

To: Members of the Senedd
Cc: All support staff

14 October 2021

Dear Members,

SUMMARY OF BOARD MEETING HELD ON 30 SEPTEMBER 2021

The Independent Remuneration Board of the Senedd met on Thursday 30 September. The focus of the meeting was the Members of the Senedd Pension Scheme, the Board's review of support in relation to COVID-19, and the Board's Strategy for the remainder of its term of office.

This letter provides a summary of the Board's discussions and decisions. It will be published on the Board's website along with [summaries of previous meetings](#).

1. Engagement with Members and support staff

As a Board, we are committed to a programme of engagement with Members of the Senedd and your support staff.

As part of this programme, two **Representative Groups** exist: one representing Members and the other representing your support staff. Details of the Groups' memberships for the Sixth Senedd is provided in the Annex to this letter. Representative Group meetings provide an opportunity to bring significant issues to our attention, to enable us to better understand the issues facing you and your staff. They also provide an opportunity for us to update you and your staff—and seek your input—on our work. Board members met with Representative Groups on Wednesday 29 September. We are grateful for the important contributions made, which fed into our formal meeting on 30 September and which will inform our future work programme.

In line with our previous commitment to arrange **termly drop-in sessions for Members**, we will make arrangements for our next drop-ins to take place on 24 November 2021, 14:00 – 16:30. Subject to relevant public health guidance and risk assessments, our plan is to conduct these meetings in the Senedd – we look forward to meeting with you then.

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Over the course of this Senedd we are also arranging a **longer-term programme of meetings and visits with:**

- **former Members**, to gather their feedback on the effectiveness of the support provided from the Determination during their time in office, and in the immediate period following the election;
- **newly elected and returning Members and staff**, to explore your reflections on your experiences to date and your views on the extent to which the support provided enables you to perform your duties effectively while providing value for money for the taxpayer.

2. Members of the Senedd Pension Scheme

We considered a range of matters relating to the Members of the Senedd Pension Scheme at our meeting on 30 September:

2.1 McCloud and Sargeant Remedy

During Summer 2021, we consulted¹ on proposals to make changes to the Members of the Senedd Pension Scheme ("the Scheme") Rules. These proposals were made in light of the impact of the Supreme Court's McCloud and Sargeant judgment, which ruled that certain public service pension scheme provisions which treated younger members less favourably on the grounds of age were discriminatory.

Our consultation closed on 6 September 2021 and no objections to our proposals were submitted. We considered all responses and our proposals at our meeting on 30 September 2021 and agreed to:

- offer affected members of the Scheme an immediate choice as to whether they wish to be returned to the Final Salary section or remain in the Career Average Revalued Earnings (CARE) section for the period when the inequality existed; and
- offer a contribution of up to £150 towards the cost of independent financial advice on this matter.

As a Board we are required to obtain the approval of HM Treasury to amend the Scheme Rules before the proposals can be adopted. We are currently liaising with HM Treasury. Once approval is received from HM Treasury, affected members of the Scheme will receive a letter from the Senedd's Head of Pensions, confirming what this means for them. This letter will ask the affected Scheme member to consider the information provided and

¹ The Board consulted with the Senedd Commission (as the body responsible for the administration of the Scheme) and affected Scheme members (i.e. those who were in active service on 1 April 2012; those who were under the age of 55 on 1 April 2012; and those who were in active service on 6 May 2016).

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indicate whether they wish to be returned to the Final Salary section of the Scheme or remain in the CARE section for the period when the inequality existed.

2.2 Partner nomination

The Scheme Rules currently state that where a member is unmarried, in order for their co-habiting partner to qualify for a dependant's pension in the event of the member's death, they need to be nominated by the member in writing at least 6 months before the member's death.

Many UK public service pension schemes contain, or have contained, a nomination form requirement. However as a result of a Supreme Court ruling (Brewster), legal advice has confirmed that this is discriminatory, as there is no requirement for married members of the Scheme to nominate a spouse for a spouse's pension to be payable.

In light of the above, at our meeting on 30 September, we agreed that the Scheme Rules should be amended to remove the nomination form requirement contained in the definition of "partner".

2.3 Other pension scheme matters

During our meeting on 30 September we also:

- agreed the demographic assumptions for the cost cap valuation² of the Members of the Senedd Pension Scheme;
- noted a change to the Pension Board's Terms of Reference (to clarify the process for obtaining nominations for Member Nominated Trustees); and
- considered our response to the UK Government's intention to amend the Public Service Pensions and Judicial Offices Bill to address the requirement for HM Treasury Ministers to approve any changes made by the Board to the Members' pension scheme.

3. Strategy

In our last update we reported that the majority of our July discussions were focused on developing our strategic aims for the remainder of our term in office. At our meeting in September, we reviewed our findings, and we plan to agree and publish our final strategy

² The Scheme is subject to two valuations: a funding valuation, which sets the actual contribution rate the Commission has to pay into the Scheme; and a cost cap valuation, which is used to monitor the cost of the Scheme going forward. The role of the Board in the cost cap process is to agree the demographic assumptions the actuary uses when carrying out the cost cap valuation (e.g. how long scheme members will live in retirement/how many will leave at each election etc).

following our next meeting in November. We will be inviting feedback from Members on its content.

4. Review of COVID-19 support

In our last update letter, we informed you of our intention to review the provisions we had put in place in relation to COVID-19 support for you and your staff. We invited you to share issues with us by early September 2021 to inform our review.

In light of ongoing uncertainty about the impact of the pandemic, and due to feedback from you and your staff that many of you are still considering how COVID-19 is affecting your ways of working, we have agreed to continue existing provisions for the Home Working Allowance; the Return to Offices COVID-19 Fund; and Display Screen Equipment (DSE) assessments.

Home Working Allowance: The Board has made funds available for each Member to be able to pay their staff a tax-free allowance of up to £6 per week (or £26 a month for employees paid monthly) to cover the additional costs of working at home without needing to worry about determining the actual costs incurred. The allowance is reduced pro rata for staff who work part time or if staff are absent (e.g. on holiday or sick leave).³

Return to Offices COVID-19 Fund: This Fund is available to provide funding to purchase equipment that is necessary to minimise the risk of infection by COVID-19 to individuals present in your constituency or regional office, based on a risk assessment undertaken by you. Such equipment may include, for example, sanitiser, face masks and protective screens. Any claims submitted for costs in excess of £500 in total may be subject to further scrutiny and verification before they are accepted, to ensure the proper use of resources.

Display Screen Equipment (DSE) assessments: An online tool is available to enable you and your staff to undertake an assessment at home, with costs related to adjustments met from the Office Costs Allowance (Health and Safety provision) in the first instance.

These provisions will remain in place while we undertake what we believe are necessary and timely reviews of support for flexible/home working, and for related health and safety requirements. As a Board, we are conscious that the pandemic has thrown into focus employers' approaches to these matters. We also recognise the complexities that can arise, particularly in terms of health and safety considerations in both covid and non-covid contexts, and when terms of office leases are taken into account. Our overall aim is to work towards more streamlined and simplified arrangements for supporting Members in these

³ Staff who receive this Home Working Allowance cannot claim tax relief via HMRC on the costs of working from home.

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areas, while ensuring that the important principles of value for money and reasonableness are maintained.

We intend to give initial consideration to these reviews in our January 2022 meeting. We will ensure that you are updated on our next steps, especially how you will be able to share your views on these matters with us. In the meantime, you and your staff are invited to submit any further issues relating to COVID-19 support to us by 1 November 2021 to inform our ongoing consideration of these matters.

5. Next Board meeting

Our next meeting will take place on 25 November 2021 and we will consider:

- Annual Review of Determination – proposals for consultation *[as part of these discussions we will consider, among other things, the issues brought to our attention via correspondence and Representative Group meetings. Any matters Members wish the Board to consider at its next meeting should be raised by 1 November 2021.]*
- Board mandated requirements - employment policies
- Security provisions – update and review
- Board Strategy for 2021-2026 – consideration of final draft.

In closing I would like to note the Board's gratitude to Llew Williams, former Clerk to the Board, for his contribution to our work in recent years, and to wish him well in his new role as a Committee Clerk.

These updates will be provided to you on a regular basis so that you remain informed about our work. In the meantime, should you have any matters you wish to raise with me or the Board, please do not hesitate to get in touch via the new Clerk to the Board, Llinos Madeley, by emailing remuneration@senedd.wales.

Yours sincerely,



Dr Elizabeth Haywood

Chair, Independent Remuneration Board of the Senedd

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

ANNEX – Membership of the Board’s Representative Groups

Members of the Senedd Representative Group

- Darren Millar (Welsh Conservatives representative)
- Rhun ap Iorwerth (Plaid Cymru representative)
- Vikki Howells (Welsh Labour representative)
- Jane Dodds MS has also been invited to attend these meetings.

Support Staff Representative Group

- Anthony Cooper (Welsh Labour representative)
- Ash Lister (Trade union representative)
- Claire Haliwell (Support staff to Jane Dodds MS)
- Paul Smith (Welsh Conservatives representative)
- Steffan Bryn (Plaid Cymru representative)