
Draft Determination for the Sixth Assembly:

Consultation document

February 2020

The Remuneration Board

The National Assembly for Wales Remuneration Board makes independent decisions on the pay and direct support for Assembly Members to attract a wide range of capable and diverse candidates and to enable those elected as Assembly Members to do their jobs effectively, ensuring value for money for the people of Wales. The Board was established by the National Assembly for Wales (Remuneration) Measure 2010.

Members of the Board

- Dame Dawn Primarolo DBE PC (Chair)
- Ronnie Alexander
- Trevor Reaney
- Mike Redhouse
- Dame Jane Roberts

Secretariat to the Board

- Llew Williams, Clerk
- Ruth Hatton, Deputy Clerk

Copies of this Determination can also be obtained in accessible formats including Braille, large print, audio or hard copy from:

Clerk to the Remuneration Board
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How to submit a response

If you would like to submit a response to the National Assembly for Wales Remuneration Board's consultation you can do so by sending your responses to the following:

Post:

Clerk to the National Assembly for Wales Remuneration Board,
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E-mail: [**remuneration@assembly.wales**](mailto:remuneration@assembly.wales)

The closing date for submitting responses is **Tuesday 24 March 2020**. Any responses received after this date will not be considered.

If you need assistance in preparing your response please contact the secretariat on the details above.

Introduction

The devolution settlement in Wales has to date been a story of change, and no more so than in the past four years. The Assembly has undergone significant change during the term of this National Assembly for Wales Remuneration Board (“the Board”), with a new settlement based on: a reserved powers model, enhanced fiscal powers in the field of taxation, the institution changing its name¹ and extending the voting franchise. This all at the same time as the UK departs from the European Union.

Alongside these changes, more consideration is being given to how barriers can be reduced to ensure that anyone who wants to stand for election can do so.

In response to such issues, the Board has today (5 February 2020) published its draft Determination for the Sixth Assembly. The draft sets out the changes the Board is proposing to introduce, in order to support Members and their support staff during the term of the Sixth Assembly.

Our review of the Determination to date has shown that many of the provisions are working and supporting elected Members as they were intended. As a result, where arrangements work or we felt they couldn't be improved further, they have remained as they are. However, the Board has proposed changes which it believes will enhance the support available to Members and those wishing to stand for election to Wales' national parliament. Such changes have been made for one of the following reasons:

- To provide support and remuneration offered to Members with the aim of reducing potential barriers to those wishing to stand for election to the Assembly and to attract a more diverse range of candidates;
- To provide more transparency and improve clarity on provisions within the Determination for Members, prospective Assembly candidates and the public at large;

¹ On 6 May 2020, in accordance with provisions in the Senedd and Elections (Wales) Act 2020, the National Assembly for Wales will become 'Senedd Cymru' or 'Welsh Parliament'. The full title of the Remuneration Board will become the Independent Remuneration Board of the Senedd. The final Determination for the Sixth Assembly, due to be published later this year, will refer to the institution by its new name.

- To provide better value for money for the taxpayer.

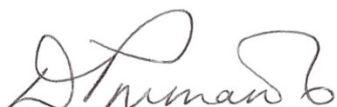
Over the past year, we have undertaken three separate consultations as part of the wider review of the Determination for the Sixth Assembly. The draft Determination brings together the decisions taken as result of those consultations, as well as some additional changes that have been considered further along in the process.

This document sets out the Board's rationale for the changes it has proposed in its draft Determination on a chapter by chapter basis. There is also an outline of the cost estimates of these changes.

The Board welcomes any contributions and views you may have on any specific aspect of the Determination, or the package as a whole. We look forward to hearing what you think of the changes proposed.

It is the Board's intention to publish the final version of this draft Determination in May 2020, which will be a year in advance of the 2021 Welsh general election, in order to inform potential candidates of the package of support available to them should they be elected.

I look forward to receiving your views on our draft Determination for the next Assembly.



Dame Dawn Primarolo
Chair, Independent Remuneration Board

THE REMUNERATION BOARD

This section describes the Board's functions, remit and ways of working.

The Board's functions

The Board makes independent decisions on the pay and direct support for Members to attract a wide range of capable and diverse candidates and to enable those elected to do their job effectively, ensuring value for money, for the people of Wales. Full details of the Board's functions and responsibilities are set out in the Government of Wales Act 2006 and the **National Assembly for Wales (Remuneration) Measure 2010** (the Measure). The Measure sets out three key objectives that the Board must seek to achieve when making a **Determination**. These are to:

- provide Members with a level of remuneration which reflects the complexity and importance of the functions they discharge, and does not deter individuals from seeking election to the Assembly on financial grounds;
- provide Members with adequate resources to enable them to exercise their functions;
- ensure probity, accountability, value for money and transparency with regards to the expenditure of public funds.

In developing its Determination, the Board consults with those who are likely to be affected by its decisions. This includes Members, staff employed by Members or by party groups, relevant trade unions and any other relevant stakeholders. The Board regularly reviews the effectiveness of the Determination to ensure it remains fit for purpose.

In developing its Determination for the next Assembly, the Board aims to ensure that the support available to Members attracts a wide range of capable and diverse candidates to stand for election to the Assembly.

Principles

The Board's work to date has been underpinned by a set of clearly defined principles:

- the financial support and remuneration for Members should support the strategic purpose of the Assembly and facilitate the work of its Members;
- decisions must be appropriate within the context of Welsh earnings and the wider financial circumstances of Wales;
- the system of financial support for Members must be robust, clear, transparent, sustainable and represent value for money for the taxpayer.

During 2016, the Board developed a set of new governance principles and objectives and subsequently published its **strategy** for delivering its work throughout the Fifth Assembly. The Board reviewed the progress made against its strategic objectives at its March 2018 meeting. A summary of the discussion is available in the **Board's Annual Report for 2017-18**.

Summary of changes

This section sets out a broad overview of the main changes made to the Determination for the Sixth Assembly.

Following three separate consultations that were undertaken in 2019, the Board is proposing that the Determination for the Sixth Assembly includes the changes outlined below. The relevant explanatory information related to each change can be found in the corresponding page number of this document. The Board is proposing:

- 1.** To insert additional information in Chapter one to outline the respective roles of the Board and the Assembly Commission with regards to the Determination (page 18).
- 2.** To maintain the current base and additional officer holder salary for the Sixth Assembly, subject to an annual indexation (page 20).
- 3.** That a Member who performs the duties of First Minister designate, Counsel General designate and temporary Presiding Officer are remunerated. In addition, subject to a time period in the role, that a Member who performs as a temporary Committee Chair is also remunerated (page 22).
- 4.** To reform the Equality and Access Fund with a new “Support for Disabilities” provision to provide support to Members and support staff who are disabled. This also includes a provision for engaging with constituents who are disabled (page 23).
- 5.** To provide Members, who have caring responsibilities for either children or adult dependants, with a limited contribution towards caring costs, in order allow them to continue to undertake their responsibilities as an Assembly Member (page 24).
- 6.** To provide additional resource to Members who choose to take a leave of absence following the birth or adoption of a child or children, up to a maximum of 12 months (page 25).
- 7.** That the arrangements for claiming mortgage interest payments for accommodation which is owned by a Member ceases at the end of the Sixth Assembly. In addition, the amount of mortgage interest claimed during the Sixth Assembly can be no higher than the interest rate as outlined at the beginning of the Sixth Assembly, unless there are changes in the Bank of England base rate (page 25).

- 8.** That the "Office Costs" chapter of the Determination is renamed to "Office and Constituent Liaison Fund", in order to better reflect the usage of the allowance (page 27).
- 9.** That all constituency or regional offices funded through the Determination should follow a set of principles, and that Members should ensure that copies of relevant documentation is deposited with the Assembly Commission (page 27).
- 10.** That the "supply of office furniture" provision is amended to an "office start-up allowance", in order to better reflect its usage (page 27).
- 11.** That Members who wish to purchase additional Information and Communications Technology equipment submit a written request for such items (page 28).
- 12.** That a Member must follow a series of outlined steps, including seeking legal advice on their lease, prior to entering into an agreement to rent a constituency or regional office (page 28)
- 13.** That the employing Member or Political Party Leader should determine the starting salary of their support staff, subject to following guidance (pages 29 & 30).
- 14.** That unpaid placements must abide by a new Unpaid Placement policy (pages 29 & 30).
- 15.** That any intern placement, aside from those arranged through educational courses, that lasts longer than four weeks, should be remunerated (pages 29 & 30).
- 16.** That support staff who are made redundant, as a result of their employing Member either resigning due to ill-health or restructuring their staffing complement during an Assembly, receive a 100 per cent uplift of their statutory redundancy entitlement (pages 29 & 30).
- 17.** That support staff who work for a Political Party that are made redundant as result of their Political Party losing a Member, or being reduced to less than three Members in number, receive a 100 per cent uplift of their statutory redundancy entitlement (page 30).
- 18.** That the rules related to the usage of Policy, Research and Communications Fund are inserted into the Determination for clarity purposes (pages 29 & 30).

Privacy policy

The statement below provides a general overview of how we will use the information you provide.

Who we are

The Board is the data controller of the information you provide and will ensure it is protected and used in line with data protection legislation.

Why we are collecting this information

Your submission will be used to inform the Board's review of the Determination for the Sixth Assembly.

What we will do with your information

Submissions will be seen in full by the Board members and the secretariat to the Board (employees of the Assembly Commission) who are involved in the consultation. Your information will be stored on the Assembly Commission's ICT network (which includes third party cloud services provided by Microsoft). Any transfer of data by Microsoft outside of the EEA is covered by contractual clauses under which Microsoft ensures that personal data is treated in line with European legislation.

Publication of submissions

The Board may publish some or all of your submission to this consultation on the Board's website. It may also publish extracts from your submission within documents produced following the consultation and published on the Board's website. Any submissions that are published on the Board's website will remain in the public domain.

Please let us know if you would prefer that your submission, or extracts from it, are not published.

If the Board publishes a submission you have provided on behalf of an organisation, it will include your name, job title and the name of your organisation with your submission. If it

publishes a submission you have provided on your own behalf, it will only publish your name if you have asked us to do so.

How long your information will be retained

Responses will be retained until the Board has completed the consultation and any subsequent work in the areas outlined in this document. This is anticipated to be for the duration of the period during which the Determination that is the subject of this consultation is in force, to help inform annual reviews of the Determination.

Contacting you

The Board may use the contact details you provide to contact you in relation to this consultation and your submission, and any additional work undertaken as part of this review. Please inform us as you respond to the consultation if you would like us to retain your contact details and contact you for these purposes. If you decide to opt into further contact, you may opt out of further contact at any point by letting us know.

Requests for information made to the Assembly Commission

In the event of a request for information being made under access to information legislation, it may be necessary to disclose all or part of the information that you provide. This may include information which has previously been removed by the Board for publication purposes. The Board will only do this if it is required to do so by law.

Your rights

Your personal data will be processed for the performance of a task carried out in the public interest by the Board. If you would like to:

- engage any of the rights that you have under the legislation (such as the right to request access to your own data);
- ask a question; or
- make a complaint about how your information has been used;

please **contact the secretariat**.

You can also make a complaint to the Information Commissioner's Office (ICO) if you believe we have not used your data in line with the law. The ICO's contact details can be found on its website: [**www.ico.org.uk**](http://www.ico.org.uk).

1. Review of the Determination for the Sixth Assembly

This section provides an overview of the Board's review of the Determination for the Sixth Assembly.

Background

1.1. In **December 2018** the Board agreed to the following terms of reference for its review of the Determination for the Sixth Assembly. The Board will review:

- the suitability of the level of support provided within the Determination;
- the flexibility, prescriptiveness and accessibility of the provisions;
- the probity, accountability, reasonableness and transparency of the expenditure made available.

1.2. The Board agreed to undertake its review in three parts, as outlined below:

- Part one: Residential Accommodation Expenditure, Members' Travel and Office Cost Allowance;
- Part two: Support for Members and Support for Political Parties;
- Part three: Members' Remuneration and Members leaving office.

1.3. After considering the issues arising under each part, the Board consulted on its proposals to amend any provisions within that part. Having concluded its review of the three parts, a final consultation on the Determination as a whole is now being issued, to ensure the package of financial support for Members continues to be fit for purpose. Further information on previous consultations is available on the **Board's website**.

1.4. The Board is committed to publishing its Determination for the Sixth Assembly one year before the Welsh general election in 2021, to inform all potential candidates of the package of pay and support that will be available to Members of the Sixth Assembly.

Methodology

1.5. During the course of this Assembly, the Board has undertaken several engagement exercises with stakeholders in order to elicit feedback on the operation of the Determination in practice. These opportunities have included engagement events and meetings with Members and support staff, visits to offices across north and south Wales, surveys and regular meetings with Members and staff representatives.

1.6. The evidence that has been gathered through these different methods has also been supplemented by external research commissioned by the Board. Through open tender the Board commissioned the **Wales Governance Centre at Cardiff University** and the **Social Professions School at the London Metropolitan University** to identify the **barriers and incentives to standing for election in National Assembly for Wales elections**.

1.7. To ensure that all decisions are transparent, accountable and reflect market conditions, the Board has also considered the current provisions against other sources of information including:

- Members' usage of the various allowances to date during the Fifth Assembly;
- comparisons with the support made available to elected representatives in the other UK legislatures;
- comparisons with various other measures within the public sector in Wales.

1.8. The Board is also working with Diverse Cymru to produce an Equality Impact Assessment of the Draft Determination. The Board has considered and paid attention to equality matters throughout its review to date and wants to ensure that there are no unintended or discriminatory consequences arising from its proposals. A full Equality Impact Assessment will be published alongside our final report on the Determination, following this consultation.

This consultation

1.9. The remainder of this document outlines the Board's consultation proposals.

1.10. Significant changes to the Board's Determination proposed for the Sixth Assembly are highlighted in the draft Determination that accompanies this consultation document.

1.11. As well as the highlighted changes to the allowances available to Members in the next Assembly, the draft Determination contains minor revisions in order to provide greater clarity and consistency with existing provisions.

1.12. Some new provisions inserted into the draft Determination, such as new chapters or paragraphs, are outlined using alphabetical numbering. For example, the new chapter on “Additional Support for Members” is numbered as “Chapter 3A” rather than as “Chapter 4”. This is intended to ensure consistency between versions of the Determination.

1.13. Allowances outlined in the draft Determination for the Sixth Assembly will be reviewed before that Determination comes into force. For example, Members’ salaries are indexed annually by the change in the Annual Survey of Hours and Earnings. It is not possible to calculate in advance the allowances that will apply to Members of the Sixth Assembly. The allowances outlined in the draft Determination are those that apply currently. These will be subject to change as indexed allowances for the Sixth Assembly are calculated prior to and during the Sixth Assembly.

2. Changes proposed for the Sixth Assembly

This section provides an outline of the Board's rationale for the changes it is proposing to the Determination on a chapter by chapter basis.

Interpretation

2.1. The Board has amended these provisions by introducing further definitions of what is meant by "business associate", "central funds", "disability", "family member", "receipts" and "unpaid placement". This is intended to provide better information to the user of the Determination.

2.2. The Board has also sought to introduce a definition of a "Member's duties". The purpose of doing so is to ensure that there is clarity on the type of activity (parliamentary, constituency or regional business) that can be funded from the Determination and that this is consistently applied throughout. Currently, a "Member's duties" are only defined in relation to the Member's travel.

Chapter 1: Introduction and principles of financial support

2.3. The Board has sought to amend the principles of financial support (paragraph 1.3) in this Chapter to update procedures which have been adopted during the Fifth Assembly, as well as to provide clarity on what is meant by some of the principles.

2.4. Two new paragraphs have been introduced (paragraphs 1.3A and 1.3B) in order to make clear the different roles both that the Board and Assembly Commission have with regards to the Determination. The detail in paragraph 1.3A outlines the principles that have guided the work of the Board over the past two Assembly terms. The Board agreed that the inclusion of these principles would aid transparency and understanding of the Board's process for decision making. Paragraph 1.3B has been included to clarify the functions of the Assembly Commission with regards to the Determination. It notes that the Assembly Commission is responsible for providing the necessary funds and oversight of them, and the administration of expenditure.

This also emphasises the role of the Accounting Officer and the Members' Business Support team in interpreting the Determination and providing support for Members' in making eligible claims.

2.5. The Board has also moved the "Equalities" provisions of the previous Determination, including details of the Equalities and Access Fund, and placed the support outlined in a new chapter (see detail on Chapter 3A). The Board has sought to reduce barriers that are in the way of Members or potential election candidates being able to fulfil their duties as an elected Member in the National Assembly. As result, the Board has provided more clarity on such support and placed it in a more prominent location within the Determination.

Chapter 2: Rules for submission of claims

2.6. The Board is of the view that Members are aware of their personal responsibility and accountability with regards to claiming for expenditure which serves the institution and the taxpayer well. However, this does not mean that we should be complacent in our approach. Accordingly the Board is proposing to review some of the rules outlined in this Chapter in order to provide more transparency and clarity for both Members and the taxpayer.

2.7. Firstly, the Board has included an additional paragraph to clarify what happens to the Support for Political Parties Allowance when changes are made to the allocations during the course of the year as a result of changes to the Assembly's membership.

2.8. Secondly, the Board has amended wording in paragraphs 2.3.2 and 2.3.7 to clarify that claims must be submitted within an agreed timescale and that Members cannot claim for late payment charges related to their expenses. The Board has also inserted a provision that three quotations are provided for items costing £750 or more, or where contractual liabilities over the lifetime of a contract cost £750 or more, which replicates existing rules elsewhere in the Determination.

2.9. Thirdly, the Board has amended the text in paragraph 2.4.1 related to Exceptional Expenses. The Board has amended this paragraph by removing references to disability or caring responsibilities as these needs are now met through the rules set out in the new Chapter 3A.

2.10. During the course of our time in office the Board has also sought to make it easier for Members, who require it, to apply for Exceptional Expenses. By their nature, it is impossible for the Determination to be able to capture every eventuality in terms of the cases for exceptional

support that elected Members may require. It is important that anyone who is a Member is able to contribute and participate fully in their role, whatever their personal situation.

2.11. During the Fifth Assembly, the Board has introduced a pro-forma to assist Members in applying for funds and an annual review of an individual Member's case for exceptional expenses if it is required on an on-going basis. The pro-forma outlines the information required by the Board before it considers any exceptional expenses claim, and the Board is of the view that this pro-forma should continue to be used in the Sixth Assembly. As part of this process, additional text has been included (at paragraph 2.4.6A) to clarify that Members may be required to provide additional evidence if their circumstances have changed following the annual review of their exceptional expenses.

Chapter 3: Members' Remuneration

2.12. Section 13 of the Measure provides that the Board may only make one determination during each five-year Assembly term as to Members' salaries, and the payment of salaries to the First Minister, Welsh Ministers, Deputy Welsh Ministers and the Counsel General. This determination may be revisited where exceptional circumstances mean that it would be just and reasonable to do so. The Board is required by section 3 of the Measure to exercise its functions with a view to providing Members with a level of remuneration which:

- fairly reflects the complexity and importance of the functions which they are expected to discharge, and
- does not, on financial grounds, deter persons with the necessary commitment and ability from seeking election to the Assembly.

2.13. Chapter 3 of the Determination sets out the salaries and pension arrangements to which Members and additional office holders (including Welsh Ministers, Presiding Officers and Committee Chairs) are entitled, and the indexation arrangement which applies. Members and additional office holders are only entitled to claim a salary once they have taken the oath or made the affirmation of allegiance in accordance with section 23 of the Government of Wales Act 2006.

2.14. The salaries payable to Members and office holders are adjusted in April of each year in accordance with the change in the ASHE (Annual Survey of Hours and Earnings) gross median earnings for full time employee jobs in Wales over the previous twelve months (from April to April). The salaries payable in 2019-20 are set out in **Table 1**.

Table 1 Member and office holder salaries (2019-20)

Additional Office	Base salary	Office holder salary	Total salary
First Minister	£67,649	£80,334	£147,983
Welsh Minister	£67,649	£38,052	£105,701
Counsel General²	£67,649	£38,052	£105,701
Deputy Minister	£67,649	£22,197	£89,846
Presiding Officer	£67,649	£43,338	£110,987
Deputy Presiding Officer	£67,649	£22,197	£89,846
Assembly Commissioners	£67,649	£13,741	£81,390
Committee Chairs (higher)	£67,649	£13,741	£81,390
Committee Chairs (lower)	£67,649	£9,154	£76,803
Business Committee member	£67,649	£9,154	£76,803
Leader of a political group not in Government³	£67,649	£13,741 + £1,057 per Member up to £38,052	£84,561-£105,701

2.15. During its review, the Board considered the evidence for further changes to salaries, including the previous Board's rationale for the salary increase for the Fifth Assembly, the complexity and importance of the functions discharged by Members, the potential changes to Members' responsibilities in the Sixth Assembly, and relevant comparators in other UK parliaments. The full implications for the roles and responsibilities of Members as a result of Brexit and the work of the Commission on Justice in Wales are not yet clear. Any changes to their roles and responsibilities will be influenced not only by such external factors, but also by the way in which the Assembly, its committees and its Members decide to respond. These factors do not, therefore, currently represent a driver for any changes to Member or office holder salaries.

2 If the Counsel General is not a Member, the total salary payable is £105,701, which equates to the base salary payable to all Members plus the additional office holder salary payable for the office of Counsel General.

3 Standing Order 1.3 provides that a political group is (i) a group of Members belonging to the same registered political party having at least three Members; or (ii) three or more Members who, not being members of a registered political party included in Standing Order 1.3(i), have notified the Presiding Officer of their wish to be regarded as a political group.

2.16. On the basis of the evidence, the Board has therefore concluded that the current base and additional office holder salary levels remain appropriate for the Sixth Assembly. It also concluded that the current indexation arrangements remain appropriate as they ensure that Members' salaries reflect changes in the average earnings in Wales. The Board's view is that this remains an appropriate arrangement within the wider financial circumstances of Wales. This is fair both to Members and offers value for money to the Welsh taxpayer. The Board's view was shared by all respondents who responded to the third consultation arising from the review. As such the Board agreed to maintain the current salary levels payable to Members and additional office holders, subject to annual indexation, for the duration of the Sixth Assembly. The salary levels outlined in the draft Determination are by necessity those for 2019-20. The actual salary for the first year of the Sixth Assembly will be subject to the ASHE index as outlined (which has not been published yet), therefore the final salary levels for 2021-22 will be published in April 2021.

2.17. This Chapter also includes three other changes. While reviewing Member and additional office holder salaries, the Board has identified an anomaly in the Determination relating to the salary entitlement of a Counsel General designate.

2.18. A Counsel General designate may carry out the functions of the Counsel General when the office is vacant or the Counsel General is otherwise unable to act. Most commonly such a vacancy occurs when there is a change in First Minister, as the office of Counsel General is vacated when a new First Minister is nominated by the Assembly. It is then for the incoming First Minister to nominate a person to be appointed as Counsel General. The office of Counsel General remains vacant until such time as the First Minister's nomination for Counsel General has been agreed by the Assembly and approved by the Queen. During the period for which the office is vacant, or during periods when the Counsel General may be otherwise unable to act, section 49(6) of the Government of Wales Act 2006 allows the First Minister to appoint a Counsel General designate to carry out the functions of the Counsel General, for up to six months. Standing Order 9.9 provides that the Presiding Officer must notify the Assembly of any such designation. However, there is currently no provision for the payment of a salary to a Counsel General designate. The Board has decided to make provision for this in the Determination as outlined in paragraph 3.1.7.

2.19. Likewise, in the rare circumstance of the Assembly requiring to appoint a temporary First Minister (as per section 46(5) of the Government of Wales Act 2006), the Board believes it would be prudent to put in place a similar provision. As such the Board has included a similar provision

to that of the Counsel General designate for a First Minister “designate” in its draft Determination. This provision has been included in paragraph 3.1.6.

2.20. Similar provisions are also made in paragraphs 3.1.8 and 3.1.9 respectively in relation to a Member elected in accordance with Standing Order 6.24 to act as a temporary Presiding Officer and a Member appointed in accordance with Standing Order 17.22 as a temporary Committee Chair. A Member appointed as a temporary Committee Chair will not be eligible to receive payment of the additional office holder salary if the period during which they exercise the functions of the Committee Chair is shorter than one calendar month. This is intended to ensure that a Member appointed as a Committee Chair for a very short period only is not eligible for payment (e.g. to chair one meeting only).

2.21. The delay of one calendar month in commencing the additional salary payment for a temporary Committee Chair does not apply to the offices of First Minister Designate, Counsel General designate or temporary Presiding Officer. It is proposed that the payment of the additional salaries for those offices will commence on appointment or election. This also reflects that a temporary Committee Chair may not necessarily exercise the full range of responsibilities of the permanent Committee Chair. For example, they may be appointed specifically for the purpose of chairing meetings for a short period, without exercising the other responsibilities of the permanent post holder. The role of a First Minister designate, Counsel General designate or temporary Presiding Officer is different in this regard. For these reasons, the Board considers it appropriate to delay commencement of payment of the additional office holder salary of a temporary Committee Chair for one month, but not the salaries of a First Minister designate, Counsel General designate or temporary Presiding Officer.

Chapter 3A: Additional support

2.22. The Board is proposing the inclusion of a new Chapter 3.A which outlines the additional support available to Members with regards to disability, childcare and caring for dependents, as well as leave for Members who become parents during their time in office. The intention of the provisions in this new Chapter is to reduce barriers to standing for election to the Assembly and to attract a more diverse range of potential candidates. All cost reimbursements set out in this Chapter will be met from central funds.

2.23. Paragraph 3.A.2 outlines the support available to Members and support staff with disabilities, and the support available to engage with constituents who are disabled. Expenditure that may be claimed under this provision (as well as any other parts of the Determination where

applicable) are to meet the costs of any 'reasonable adjustment' that is required. This is in order to ameliorate where possible a substantial disadvantage that a Member, a support staff or a constituent might have compared with other non-disabled Members, support staff or constituents. Details of how Members can make a claim under this provision are also included. This paragraph incorporates the previous provisions outlined in the Equality and Access Fund, which is currently funded by the Assembly Commission. The Board is engaging with the Assembly Commission to ensure that there is no duplication in future between potential sources of funding to provide clarity to Members.

2.24. Paragraph 3A.3 outlines the support available to Members who have caring responsibilities for either children or adult dependents who are relatives, in order to enable them to perform their duties as a Member. The Board strongly supports the principle of removing barriers which might otherwise prevent parents and guardians, people planning a family, or people with other caring responsibilities from standing for election to the Assembly. The Board recognises that the need to balance caring and professional responsibilities is not unique to Members, but acknowledges that the pattern of Assembly business and the nature of elected office may present particular challenges. The Board concluded that there is no set or maximum number of hours that a Member could work and as such the role of an elected Member, in some circumstances, can present a set of unique challenges that may not exist in other professions.

2.25. The Board also considered what provisions existed elsewhere, most notably provided for by the Independent Remuneration Panel for Wales. It noted that members of principal councils, National Park Authorities, and Fire and Rescue Authorities are eligible for the reimbursement of necessary costs (up to a limited amount of £403 per month) for the care of dependent children and adults, and for personal assistance needs.

2.26. For these reasons, the Board is proposing that Members should be able to claim a limited contribution to help towards the cost of care for dependent children or other dependants that are relatives who rely on the Member for their care, where such care is required as a result of the Member's duties. The new provisions specify that care costs may be reimbursed only where incurred outside of the Assembly's normal working hours as specified in the Assembly's Standing Orders (i.e. 9am – 6pm on working days). Therefore such support would contribute only to the payment of costs arising from working beyond what is deemed "normal working hours" for Members. Whilst the definition of 'normal working hours' set out in the Standing Orders may not accurately reflect the hours routinely worked by Members in recent times, it is

considered the most useful definition available for the purpose of setting parameters on the use of this allowance.

2.27. As result it is proposed that each Member would be entitled to claim up to a maximum contribution of £297 per month for the care costs of children or adult dependants in their care. In calculating this maximum monthly allowance, the Board has considered the number of hours per week Members could be required to work beyond normal working hours, and the estimated cost of such care. The paragraph outlines the requirement that any claims made should be in relation to their performance and duties as a Member only. Claims will only be paid to registered care providers and on the production of supporting evidence such as proof of registration of the care provider and receipts for the care.

2.28. Paragraph 3A.4 outlines the support available to Members who choose to take a form of parental leave. For the purposes of this paragraph, parental leave means maternity leave, paternity leave or adoptive leave.

2.29. The Board is supportive of removing potential barriers which might otherwise prevent parents, or people planning a family, from standing for election to the Assembly. In the absence of a formalised system for supporting different types of parental leave, any Member currently wishing to access support would be able to make an application under the exceptional expense provision in section 2.4 of the Determination. However, the Board recognises that parenthood and associated need for parental leave are normal aspects of a diverse and modern parliament, and, in the majority of cases, are something for which those Members can reasonably be expected to plan in advance. The Board is mindful that introducing provisions for Members wishing to take maternity, paternity or adoptive leave is innovative and attracts public interest. The Board is keen to ensure such provisions strike the right balance between supporting Members and their staff, encouraging diversity of candidates, whilst also delivering value for money for the taxpayer.

2.30. Paragraph 3A.4.3 outlines the support available to a Member who is on parental leave. This would take the form of either an additional staff member or additional resource as required, which may vary according to the arrangements which will best meet the Member's needs. The provisions outline the requirements on Members wishing to access such support. Members would currently be able to request such additional support as an exceptional expense. However, in the interest of transparency and in line with the objective of removing potential barriers to standing for election, the Board believes it is fairer and more transparent that specific provision is made in the Determination for this purpose.

Chapter 4: Residential Accommodation Expenditure

2.31. The Board believes that the provisions outlined for residential accommodation expenditure, on the whole, work well, therefore we are proposing to retain the significant majority of the existing system.

2.32. However, a very small number of long-serving Outer Area Members still receive reimbursement in respect of mortgage interest payments on properties of their own. While this is no longer permitted for Members elected since May 2011, transitional arrangements were put in place at the time with a view to phasing the practice out. Despite these arrangements, no end date was placed on them, and following consultation, the Board agreed that this practice should end with the dissolution of the Sixth Assembly.

2.33. Members who currently claim mortgage interest payments will continue to be able to do so in the Sixth Assembly, but not beyond (as noted in paragraph 4.4.10). In addition, to ensure that there is no increased cost to the taxpayer during this period, the Board agreed that the total amount of mortgage interest payment that may be claimed by Members in the Sixth Assembly will be fixed as the amount claimed on the first day of that Assembly. The only exception to this principle is that the Board will allow for subsequent interest rate increases and decreases as per the Bank of England base rate (paragraph 4.4.10 f). The Board believes this decision is fair both to the taxpayer and to Members who currently rely on this provision.

2.34. The Chapter also includes minor changes to paragraph 4.4.5 which confirms that any security measures recommended by the Assembly Commission's Security Team will be funded by the Determination.

2.35. A further paragraph has also been included clarify that all tenancy deposits funded by the Determination must be returned to the Assembly Commission after a rental agreement has finished (paragraph 4.4.5A).

Chapter 5: Members' Travel

2.36. The Board is not proposing any significant change to this chapter as the provisions work well.

2.37. The Board will revisit the provisions in place for travel on European Union business in light of the UK's departure from the EU. A significant amount of devolved policy areas require regular engagement with the EU and while the current support available to Members is sufficient for this

purpose, uncertainty over the future relationship between Wales and the EU means that this paragraph may need to be changed as the future relationship becomes clearer. This also includes removing any references to Members of the European Parliament in the relevant places in the Determination, as Wales no longer has this form of representation.

2.38. The Board has also addressed an anomaly with regards to committee travel. The Board has decided that the provisions outlining support for committee travel need to be reformed in order to reflect current practice (paragraph 5.16). As committee travel is not funded from the Board's Determination, the Board has removed the current text and noted that that any funding for travel on committee business is a matter for the Assembly Commission. This change will introduce clarity into the Determination by ensuring Members and support staff are aware of who funds each type of business travel.

Chapter 6: Office and Constituent Liaison Fund

2.39. The Board proposes a number of changes to this Chapter. The first is to change the name from "Office Costs" to "Office and Constituent Liaison Fund" as it is felt this better reflects the usage of the allowances provided under this chapter.

2.40. The Board has introduced a new section 6A.1 which outlines the principles of office accommodation. Members who choose to fund a constituency or regional office from the Determination will need to ensure that their office(s) follow a set of principles which uphold the reputation of the Assembly, and are safe, and secure, and are open and welcoming to all who use them. Members will also be expected to follow a formal procedure for acquiring an office and ensure that all leases, contracts and other relevant documents related to this allowance comply with the law. While the Board believes that the significant majority of Members already comply with these rules, their formalisation will ensure better value for money for the taxpayer.

2.41. The Board has amended paragraph 6.2.1 which clarifies that claims for this allowance can only be made for office costs and the costs of engaging with constituents, and must take into account any guidance on party political activity. The paragraph also removes the list of permissible items as previously **agreed** by the Board. Further text has been included in paragraphs 6.2.2 and 6.2.3 to clarify that items claimed over £100 remain the property of the Assembly Commission, and that three quotes must be obtained and submitted for items costing £750 or more. This provides consistency with provisions elsewhere in the Determination.

2.42. The "supply of office furniture" allowance in section 6.3 has been renamed to an "Office start up allowance" in order to better reflect its purpose. The current provisions in the

Determination enable Members opening an office for the first time after their election to purchase furniture, as well as Members returning for a third term. Discretion has previously been given to fund start-up costs other than furniture, and the new wording provided in this paragraph better reflects the purpose of the original allowance.

2.43. The provisions for acquiring Information and Communications Technology (ICT) equipment has also been amended (paragraph 6.4.5). This has been done in order to clarify the process that Members are expected to undertake when purchasing ICT equipment.

2.44. Sections 6.5 and 6.6 have been amended slightly to confirm that any costs arising from those provisions, beyond the limits outlined, will be met centrally rather than from the individual Member's allowance. Again this will aid transparency and understanding for those who use the Determination, in how these provisions are funded.

2.45. The Board has increased the requirements on Members before they are able to fund an office from the Determination. A Member who wishes to rent an office within their constituency or region will not be able to make a claim in respect of the rent of that office unless they have fulfilled the obligations set out in section 6.7. This includes acquiring the valuation and legal advice outlined in this paragraph.

Chapter 7: Staffing support for Members

2.46. The Board has already addressed concerns raised over the capacity of Members to undertake their work effectively in light of their considerable and increasing responsibilities. The Board put in place **changes** as a result of its Review of Support for Members in 2018, which on review are having their intended effect (see the Board's report: Review of Staffing Support, July 2019).

2.47. In addition, the Board has sought to introduce more flexibility for Members in their roles as employers which could help address their capacity concerns and ability to attract candidates to apply for these roles. For example, the Board has previously removed the limit of 111 hours on the total number of combined of hours per week of staffing support for each Member.

2.48. The Board has agreed to amend the recruitment policy to enable Members to appoint staff on the basis of a fixed-term appointment of up to 18 months. Currently six months is the limit on the duration permitted. In light of this change, the policy has been clarified that any fixed-term post, beyond six months in duration, must be subject to an open and fair recruitment process, as is currently the case for any permanent post. This provision could, for instance, assist

Members who wish to utilise any unallocated staffing funds to employ staff on a fixed-term basis for specific projects.

2.49. A new paragraph at 7.1.1A has been added to clarify that each Member is an employer and that the Board provides standardised pay, terms and conditions for all support staff. The purpose of this is to outline the different roles of the Member, and the Board's remit in relation to support staff.

2.50. The Board has also decided to increase the level of responsibility of Members and the discretion they have in the decisions they make on spending their staffing allowances. As such, the Board has decided that it should be Members that are responsible for deciding the starting salary of their support staff, within the pay scales determined by the Board. The Board has also set out that in exercising this discretion, Members must follow the guidance on starting salary criteria (section 7.2).

2.51. Section 7.5 on Temporary Support has been amended to include a new rule requiring Members to abide by a new Unpaid Placement policy when providing unpaid placements in their offices, such as volunteering opportunities. Such a policy will ensure that the expectations of the placement are agreed by both parties involved and that the limitations of such placements are clearly set out. In addition, reference is made to the Board's decision, made in light of Part 3 of its review on the Determination in 2019, that all unpaid placements of four weeks or more in duration should be remunerated, apart from those organised through educational institutions.

2.52. Smaller changes have been made elsewhere in this Chapter. In paragraph 7.6.2 the Board has inserted text to clarify that support staff who are family members will continue to receive incremental and annual pay rises.

2.53. In paragraph 7.10.2 the Board has included text which confirms that should support staff wish to, they can request one advance of their pay per year, in accordance with payroll guidance.

2.54. The Board is also proposing to make an amendment to the Temporary Staffing Allowance (TSA) (section 7.12). The Board is proposing to clarify that where a Member makes a claim for TSA when a member of staff is absent from work due to illness, that they must abide by the terms of the Sickness Absence Procedure for short or long term absences (paragraph 7.12.3).

2.55. The Board has also agreed to other enhancements which include making provision for support staff to receive time off for public duties, and to increase the categories of eligibility for

a 100 per cent uplift of statutory entitlement when support staff are made redundant as outlined in section 7.13.

2.56. The final significant change in this Chapter relates to the rules for use of the Policy, Communications and Research Fund. The Board believes that there is insufficient information outlined in the Determination on this fund and its purpose. As such, the pertinent “rules” of the fund which have been previously issued by the Board have been inserted in section 7.14.

Chapter 8: Support for Political Parties

2.57. Chapter 8 provides financial support for political parties to enable them primarily to employ staff to assist parties in the discharge of their work in the Assembly.

2.58. The provisions in this Chapter on the whole reflect those outlined in the previous Chapter. The provisions for outlining the role of the employer, fixed term appointments, starting salary, time off for public duties and arrangements for redundancy uplifts are replicated in this Chapter.

2.59. The Board has also made other amendments to section 8.1. Previously, staffing costs allowances were calculated at the “Potential Maximum Cost”, whereby staff members’ costs were budgeted for at the salary scale maximum, rather than actual costs (i.e. the actual salary scale points on which staff were employed). This was done in order to ensure that Political Parties had sufficient allowances to fulfil their salary obligations over a number of years. Political Parties were then able to use any remaining balance in their staff salary budget to cover other staffing costs, such as staff employed on fixed term contracts, work placements and internships, travel and other office related costs. However, following its review of staffing support, the Board changed its Determination in April 2019 so that staff salary budgets were calculated based on actual salary costs. References to calculating staff salary allowances based on maximum potential salaries have been removed as they are no longer relevant following the changes introduced by the Board in the Review of Staffing Support.

2.60. The requirement on Political Parties to obtain three quotes for expenditure on items of £750 or more, and contractual liabilities of £750 or more, has also been included for consistency, while references to mortgage payments in paragraph 8.1.8 have been removed.

2.61. The final change in this Chapter can be found in section 8.7A which clarifies the use of the Support for Political Parties Allowance for policy and research purposes. The previous Determination referred to it as the “Policy Research and Communications Fund”. For political parties, there is no such dedicated fund; instead they may use whatever underspend they have

left over from their staff salary commitments to commission policy research work. The guidance on the use of the Fund also specifies that the allowance cannot be used by political parties for communications purposes, and therefore it is appropriate now that the section refers to “Policy and Research” for clarity.

2.62. The Board believes that there is insufficient information outlined in the Determination on these provisions. As such, the pertinent “rules” of the fund which have been previously issued by the Board have been inserted in paragraphs 8.7A.2 – 8.7A.4.

Chapter 9: Members leaving office

2.63. The Board is only proposing slight amendments to this Chapter.

2.64. The Board has removed all references to the transitional arrangements put in place for Members at the end of the Third Assembly as they will no longer apply in the Sixth Assembly.

2.65. Paragraph 9.1.2 has been changed to clarify the date on which a Member who stands for re-election and loses ceases to be a Member, as outlined in the Government of Wales Act 2006.

2.66. In reviewing and removing provisions under this Chapter, the Board has also considered the benefit that comes from consolidating the provisions concerning Resettlement Grants into one paragraph. As such, it is proposed that the element of Resettlement Grant available to office holders (under section 9.6 of the previous Determination) is moved to paragraph 9.3.5.

3. Cost estimates

This section sets out an estimate of the costs associated with the changes the Board is proposing to the Determination for the Sixth Assembly.

Overview

3.1. The Board has undertaken an estimation of the total cost of the draft Determination.

3.2. The Board's Determination for 2020-21 is forecast to cost £16.17m.

3.3. Based on the changes outlined in the draft Determination, and taking into account annual price increases, the total cost of the Board's draft Determination for 2021-22 stands at approximately £16.87m. This is an increase of approximately 4.3 per cent (£700,000) in comparison to 2020-21 (the last full year of the Fifth Assembly), the majority of which is down to forecasted salary increases. An outline of where the additional costs fall can be found in Table 2 below.

3.4. Staff budgets have historically been set at the maximum possible cost. However, expenditure patterns in the Fifth Assembly have indicated that costs tend to be lower, mainly due to 'support staff' vacancies. During the Fifth Assembly a 'vacancy provision' was introduced to reduce the total staff budget to more closely reflect actual expenditure. Whilst the Sixth Assembly may follow a different pattern, it is reasonable to expect that Members will take time to recruit to their staff following the election, so a 'vacancy' provision of £1million has been included to reduce the budget provided for 'support staff' in the first year. This will be reviewed following the election and adjusted in subsequent years as appropriate.

Table 2: Estimated costs of Determination in the first year of the Sixth Assembly against the forecast costs of the final year of the Fifth Assembly.

	2020-21 (estimates)	2021-22 (estimates)
Members' salaries and on costs	£6,544,000	£6,740,000
Support staff salaries and on costs	£8,797,000	£9,061,000
Allowances and office costs	£1,831,000	£2,070,000
Vacancy and churn provision	(£1,000,000)	(£1,000,000)
Total	£16,172,000	£16,871,000

3.5. An outline of any new costs outlined and how they apply to the different chapters of the draft Determination can be found below.

Chapter 3: Members' remuneration

3.6. The Board believes there could be some small additional costs as a result of the decisions set out in this Chapter. The Board does not believe that any funding for a First Minister designate, Counsel General designate or temporary Presiding Officer would result in additional costs. However, should a temporary Committee Chair be required, then the Board believes it's reasonable to estimate that there could be one occurrence per financial year, and as such has factored in one full year salary for a temporary Committee Chair at the current rate of £13,741.

3.7. It is estimated that the total combined annual cost of Members and additional office holder salaries and on-costs at the start of the Sixth Assembly will be approximately £6.74m. This is an increase of 3.0 per cent⁴ compared to the forecast cost for 2020-21 (£6.54m).

⁴ This is an estimate percentage change, however this is subject to change following the publication of the ASHE figure for 2021-22, due to be published in October 2020.

Chapter 3A: Additional support

3.8. The costs of the changes outlined in this Chapter will be entirely dependent on the number of Members who make claims against the provisions. However, the Board has made some assumptions based on historical data and has estimated that the annual costs of this chapter will amount to approximately £82,500.

3.9. This is broken down as follows:

- A sum of £5,000 for the support for disabilities provision. This is £1,000 higher than the £4,000 that was previously set aside for the Equality and Access Fund;
- An additional £28,500 for the Board's proposal to provide a contribution towards care costs;
- An additional £49,533 for the proposal on providing resource for Members on parental leave. This total is based on the total potential maximum cost of the "Senior Advisor" support staff pay grade.

Chapter 7: Staffing Support for Members and Chapter 8: Support for Political Parties

3.10. While there is no increase in the costs associated with the Board's proposals for these Chapters, it is estimated that costs related to meeting Members' and Political Parties staffing requirements will be approximately £9.06m in 2021-22. This is 3.0 per cent⁵ higher than the estimated cost of this provision in 2020-21 (£8.8m).

⁵ This is an estimate percentage change, however this is subject to change following the publication of the ASHE figure for 2021-22, due to be published in October 2020.

4. Equality

4.1. As outlined in its strategy for 2016-2021, one of the Board's priorities is to gain a better understanding of the incentives for, and barriers to, standing for election to the Assembly. As such the Board wants to ensure that the Determination for the Sixth Assembly enables and supports as diverse a range of candidates as possible to become Members.

4.2. To inform its equality impact assessment on the Determination for the Sixth Assembly, the Board would welcome any views you may have on:

- whether the proposals outlined in this document could have any implications for people who identify with any protected characteristics;
- whether the issues you have raised in response to this consultation could have an impact or potential impact on people who identify with protected characteristics as defined under the Equality Act 2010.

4.3. Please note the protected characteristics as defined under the Equality Act 2010 are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation.

