

Mick Antoniw AS/MS
Y Cwnsler Cyffredinol
Counsel General



Llywodraeth Cymru
Welsh Government

David Rees MS
Chair
Reform Bill Committee

23 April 2024

Dear David

Senedd Cymru (Members and Elections) Bill

In accordance with Standing Order 26.28, I have today laid before the Senedd a revised Explanatory Memorandum which takes account of amendments made to the Bill at Stage 2. The Explanatory Memorandum also includes a revised Regulatory Impact Assessment, which responds to a number of the Finance Committee's recommendations at Stage 1.

I am copying this letter to the Llywydd.

I have also written to the Chair of the Finance Committee to provide an update in relation to the Finance Committee's Recommendations. A copy of this letter is attached.

Yours sincerely,

Mick Antoniw AS/MS
Y Cwnsler Cyffredinol
Counsel General

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

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Counsel General



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS
Chair
Finance Committee

23 April 2024

Dear Peredur

Senedd Cymru (Members and Elections) Bill

Further to my letters of 21 February and 4 March regarding the Welsh Government's response to the Finance Committee's recommendations on the financial implications of the Senedd Cymru (Members and Elections) Bill, I am writing to provide an updated position ahead of Stage 3 proceedings.

In accordance with Standing Order 26.28, I have today laid before the Senedd a revised Explanatory Memorandum which takes account of amendments made to the Bill at Stage 2. The Explanatory Memorandum also includes a revised Regulatory Impact Assessment, which responds to a number of the committee recommendations at Stage 1.

My officials have continued to work closely with the Senedd Commission on the Committee's recommendations and the updated positions are included in the table attached to this letter.

I am copying this letter to the Llywydd.

Yours sincerely,

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Y Cwnsler Cyffredinol
Counsel General

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Recommendation	Update
<p>Recommendation 4. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes further modelling of Commission staff costs to include the minimum and maximum pay scales to provide a range of costs, and for this information to be included in a revised Regulatory Impact Assessment..... Page 28</p>	<p>Senedd Commission officials have provided revised Commission staff costs including the minimum and maximum pay scales which are included with the revised Explanatory Memorandum/Regulatory Impact Assessment (EM/RIA) ahead of Stage 3 proceedings.</p>
<p>Recommendation 7. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes a review of the current configuration of Members' offices in Tŷ Hywel, to include: • an assessment and cost-benefit analysis on the use of open-plan working; • and an assessment of the energy use. Page 29</p>	<p>A separate response to this recommendation has been sent from the Llywydd.</p>
<p>Recommendation 8. In light of the new electoral system which may result in uplifts to Members' travel, residential accommodation and staff costs, the Committee recommends that the Minister, in consultation with the Senedd Commission, reassesses these costs and provides a range rather than using the average costs of current Members, and for this information to be included in a revised Regulatory Impact Assessment. Page 29</p>	<p>From discussions my officials have had with Senedd Commission officials, I understand that an exercise was undertaken to identify a credible methodology to estimate such costs in a way which addressed the recommendation. However, it was established that at this time costs could not be determined with any degree of accuracy. There are a number of variables which would need to be considered and for which there is currently insufficient information available (for example how Members would operate in a multi-member constituency, no equivalent constituency sizes to use to extrapolate claims etc).</p> <p>The Independent Remuneration Board will undertake work to develop the Determination in advance of the Seventh Senedd, it is not appropriate for us to pre-empt this work.</p>
<p>Recommendation 9. The Committee recommends that the Minister, in consultation with the Senedd Commission, updates the cost estimates relating to Members in the Regulatory Impact Assessment:</p> <ul style="list-style-type: none"> • using the financial information from the latest available Determination on Members' Pay and Allowances; and • includes the additional salary to leaders of a political group (not in the government) for each 	<p>Senedd Commission officials have provided revised costs on Members' Pay and Allowances which have been included with the revised EM/RIA ahead of Stage 3 Proceedings.</p> <p>Costs for the additional salary to political group leaders have been included in the revised EM/RIA ahead of Stage 3 proceedings.</p>

<p>Member in their group (up to the maximum allowed for in the Determination). Page 29</p>	
<p>Recommendation 10. The Committee recommends that the Minister, in consultation with the Senedd Commission, undertakes further work to assess the impact that different demographics of newly elected Members will have on the Members' Pension Scheme. Page 29</p>	<p>Senedd Commission officials have confirmed to my officials that the Pensions Board plans to commission a report from the Government Actuary's Department ("GAD") on the impact on the pension fund of Senedd Reform and that the Pensions Board will be content to share, in confidence, the resultant GAD report with the Finance Committee.</p>
<p>Recommendation 11. The Committee recommends that the Minister, in consultation with the Senedd Commission, provides further clarity on the schedule of work that will be undertaken on the Senedd and Tŷ Hywel estates, should the Bill not be agreed. Page 29</p>	<p>A separate response to this recommendation has been sent from the Llywydd.</p>
<p>Recommendation 14. The Committee recommends that the Minister undertakes further work to understand the level of volatility in membership from one Senedd to the next and associated cost implications, including the impact on the Members' Pension Scheme, in light of the move to a four-year election cycle.</p>	<p>As per response to recommendation 10.</p>