

Concise Minutes - Remuneration Board

Meeting Venue:

Meeting date: Thursday, 21 November 2019

Conference Room A - Tŷ Hywel

Meeting time: 09.17 - 16.20

WRB (25)

Attendance

Category	Names
Board members:	Rt Hon Dame Dawn Primarolo (Chair) Ronnie Alexander Trevor Reaney Michael Redhouse Dame Jane Roberts
Officials:	
Secretariat:	Lleu Williams (Clerk) Ruth Hatton (Deputy Clerk)
Witnesses	

1 Chair's introduction

- 1.1 The Chair welcomed Board members to the meeting.
- 1.2 The Chair and Board members welcomed back Lleu, Clerk to the Board and expressed their best wishes.
- 1.3 The Chair introduced Craig Griffiths, Assembly Commission Legal Adviser and Dean Beard, Members' Business Support to the meeting.
- 1.4 The Board agreed the minutes of the 19 September meeting subject to a small tweak to paragraph 5.2 to enhance readability.
- 1.5 The Board noted an update on the progress of Senedd and Elections (Wales) Bill, in the Assembly.

- 1.6 The Board noted an update on the establishment of the Committee on Assembly Reform.
- 1.7 The Board noted an update and acknowledges the appointment of Douglas Bain as Acting Temporary Standards Commissioner.
- 1.8 The Board noted an update on the recommendations of the Commission on Justice's report 'Justice in Wales for the people of Wales'.
- 1.9 The Board noted an update on the wording of the Grievance and Disciplinary Procedure concerning appeals following independent investigations along with advice from ACAS. The Board agreed for the secretariat to liaise with Representative Groups on suggested changes to the wording of the procedure with a view to consulting further as part of the consultation on the full Determination for the Sixth Assembly early in the new year.
- 1.10 The Board considered and agreed its work programme for the spring term.

Action points:

- The secretariat to amend and publish the minutes from the 19 September meeting;
- The secretariat to arrange meeting with Representative Groups ahead of the January meeting
- The secretariat to make arrangements for an additional Board meeting in February 2020.

2 Item for Discussion: Six-month review of the flexibility of the allowances

- 2.1 The Board considered a six-month review of the flexibility of staffing allowances following the implementation of changes that included removing the 111 hour cap on the employment of permanently employed staff, budgeting salary costs at actual costs and changes to the viring options available to Members.
- 2.2 The Board agreed to conduct a further review in April 2020 to monitor further how the changes have had an effect.

2.3 The Board agreed to amend the wording on viring in the Determination to ensure that the provision is clearer.

3 Item for discussion: Determination for the Sixth Assembly - Part two summary of consultation responses

- 3.1 The Board considered the responses to its consultation.
- 3.2 In relation to Proposal 1 the Board agreed to implement the proposal for the Sixth Assembly and the remainder of the Fifth Assembly so that there is no restriction on the ability of Members to recruit on fixed term contracts longer than six months up to a period of 18 months in duration to be subject to a fair and open recruitment process.
- 3.3 Further to the implementation of Proposal 1, for the Sixth Assembly, the Board also agreed that in relation to fixed term contracts for maternity leave these should aligned with statutory provisions of maternity leave and up to a period of 12 months.
- 3.4 Considering Proposals 2 and 6 relating to allowing a Member or Party Leader to determine starting salary and decide incremental pay rises following probation, the Board agree to implement for the Sixth Assembly. The Board also agreed to recommend the next Board reviews the process 12 months after implementation.
- 3.5 The Board agreed with the responses calling for consultation on the guidance relating to the starting salary criteria and agreed for the secretariat to liaise with Representative Groups in developing the guidance.
- 3.6 The Board agreed to implement Proposals 3, 7 and 8 and agreed that as outlined in the Proposals the circumstances of support staff being made redundant would be unexpected and therefor a 100 per cent uplift should apply.
- 3.7 Considering the responses the Board also agreed that 100 per cent uplift to redundant staff should also apply as a result of ill health as this could also be an unexpected circumstance.

- 3.8 The Board did not however agree to apply 100 per cent uplift to redundant staff affected by the Boards' previous decision in April 2019 concerning the employment of family members, as this circumstance would be expected.
- 3.9 The Board agreed to implement Proposals 4 and 9 relating to higher education placements for longer than four weeks to be paid a salary equivalent to the band three minimum. The Board also agreed to develop guidance for internships and believes that this approach would assist in meeting the objectives of equality, openness and fairness.
- 3.10 The Board agreed to implement Proposals 3 and 10 relating to introducing a procedure for volunteer placements in Members and Group offices.
- 3.11 In relation to Part two of the consultation focusing on proposals to amend the Assembly Members' Pension Scheme Rules, the Board agreed to implement the changes. The Pension team will now instruct Eversheds on the Board behalf to make the necessary changes to the Pension Scheme's Rules.
- 3.12 The Board also considered other matters raised in consultation responses to this part of the review.
- 3.13 The Board considered issues raised in a number of responses concerning the salary levels of support staff. The Board remains of the view that there is no additional evidence for the Board to consider at this time, following on from the Board's recent Review of Staffing Support which was published in July 2019. The Board noted the latest ASHE figure of 4.4 per cent that would increase support staff pay levels for 2020-21.
- 3.14 The Board also noted the issue of the support staff pension scheme that was raised in a number of responses and agreed to consider a paper at a future meeting in order to better ascertain the details of the support staff pension scheme.
- 3.15 The Board also noted the issue raised in one response about special leave for reservists. The Board agreed to consider introducing a special leave policy for reservists and other roles that staff may undertake to contribute to civic society and will be consulting on proposals as part of the consultation process on the full Determination for the Sixth Assembly in January.

- 3.16 The Board noted the issues raised relating to Group Staff contracts raised in one response and remained of the view that this issue would need to be considered in the Sixth Assembly in the context of further reform of the Assembly.

-

- **Action point:**

- The secretariat to issue the Board's decision letter as soon as possible.

4 Item for discussion: Determination for the Sixth Assembly: Part three consultation responses

4.1 The Board considered the responses received to its consultation of part three of the review of the Determination.

4.2 The Board agreed to implement Proposal 1 to maintain Members' remuneration under the current arrangements and to continue to index Members' salaries to ASHE.

4.3 The Board agreed to implement Proposal 2 to make provision for the remuneration of Counsel General Designate.

4.4 In considering the above for consistency within the Determination the Board agreed to consult of proposals to remunerate a First Minister Designate. The Board agreed to consult on the provision as part of the consultation on the full Determination in January.

4.5 The Board noted the support from all responses for Proposal 3 to develop a new chapter in the Determination to provide support for Members with disabilities and agreed to consult on specific text as part of the consultation of the full Determination in January.

4.6 The Board agreed in principle to develop Proposal 4, looking at support for Members with childcare and caring and agreed to consult on proposals as part of the consultation on the full Determination in January.

4.7 In agreeing the above the Board also agreed to implement proposal 5 to publish costs on an anonymous and aggregated basis.

4.8 The Board also agreed to develop provision in relation to Proposal 6, support for Members taking maternity, adoptive or shared parental leave. The Board agreed to consult on the details of the provisions as part of the full Determination in January.

4.9 In considering a response about providing support for Members aged over 65 the Board that the changes and additions made to the Determination as a result of this part of the review would cover the needs of Members aged 65 and over.

Action point:

- The secretariat to issue the Board's decision letter as soon as possible.

5 Item for discussion: Determination for the Sixth Assembly: initial consideration of full consultation on Determination

5.1 The Board undertook its initial consideration of the Determination for the Sixth Assembly in its entirety along with remaining issues to capture as part of the final consultation process in January.

5.2 The Board agreed to consider the Determination line by line as amended ahead of issuing consultation at the end of January.

6 Item for discussion: Annual review of the Determination 2020-21

6.1 The Board considered a number of issues related to its Determination for the next financial year 2020–21.

6.2 The Board considered the rate for Office Costs Allowance and whether it remains appropriate for the next financial year (2020–21). The Board considered a number of factors including how much individual Members' spend on office costs as well as inflationary measures.

6.3 Following an analysis of the information available, the Board agreed that Members' spend on the allowance shows that the current allowance is generally sufficient for their needs and as such the Board decided to maintain the allowances of £18,260 and £4,912 for the next financial year.

6.4 The Board considered the Residential Accommodation Expenditure allowance for the forthcoming financial year and discussed a number of factors related to it including how much Members' spend on accommodation, costs of the local rental market in Cardiff as well as inflationary measures.

6.5 The Board agreed that the outer area allowance should be increased in line with the CPI rate from September 2019, which was 1.7 per cent. This would increase the allowance from £795 per month to £810 per month. This would be a total of £9,710 per annum.

6.6 The Board also discussed whether or not to make changes to the Essential Repairs allowance and the Carer's Allowance. The Board decided that both the Essential Repairs Allowance and Carer's Allowance was sufficient for the next financial year.

6.7 Members (and additional office holders) as well their support staff salaries are automatically adjusted in the April of each year by the change in the Annual Survey Hours and Earnings (ASHE) gross median earnings for full time employee jobs in Wales. The Board noted that the change for this year is 4.4 per cent, therefore salaries will be adjusted by this amount for the forthcoming financial year. The new salaries will be published next year in the Determination for 2020–21.

6.8 The Political Party Support Allowance has previously been adjusted annually by the same index as used for Members and support staff salaries. However, the allowance isn't exclusively used to fund group support staff salaries; it is also used to fund other staffing costs such as travel as well as office equipment and materials. The Board is aware of the ever increasing total of this allowance and as such agreed to adjust the allowance total by a different method for the forthcoming financial year.

6.9 The Board proposed that the total amount that is spent on salaries (which is circa. 80 per cent of the total allowance in 2018–19) is increased by the ASHE index of 4.4 per cent, and that the remainder of the allowance is adjusted by the CPI rate for September 2019, which is 1.7 per cent. The Board believes that this is a fair change which would allow for support staff to receive the same salary increase as their colleagues, as well as ensure that other costs match the rate of inflation. The Board believes its proposal better reflects the actual usage of the allowance by Political Parties and Independent Members and that the increases as apportioned provide better value for money for

6.10 The Board considered issues relating to the Assembly changing its name and its impact on Members' budgets and expenditure. The Board noted the Assembly Commission's Explanatory Memorandum for the Senedd and Elections (Wales) Bill which makes an assumption that the Remuneration Board would advise Members not to make name-change related banner claims before the 2021 election.

6.11 The Board considered this assumption and agreed that it was reasonable that Members should not seek to claim back any costs related to the institution's name change prior to the next Assembly election, due in May 2021. This includes costs for items such as signage, banners, web domains and websites.

6.12 Following the 2021 election, newly elected Members will have an allowance of up to £5,000 to establish their office and will not require any particular ring-fenced funding to give effect to the name change. A decision on how returning Members would be reimbursed for any relevant costs will be decided by the next Remuneration Board after the legislation has been enacted.

6.13 The Board agreed to consult on the proposals via the update letter for the November meeting with a view to considering responses in February 2020.

Action point:

- The secretariat to issue the update letter following the November meeting including the proposals for the annual review of the Determination as soon as possible