

22 January 2019

Dear Assembly Member

### **Annual review of the Determination 2019-20**

As you will be aware the Board reviews the Determination on an annual basis to ensure that the allowances provided remain appropriate for the upcoming financial year. Details of the Board's proposals regarding the allowances for 2019-20 are provided below:

#### *Office Cost Allowance for 2019-20*

The Board considered the Office Costs Allowance and whether it remains appropriate for the financial year 2019-20.

The Board noted that the Office Cost Allowance for 2018-19 was increased by 5 per cent in line with the consumer price index (CPI) for September 2017 of 3 per cent and the additional cost demands which Members are expected to fund from their budget.

The Board was of the view that Members' spend on the allowance demonstrates the current allowance is adequate and as a result has decided to maintain the allowances of £18,260 and £4,912 for the 2019-20 financial year.

#### *Residential Accommodation Expenditure for 2019-20*

The Board considered the Residential Accommodation Expenditure for 2019-20 and reviewed a number of factors, including Members' spend on this allowance and the local rental market.

In considering the appropriateness of the allowance of £9,300 per annum for outer area Members, the Board noted there had been no change to this allowance since the Determination for 2017-18. As undertaken in previous years, the Board compared the average rental cost of both one and two bedroom properties in Cardiff Bay and the average spend on the allowance. The Board agreed this allowance should be increased in line with the CPI rate from September 2018, which was 2.4 per cent. This would increase the allowance from £775 per month to £795 per month.

The Board is therefore proposing to increase the Residential Accommodation Expenditure allowance for outer area Members by 2.4 per cent in line with the CPI rate for September 2018.

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## BWRDD TALIADAU REMUNERATION BOARD

The Board has decided that the maximum amount for essential repairs of £882 per annum and the maximum amount of rental costs for Members with dependents of £120 per month should be maintained for 2019-20.

The Board has also considered the appropriateness of the allowance of £3,420 per annum for the intermediate area Members, which has remained at the same level since its introduction. The Board noted that the current allowance was based on one night's hotel stay at a cost of £95 per night in Cardiff for each sitting week of the Assembly (based on 36 sitting weeks per year). To reflect the increased demands on Members' time since the allowance was first introduced in 2012, the Board is proposing to increase the allowance to £6,840 per annum.

The Board is aware that Members can use the intermediate area allowance towards the costs of rental properties in addition to hotel stays, the Board agreed to amend the wording of the provision accordingly to reflect the multiples uses.

The Board is therefore proposing to increase the Residential Accommodation Expenditure allowance for intermediate area Member to £6,840 per annum and to extend the use of the allowance.

Please let us have any responses to the above proposals by **12 March 2019** to inform the Board's deliberations at its following meeting. Should the Board agree to implement these proposals they would come into effect from 1 April 2019.

This consultation letter will also be published on our website as is our usual practice.

If you would like to discuss any matter with me, or with one of my fellow Board members, please do not hesitate to contact me via the [secretariat](#).

Best wishes,



**Dame Dawn Primarolo**

**Chair, Remuneration Board**

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.