
- Secretariat to contact potential facilitators.
- Secretariat to arrange visits to AM offices in North Wales.

10 Papers to note:

10.1 The Board noted the Northern Ireland Assembly Independent Financial Review Panel annual report 2015–16 and the appointment letter from the Presiding Officer to the new Assembly Commissioners.