

The Assembly Commission

Meeting Venue:
Conference Room 4B – Ty Hywel

Meeting date:
14 July 2011

Meeting time:
12:00

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



For further information please contact:

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Secretariat

Agenda
AC(4)2011(3)

1. Introduction

Introduction and apologies

Declarations of interest

Minutes of meeting – 29 June 2011 (Pages 1 – 5)

2. Revised draft Commission strategy (Pages 6 – 7)

3. Commission draft budget strategy (Pages 8 – 18)

4. Bilingual services (Pages 19 – 63)

5. Case management system (Pages 64 – 67)

6. Determination and report of the Remuneration Board (Pages 68 – 182)

7. Paper to note – Assembly Commission Audit Committee annual report (Pages 183 – 192)

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9. Assembly Commission rolling programme (Pages 197 – 199)

10. Any other business



Comisiwn y Cynulliad Assembly Commission

NAFWC 2011

Minutes of 29 June 2011 meeting

Date: 29 June 2011

Time: 11:30

Venue: Conference room 4B

Minutes of 29 June 2011 meeting

Present:

Presiding Officer, Chair

Peter Black AM

Angela Burns AM

Sandy Mewies AM

Rhodri Glyn Thomas AM

Officials present:

Claire Clancy, Chief Executive and Clerk

Dianne Bevan, Chief Operating Officer

Keith Bush, Director of Legal Services

Adrian Crompton, Director of Assembly Business

Craig Stephenson, Principal Private Secretary to the Presiding Officer

Independent Advisers:

Mair Barnes

Observers:

None

Others:

David Melding AM, Deputy Presiding Officer

Steve O'Donoghue, Head of Resources (item 4)

Nicola Callow, Head of Finance (item 4)

NAFWC 2011

Minutes of 29 June 2011 meeting

1. Introduction and apologies

No apologies were received.

Declarations of interest

Rhodri Glyn Thomas declared an interest in the discussion on the catering contract at item 5. Although he did not have a direct interest in any of the organisations that had tendered for the contract, he had corresponded as an Assembly Member with Commission staff about the matter.

Minutes of meeting – 16 June 2011

The minutes were formally agreed.

Matters arising from the meeting on 16 June 2011

There were no matters arising. However, the Presiding Officer stated that to improve transparency of Assembly Commission proceedings, draft Commission papers would no longer contain a security classification as a norm. Where papers carried a security classification in future, the Commission would be asked if that classification should be removed once the formal discussion had taken place.

2. Assembly Commission annual report and accounts 2010–11

The Commission discussed the draft Annual Report for 2010–11. It was noted that a separate process would be followed for the accounts for the same period. The Assembly Commission Audit Committee of which, Angela Burns, the Commissioner with responsibility for the budget and governance was the Assembly Commission's representative, would scrutinise the accounts. The annual report and accounts would then be drawn together into a single publication which would be published on 14 July.

In addition to the Commission's statutory responsibility to prepare and submit the annual report and accounts, Commissioners wanted to ensure that the publication reached as wide an audience as possible and this would be achieved by providing an on-line version which would take the form of an interactive timeline and would be fully accessible. In addition, a summary document would also be prepared which would be available to the public.

The narrative provided a review of activity in 2010–11 which would be valued by those looking at the history of the Assembly.

Commissioners provided some specific comments which would be

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included in a revised version. In addition, Iwan Williams would discuss some specific amendments suggested by Sandy Mewies.

Action: Iwan Williams to discuss the amendments suggested by Sandy Mewies. Claire Clancy to amend the narrative as suggested during the meeting.

3. Draft Commission Strategy 2011–16

Claire Clancy introduced the paper which provided a draft, high level strategy for the next five years. It was noted that the new Commission Strategy would be underpinned by service plans for each of the Assembly's service areas. These would provide objectives against which performance would be measured. The three strategic goals were agreed by the Assembly Commission though further work was requested on the wording of the third goal in order to make it more positive. Commissioners also suggested a fourth strategic goal in relation to the Assembly as an "ambassador" for Wales.

The draft Strategy detailed how the goals would be delivered by Commission staff. The aim had been to set out the Commission's expectations and provide clarity to aid delivery of the strategic goals. A number of suggestions were offered by Commissioners about this approach. It was agreed that a revised version of the draft strategy would be prepared for the Commission's next meeting on 14 July.

Action: Claire Clancy to provide revised draft version of the Assembly Commission Strategy.

4. Draft Commission Budget Strategy

Claire Clancy introduced the paper. It was noted that in order to provide property, staff and services to the Assembly, the Commission would need to consider its priorities which would drive the strategy. Their priorities would inform more detailed work on the budget which would be considered in more detail during the coming months.

The Commission noted the experience in implementing the existing strategy and the measures taken to reduce the overall budget to date. Commissioners were concerned that a further reduction in staff headcount was likely to affect services to the public and to Members. The Assembly is now a legislature with additional powers and the Assembly Commission needed to be confident that it had the resources to deliver its services over the next five years. Value for money and efficiency would be paramount. The need for sufficient

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flexibility in the budget to support core functions was discussed. The impact of known increases such as inflation, salary increments, rent and depreciation on fixed assets were noted. It was expected that the 0.2 per cent comparator with the Welsh block would provide sufficient flexibility to ensure the delivery of the required services. However, it was agreed that further discussion was required and a paper was commissioned for the next meeting of the Assembly Commission on 14 July.

Action: Claire Clancy to prepare a paper for the next meeting.

5. Update on current issues

This paper provided the Commission with an update on a number of ongoing key issues:

Flow of information – The Commission noted that the First Minister had agreed to provide access to Welsh Government officials by the Research Service when pursuing requests on behalf of Assembly Members. The Assembly Commission was pleased to note that the issue had been resolved.

Security Issues – The Commission considered the position outlined in the report and noted that formal negotiations on shift changes for security guards had been on-going since October 2010. The proposal would reduce the overtime bill and increase efficiency and the Assembly's ability to provide improved security cover across the estate. A number of security guards had accepted the new working pattern. The Presiding Officer had received correspondence from the PCS Union which had been shared with Commissioners. A formal response to the correspondence would be prepared. The Commission agreed that the negotiations should proceed as sensitively as possible.

Grant of catering contract – The Commission noted that the contract had now been awarded.

Bilingual Services – A meeting had been held with the Welsh Language Board on 15 June prior to the publication of the report on the Board's investigation on the translation into Welsh of the Record of Proceedings. It was noted that the Board had found the Assembly to be in breach of its Welsh Language Scheme. The Commission would be discussing the issue in full at its meeting on 14 July.

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Vulnerable Witnesses – The Commission noted the vulnerable witness programme which would provide guidance to Assembly committees and staff on how witnesses should be treated when interacting with the Assembly. The protocol was welcomed by the Assembly Commission.

6. Schedule of Contracts

This item was deferred until the meeting on 14 July.

7. Minutes of Remuneration Committee

The minutes were noted.

8. Assembly Commission rolling programme

The rolling programme was noted.

9. Any other business

The Commission noted that Memorandum of Understanding between the Assembly and the Wales Governance Centre would be agreed shortly.

Agenda Item 2

Comisiwn y Cynulliad Assembly Commission

**NAFWC 2011 (Paper 2 Part 1)
Draft Commission Strategy 2011–16**

Cynulliad
Cenedlaethol
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National
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Wales



Date: 14 July 2011

Time: 12:00–14:00

Venue: Conference Room 4B

Author name and contact number: Claire Clancy, ext 8233

Revised Draft Commission Strategy 2011–16

1.0 Purpose and summary of issues

1.1. To consider the Commission's strategy for the Fourth Assembly. In the revised draft we have tried to reflect comments from Commissioners at their meeting on 29 June.

2.0 Recommendations

2.1. That Commissioners comment on the revised draft Statement of Purpose and Strategic Goals in the Annex so that we can ensure that the final version reflects their priorities and ambitions for the Commission.

6 July 2011

Assembly Commission Strategy 2011–16

Statement of Purpose

The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

The Assembly Commission serves the National Assembly to help make it a strong, accessible and forward looking democratic institution and legislature that delivers effectively for the people of Wales.

Strategic Goals

- **Provide outstanding parliamentary support**
We will help Assembly Members to fulfil their responsibilities to represent the interests of Wales and its people, make laws for Wales and hold the Welsh Government to account.
- **Engage actively and widely with the people of Wales**
We will create an environment that encourages the interest of the people of Wales in the work of the Assembly and facilitates their engagement in the Assembly's roles of legislating, scrutiny and representation, and the Assembly benefits from the creative energy generated by such engagement.
- **Act as an ambassador for Wales in the wider world**
We will make the most of opportunities in the UK and abroad to promote Wales and the work of the Assembly and play our part in the development of parliamentary democracy elsewhere in the world.
- **Reinforce the confidence of Assembly Members and the people of Wales in the way we deliver services and manage costs**
We will make good use of tax-payers' money, and manage resources to deliver a vital public service with improved efficiency and value for money.

In delivering these goals, we will:

- act with integrity, fairness and impartiality;
- strengthen the bilingual practices of the Assembly;
- set high standards;
- be open and transparent;
- work sustainably.

Agenda Item 3

Comisiwn y Cynulliad Assembly Commission

**NAFWC 2011 (Paper 3 Part 1)
Commission draft budget strategy**

Cynulliad
Cenedlaethol
Cymru
National
Assembly for
Wales



Date: 14 July 2011

Time: 12:00–14:00

Venue: Conference Room 4B

Author name and contact number: Claire Clancy, ext 8233

Commission draft budget strategy

1.0 Purpose and summary of issues

1.1. At the meeting on 29 June, Commissioners began to consider their budget strategy for 2011–16. Commissioners asked for an activity-based paper in order to get a better understanding of what could be achieved with greater resources.

1.2. This paper provides an overview within two possible scenarios:

- (i) Consequences if we continue with the previous budget strategy (Annex 1)
- (ii) Improvements that could be made if we had a larger budget (Annex 2)

2.0 Recommendations

2.1. The Commission is asked to provide a steer on the overall approach they wish to take to the budget and the preferred level of balance between improvements/growth and cost. Detailed work will then be done over the summer and submitted to the Commission for consideration in September.

3.0 Financial Implications

3.1. Just to stand still, we will need our existing budget, plus the unavoidable additional costs of £1.8m.

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Commission draft budget strategy

- 3.2. Growth would result in extra costs, which would need to be funded by additional resources or savings (through doing things more efficiently and/or reducing spend in some areas).
- 3.3. The financial implications of the full list of improvements set out in Annex 2, which would be introduced incrementally over the next three to four years, would be:
 - for 2012–13, a budget increase of £2.8m (8.8 per cent) on the current budget for Assembly services.
 - up to £1m year on year which would mean that the budget for 2014–15 would be up to £5m higher than the current year.
 - within the proposed 0.2 per cent relationship with the Welsh Block.
- 3.4. The Commission would review the budget strategy as part of the annual budget–setting process.

6 July 2011

Overall position if we continue with the previous budget strategy

1. The strategy set in 2010 aligns the Commission's budget for Assembly services with percentage changes in the Welsh block. Retaining this strategy would mean we would receive broadly the same amount of money for the next two years. However, we face the following unavoidable cost increases:
 - inflationary impact on major areas of spend (for example, utilities and major contracted services): estimated at £0.2m / 0.5 per cent;
 - staff contractual salary increments: £0.5m / 1.6 per cent; and
 - Unavoidable increases in fixed or contracted costs (for example, Tŷ Hywel rent and depreciation on fixed assets): £1.1m / 3.6 per cent.
2. More unavoidable increases for increments and inflationary impact would follow in future years, along with any new spend required for investment projects or contract renewals. There is no provision to fund a pay deal for Assembly staff when the current arrangement ends in March 2012.
3. We would have to find ways to meet the overall funding shortfall each year, which would need to be done by re-allocating existing resources. Options would be:
 - reducing Assembly staffing headcount further through voluntary severance or not filling posts when they become vacant;
 - reducing contract standards or contracted services provided;
 - reducing areas of discretionary spend and areas of spend where we can control demand;
 - reviewing the nature of service provision (considering whether to contract out more services to save money) to identify scope for savings;
 - delivering invest-to-save projects to achieve longer-term savings, (though we would need additional upfront funds to do so); and
 - increasing income through a more commercial approach (necessarily within the legal framework and without compromising Assembly business).

4. The Commission's statutory responsibilities would continue to be met – formal Assembly business would go ahead: committees and Plenary would meet, legislation would be made, the budget setting process would take place. However, the extent and quality of support provided to Members would reduce and our exemplar aspirations would suffer. Committees provide one example. At present, every committee has access to a clerk and associated team, typically dedicated to one or two committees. This is already a lower level of resource than is provided to committees in the Scottish Parliament (where every committee has its own dedicated team, each of which is as large or larger than one of our multi-committee teams) or Westminster (where a Select Committee, typically, will be supported by a dedicated team of around six staff at equivalent or higher levels than here). Over the course of the next four years, the effect of the real terms reductions envisaged in the existing budget strategy would be that these resources will be spread more thinly between committees.
5. Other consequences in terms of Assembly Business are likely to be:
 - a lower level of support available to Members and committees restricting the volume of legislative and policy scrutiny that could be undertaken at any point in time and the quality of the support provided to that work;
 - slower response times and a focus on ensuring the logistical necessities of committees – meeting spaces, witness arrangements, legal and Standing Order requirements – rather than higher end advice and analysis or proactive work;
 - research briefing and support would not be provided in all areas currently covered; and
 - the information and advice provided by clerks and research staff would be less specialised. In order to meet budgetary reduction in this year, for instance, the research service has already reduced headcount and filled 'specialist' vacancies internally with staff with more general skillsets rather than recruiting specifically for subject expertise. This trend would have to continue.
6. Consequences in other areas of Assembly support are likely to be:

- a reduction in the quality of the visitor experience to the Assembly estate as costs are cut for cleaning; maintenance; visitor services and the education programme;
- invoice payment targets extended to allow for longer-turn around times with fewer staff;
- exemplar employer activity reduced in order to prioritise operational activity over value-adding initiatives; and
- outreach and communications work reduced to cope with lower head-count; cost-savings through scrapping the Assembly bus.

Improvements we could consider with more money

1. Not all additional activities will be optional. There is a direct correlation between some services provided by the Commission and the number and length of Plenary and committee meetings. These services include simultaneous interpretation from Welsh to English, the record of proceedings, dedicated ICT support in Plenary from the Commission's own ICT team and from external contractors, security, visitor management and recording/broadcasting. In addition, the new constitutional position of the Assembly and the expectation of Members will generate increased demands for support from Commission staff compared with previous Assemblies. Table Office staff are reporting an increase in activity now that we have three opposition parties and no overall government majority. We need adequate resources to be confident about meeting these increasing demands.
2. Cuts driven solely by funding pressures could be avoided (as set out in Annex 1) and service levels maintained. We will always look for economy and efficiency in how we deliver activities as part of ensuring the overall effectiveness of Assembly services.

Growth

3. The remainder of this paper sets out possible improvements in four areas of activity and shows estimated additional costs per annum when fully implemented:
 - enhancing Assembly business and international work;
 - improving technology and invest to save;
 - becoming a leader in the fields of equalities, sustainability, bilingual services and employer of choice; and
 - investment in the Assembly estate, security and better procurement.

Enhancing Assembly business and international work (potential additional spend £1.3m per annum when fully implemented)

Committees

4. It would be possible to:

- increase committee activity and influence; take committees out of Cardiff for meeting and evidence gathering visits; provide more external expert advice and for the Research Service to provide more genuinely specialist support to committees. Each committee would be supported own clerking teams for whom the committee would be their sole responsibility.

As an illustration, the Finance Committee could be supported by a public finance expert whose sole focus would be on equipping the Committee with the data and advice it needs to analyse the budget and to hold the government to account for the use of funds from the Consolidated Fund. That support would be focused on the Committee, not responsible too for other types of work as at present. We could enhance support to committees, such as PAC and Petitions, which receive relatively little in-house support at present;

- committees would be equipped to travel, nationally and internationally, in order to inform their inquiries;
- we would implement a more structured programme of procedural work for the Business Committee and Members generally; and
- we would focus greater effort on working with external stakeholders to broaden and improve understanding of relevant procedures, bills, inquiries, draft legislation and consultations so as to strengthen engagement with Assembly activities.

Legislation

5. Sufficient procedural expertise would be available in the Legislation Office to support Members and committees throughout the legislative process without the quality or availability of that support being a restriction on the scrutiny provided by the Assembly.
6. Support for Private Members' legislation would be treated as a priority, rather than as something added on to already heavily loaded existing jobs, through the creation of a dedicated support team.

Research Service

7. Genuine policy expertise would be recruited to strengthen the research service in several areas – most urgently in public finance and statistics, health policy and housing policy.
8. Some examples of the kind of work that we would do today with greater resource include in-depth and more proactive research into:
 - relevant EU/UK legislation;
 - legislative consent motions (likely to increase significantly in number as a result of the referendum);
 - post legislative analysis and assessment;
 - the work of non-devolved bodies of relevance to Wales;
 - different models of funding for devolution; and
 - infrastructure funding in the context of a reducing capital budget.

Legal Services

9. Support from the legal service is provided to the business side of the Assembly (legislation, scrutiny and research), to the operational side (staff, property, facilities) and in relation to corporate activities (freedom of information, data protection etc.)
10. In all these areas the provision of legal services is demand driven. That demand will increase. Three areas in particular are likely to grow substantially. The volume of legislation (including that promoted by individual Members and by committees) will increase. The Assembly is likely to become more engaged with issues of European legislation in response to the increasing importance of the principle of subsidiarity. The Commission's procurement activities will require greater support as public procurement law becomes more complex and more litigious.
11. In order to accommodate this growing demand a small increase in the size of the legal service would be required. To meet in full the increasing demand about two extra lawyers, together with the facility to draw more extensively on external legislative drafting skills, would be needed (representing a roughly 25 per cent increase in the current budget of the legal service).

International work

12. Additional resource would allow the National Assembly to better fulfil its strategic objectives of gaining and imparting knowledge and understanding of international good parliamentary practice. This could be achieved through supporting the development of emerging democracies elsewhere in the world, visiting international parliaments when considering our work in making laws and holding the Welsh Government to account. There would be opportunities for the Assembly to host international conferences with renowned speakers to showcase the Assembly's work where it is an exemplar on the international stage e.g. citizen participation; e-democracy; effective scrutiny of Government; and sustainable and transparent democracy.

Improving technology and invest to save (potential additional spend £1.0m per annum when fully implemented)

Technology

13. We have built ourselves an independent platform and in the next three years, we could transform the way we provide ICT services, with more flexibility and greater control, possibly moving away from large ICT service providers towards a more modular approach. Again, this could provide opportunities for smaller and more local enterprises. However, we would need to buy in or develop more skills in house and aspects of such an approach could be more expensive than the current, less tailored service.

Investing to save

14. There are areas where we could work smarter to make savings, streamlining processes, using systems to replace manual activity, enhancing capacity to manage change and add value to operational activity. Our current separate systems for HR and Payroll could be replaced with an integrated solution, cutting transactional activity and reducing overheads.

Becoming a leader in the fields of equalities, sustainability, bilingual services and employer of choice (potential additional spend £1.0m per annum when fully implemented)

Sustainability

15. We set ourselves a target of reducing the estate's carbon emissions by 40 per cent by 2015. We have made excellent progress so far through relatively easy steps, but we will need to invest to sustain this progress. Increased investment would enable the Assembly to be a leader in this field, deliver our programme more quickly, and control our energy costs over time (otherwise costs are likely to rise in the future).

Bilingual Services

16. If we put more money in to delivering our proposed Official Languages Scheme we will be able to deliver enhanced services more quickly and potentially with greater impact.

Equalities

17. We could aim for accessibility to the estate and communications material to be best in class, and provide more opportunities for a wider range of people to take up employment here, perhaps by supporting structured apprenticeships or work experience programmes. A new programme to widen involvement in politics and democracy could also be established.

An employer of choice

18. We provide good facilities and opportunities for all, as evidenced in our Investors in People Gold status, but there are ways in which we could improve. We could extend development and training further, opening more to support staff and contractors, promote the Assembly as a great place to work and offer more employment opportunities for disadvantaged groups.
19. Staff would undertake the training they require in order to excel in their roles. Though adequate sums remain available for staff training and development, we have cut back and cannot benefit from many development opportunities that would help us increase the capabilities of our staff.

20. There is currently no provision for a pay rise for Assembly staff in future years' budgets. A 1 per cent pay increase costs circa £150,000.

**Investment in the Assembly estate, security and better procurement
(potential additional spend £1.0m per annum when fully implemented)**

Security

21. Current plans include savings targets of £150k on the service agreement with South Wales Police. These cuts could be halted, although we would continue to seek out value for money from this and all our contracted services. In addition we could increase the number and flexibility of security officers to ensure reliability in the opening times of buildings and allow more time for their personal development.

The Assembly estate

22. Our landmark buildings could be used more widely to generate income, if adaptations were made. For example, an upgrade of the Pierhead kitchens would allow use for more commercial functions at times when the Assembly does not need to use the facilities.

Procurement and contract management

23. We are investing more in procurement to make sure that our governance here is strong, but we could improve our performance further by enhancing skills and applying more resources to this area. We could be more creative about how we present opportunities to contract with the Assembly, driving greater sustainability, diversity and local production, helping to grow market capacity where we can.

Comisiwn y Cynulliad Assembly Commission

NAFWC 2011 (Paper 4 Part 1)
Bilingual services

Cynulliad
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National
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Wales



Date: 14 July 2011

Time: 12:00–14:00

Venue: Conference Room 4B

Author name and contact number: Non Gwilym, ext 8647

Bilingual services

1.0 Purpose and summary of issues

1.1. This paper describes a number of matters relating to our bilingual services, including the translation of the Record of Proceedings, the investigation by the Welsh Language Board and proposals for legislative provisions.

2.0 Recommendations

2.1. The Assembly Commission is asked to comment on and agree:

- a way forward for the Record of Proceedings (paras 5.1 to 5.11);
- the draft response to the investigation by the Welsh Language Board (Annex A);
- the (Draft) National Assembly for Wales (Official Languages) Bill (Annex B);
- the draft Official Languages Scheme (Annex C); and
- the consultation timetable for the draft Bill and draft Scheme (Annex D).

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Bilingual services

Background

3.0 Chronology

- 3.1. The decision to stop translating the Record of Proceedings from English to Welsh was taken by the Commission at its June 2009 meeting. Following representations by Assembly Members and the public, at its September 2009 meeting, the Commission agreed to continue translating Plenary proceedings from English to Welsh within 3–5 working days (rather than within 24 hours as had previously been the case) until it had received and considered the recommendations of an independent panel to be established early in 2010 to review our bilingual services including the Record of Proceedings.
- 3.2. The report and recommendations of the Independent Review Panel on Bilingual Services were considered by the Commission at its May 2010 meeting. The recommendations said that the Assembly should enhance its bilingual services to improve engagement with the public and services to Members. Rather than reinstating a fully translated record, the Panel recommended ‘that the verbatim text record of proceedings be published in the original language(s) spoken, together with a record of the contemporaneous translation from Welsh to English, as heard in the Chamber at the time’. The Panel also suggested developing a range of more user–friendly, technology–based methods of accessing Assembly proceedings. In line with the Panel’s recommendation, translation into Welsh of English contributions in Plenary ceased from September 2010.
- 3.3. The Panel made 29 recommendations, about all aspects of the Commission’s bilingual operation, all of which were accepted by the Commission. All of the Panel’s recommendations have been either fully implemented or significant steps have been taken to implement them. Many have been incorporated into our draft Official Languages Scheme. Progress on all 29 recommendations is noted in Annex E.
- 3.4. At its meeting on 30 November 2010, the Commission agreed proposals for legislation to place the duties of the Assembly and of the Commission in relation to the provision of bilingual services on a sound statutory footing. They also agreed

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Bilingual services

arrangements to bring forward a new Official Languages Scheme under the proposed legislative framework.

- 3.5. The Commission agreed to consult widely on these new proposals but, at their meeting in March this year, they decided it would be inappropriate to consult on an issue of such high public interest during dissolution and that the consultation should take place in the summer.

4.0 Welsh Language Board Investigation

- 4.1. On 24 September 2009 the Welsh Language Board wrote to the Chief Executive stating that they were going to carry out a formal investigation into the Commission's decision to discontinue including in the Record of Proceedings a translation into Welsh of contributions made in Plenary in English and whether this was a breach of the Assembly's Welsh Language Scheme.

- 4.2. As the Independent Review Panel on Bilingual Services (the Review Panel) was set up and the fully bilingual Record of Proceedings was reinstated pending its outcome, the Welsh Language Board took no further action at that time. However, following the implementation of the Commission's original decision in September 2010, the Board took up the matter again and, in November 2010, launched its formal investigation.

- 4.3. The Commission argued:

- that the Scheme was the Assembly's Scheme rather than the Commission's scheme, with the result that it fell outside the Welsh Language Board's statutory powers of investigation; but
- that in any event, the change to the arrangements for translating the record was not, in fact, contrary to the requirements of the Scheme which, when read in the light of discussions with the Board when it was being prepared, was not intended to require that all contributions in English, whether in Plenary or in committee, had to be translated into Welsh.

- 4.4. The Commission, whilst maintaining its stance that the Board had no statutory powers to investigate the alleged breach of the Scheme, nevertheless agreed to co-operate fully with the investigation, the findings of which were published on 17 June

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Bilingual services

2011. The Board found that the Commission had failed to act in accordance with the Welsh Language Scheme by “not providing a completely bilingual Record of proceedings of Assembly Plenary meetings”. The Board made five recommendations, in summary:

- the Commission should immediately produce “a fully bilingual record of Plenary proceedings as was the practice prior to September 2009”;
- it should explore how this could be done as efficiently and economically as possible, making use of information technology to help facilitate this;
- although other means of providing the record should be explored, a fully bilingual written record should be maintained in the meantime;
- use of Welsh by Assembly Members and staff should be encouraged; and
- the Commission should consult the Welsh Language Board at an early stage on proposals likely to effect the Welsh Language Scheme.

4.5. The Presiding Officer, Assembly Members and the Chief Executive have received various representations from the Welsh Language Society (*Cymdeithas yr Iaith Gymraeg*) over the past six months urging reinstatement of a fully bilingual Record of Proceedings at the earliest opportunity. A request was received under the Freedom of Information Act for Commissioners’ correspondence relating to the decision to change the arrangements for translating the Record of Proceedings and disclosure of the information requested (subject to certain exemptions) was completed in May 2011. Sections of the Welsh language media and press have also taken a continuing interest in the matter. On 10 June 2011, a petition calling for reinstatement of the fully bilingual Record was submitted to the Assembly by Catrin Dafydd of Cymdeithas yr Iaith, and has over 1,000 signatories to date.

4.6. A draft response to the Board’s report is attached at Annex A. This is, of course, subject to the Commission’s consideration of the issues and decisions it takes at this meeting.

5.0 The Record of Proceedings

- 5.1. The Welsh Language Board's report recommended that "Immediately following the commencement of the fourth assembly, the Commission should produce a fully bilingual record of the Plenary proceedings as was the practice prior to September 2009."
- 5.2. In considering how it should respond, the Commission will wish to take into account:
- the advice on the status of its Language Scheme (paragraphs 7.1 and 7.2);
 - the cost of any decision to reinstate English to Welsh translation, both in terms of the available budget for the remainder of this year and the budgets it sets for 2012–13 and beyond;
 - any impact, because of the cost implications, on the delivery of other recommendations from the independent Panel designed to strengthen our delivery of bilingual services; and
 - that English contributions to committee meetings have never been translated into Welsh and the Commission may also wish to bear in mind that we currently have a common approach to the translation of Plenary and committee proceedings. There would clearly be further cost implications if committee proceedings were to be translated from English into Welsh.
- 5.3. The cost of translating the Record depends on three variables: the number of words spoken, the required turnaround time, and the cost of translating those words (e.g. the rate per 1,000 words chargeable).
- 5.4. The actual cost, exclusive of VAT, of translating the Record from English to Welsh in the last Assembly rose from just over £200,000 in 2006–07 to some £290,000 in 2008–09. The rise was largely due to longer sitting times in Plenary. In 2009–10, the cost reduced to £220,000 as, for a significant part of the year, translation was required within five working days (at £84/1000 words) rather than overnight (£127/1000 words).

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5.5. If the Commission was minded to reinstate translation of the Record from English to Welsh in some form, we could take three approaches to carrying out translation work, which could be combined:

- outsourcing translation to external providers;
- using machine-based translation coupled with proof reading and quality control;
- using our own staff to do translation.

External translation

5.6. In 2010, the average number of words spoken in each Plenary meeting was 45,000, of which, on average, 36,000 were in English. Plenary meetings so far in this Assembly have been longer – around 50,000 words in total – but the calculations in this paper are based on last year's averages. The annual cost of translating, within five working days, 36,000 words from each Plenary throughout a 33 sitting week year would be around £200,000 exclusive of VAT (£240,000 inclusive).

5.7. It would be possible to reduce these sums if slower turnaround times were accepted though the lowest possible cost would still exceed £175,000 including VAT.

Internal resource

5.8. To undertake this work entirely in-house would be more expensive. On average, an experienced translator will translate around 2,500 words per day. The work would therefore occupy between seven and eight full-time translators during sitting weeks, costing in the region of £350,000.

Machine translation

5.9. Last week, we undertook a pilot exercise to establish if a web-based machine-translation service could provide a feasible alternative to commissioned external translation. A 5,000 word section of a Plenary record was successfully uploaded to *Google Translate* and an experienced member of staff quality assured the output. As a result, we estimate that a typical Plenary would

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require around 36 hours of proof reading, currently charged at £39/hour. The estimated annual cost would be around £110,000, including VAT.

5.10. Though currently free to users, Google recently announced its intention to withdraw its translation application¹ and, possibly, to replace it with a paid service. If the Commission wished to pursue this option, it should be assumed that additional cost would be incurred for the use of a paid service. Notwithstanding Google's announcement, it would in any case be a risky strategy to rely on any free application for the delivery of the Record. Prior to the Commission's meeting we will try to obtain further information on the availability and cost of an equivalent secure service.

5.11. Variations on these costed options for providing a fully bilingual Record of proceedings are set out in Annex F.

6.0 The (Draft) National Assembly for Wales (Official Languages) Bill

6.1. At present, the Government of Wales Act 2006 provides that:

"The Assembly must, in the conduct of Assembly proceedings, give effect, so far as is both appropriate in the circumstances and reasonably practicable, to the principle that the English and Welsh languages should be treated on a basis of equality."

(Section 35(1))

and

"In the exercise of the functions of the Assembly Commission effect must be given, so far as is both appropriate in the circumstances and reasonably practicable, to the principle that the English and Welsh languages should be treated on a basis of equality."

(Schedule 2, paragraph 8(3))

6.2. The controversy surrounding the Commission's decision to change the arrangements for translating the Record of

¹ <http://googlecode.blogspot.com/2011/05/spring-cleaning-for-some-of-our-apis.html>

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Proceedings, and in particular the uncertainties relating to the legal position of the Welsh Language Scheme and to the relationship between the Assembly, the Commission, the Welsh Language Board and Welsh Ministers, led to consideration being given to clarifying and strengthening the legislative provisions relating to the position of the Welsh language in the affairs of the Assembly and of the Commission.

- 6.3. Further impetus was given to this initiative by the changes to the law to be made by the proposed Welsh Language Measure, which became law earlier this year, and the work of the Independent Review Panel on Bilingual Services (the Review Panel).
- 6.4. Although detailed legislative provisions were not within the specific remit of the Review Panel and its recommendations, the Review Panel nevertheless felt it worth stating that “the merits of a National Assembly for Wales (Languages) Measure are worth exploring further”. This view was based on evidence put before the Review Panel about the ways in which duties relating to bilingual provision were defined in the legislation of other bilingual or multilingual countries such as Canada, Ireland and Switzerland.
- 6.5. The legislative framework governing the Commission’s bilingual services provision was out of date because it was modelled on that of the Welsh Language Act 1993 (now superseded by the Welsh Language Measure 2011. In line with fundamental constitutional principles neither the Assembly nor the Commission are subject to these new arrangements but continue to be subject to the duties imposed by the 2006 Act (see paragraph 6.1 above).
- 6.6. For these reasons, the Commission agreed to propose new legislation to clearly place the duties of the Assembly and of the Commission in relation to the provision of bilingual services on a sound statutory footing. These provisions are outlined in Annex B as the (Draft) National Assembly for Wales (Official Languages) Bill, and the Commission is asked to approve the content of these.

7.0 Proposed new Official Languages Scheme

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7.1. The existing Welsh Language Scheme has been reviewed in the light of the report of the Review Panel, the legislative proposals of the (Draft) National Assembly for Wales (Official Languages) Bill, our experiences over the third Assembly, consultation with the Welsh Language Board and good practice in other bilingual legislatures. The Scheme, once adopted, could be revised from time to time subject to the same requirements for consultation and approval by the Assembly as apply to the original Scheme itself.

7.2. The Scheme (Annex C):

- states clearly that Welsh and English are the official languages of the Assembly and should be treated equally;
- outlines the practical arrangements to enable the Assembly to operate bilingually;
- guarantees the right of anyone who takes part in Assembly proceedings (witnesses as well as Members) to do so in either of the Assembly's official languages;
- outlines how the Assembly will provide bilingual services to the public;
- outlines how the Assembly's corporate arrangements enables and supports the ambitions to deliver bilingual services; and
- explains our procedure for dealing with complaints of non-compliance with the Scheme, whether made by Members or by the public.

8.0 Consultation

8.1. It is proposed that public consultation on the draft Bill and draft Official Languages Scheme take place over August–October 2011 as outlined in Annex D. Comments would then be taken into account and amendments made to the draft Scheme in the Autumn term, prior to the introduction of the Bill for scrutiny.

This paper has been deemed not suitable for publication in line with the Commission's rules for conduct of business.

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Comisiwn y Cynulliad Assembly Commission

**NAFWC 2011 (Paper 5)
Assembly case management system
(electoral registers)**

Cynulliad
Cenedlaethol
Cymru
National
Assembly for
Wales



Date: Thursday 14 July 2011

Time: 12:00–14:00

Venue: Conference Room 4B

Author name and contact number: Dianne Bevan x8991

Assembly case management system

1.0 Purpose and summary of issues

- 1.1 This paper provides an update for the Commission on the Assembly case management system (“Caseworker”).
- 1.2 At its meeting on 16 June 2011, the Commission was invited to consider seeking a change in the regulations which would allow Assembly staff (as well as Members as at present) to upload the electoral register onto Caseworker.
- 1.3 The Commission asked for further information on the number of Members using Caseworker, the costs of Caseworker to date, the resource, cost and data protection implications of Commission staff involvement in requesting and obtaining electoral register data and the risks of the data being used for party political advantage.

2.0 Recommendation

- 2.1 The Assembly Commission is invited to note the information provided and to decide whether a request should be made for the Commission to become a named body within the Representation of the People (England and Wales) Regulations 2001, allowing Assembly staff to receive the electoral registers

direct from Returning Officers rather than through individual Assembly Members.

3.0 Discussion

3.1 Caseworker is intended to offer a consistent way of working to Members and Support Staff which could replace a number of different systems, currently not supported by the Assembly. This system was the first of its kind for any UK Parliamentary body, so there was innovation in its development and as its adoption by Members would be voluntary, uncertainty about the level of use.

Number of users on the system

3.2 Caseworker is currently running at its capacity of 204 user licences. Since the system was fully integrated into the new ICT network, and following the Fourth Assembly election, requests for new accounts have increased. User numbers are expected to decrease shortly, as the licences for non–returned Members and Support Staff are reused after the winding down period. Use of the system has increased by approximately 70 per cent over the last four months as detailed below:

Time Period	Activity instances
1 Nov 2010 - 14 Feb 2011	1,892
15 Feb 2011 - 29 Jun 2011	2,716

3.3 At 1 July 2011, there were over 4,700 cases on Caseworker, shared between 41 Assembly Members' offices.

Project costs

3.4 The proposal was developed using project start-up funds of £50k. Further costs of £200k were estimated, which took into account the anticipated take up of licences, supplier and technical development costs. The final cost of the project was £414k. The increase was due to:

- more licences being required than were anticipated (although prices were negotiated and subsequently discounted);
- an increase in the number of project management days required;
- further development work by suppliers due to the legal and technical challenges that user requirements presented;
- non-recoverable VAT being chargeable on the user licences, following a change in VAT treatment not taken into account at the start of the project.

There are annual maintenance costs of £43k which are included within relevant budgets.

Electoral Register and Caseworker

- 3.5 Caseworker currently contains all the electoral registers for Wales, placed on the system with assistance from lead support staff in each party group. The system does not depend upon the presence of the electoral registers and could operate without them. However, this data makes it easy to check that anyone writing to a Member for help is a constituent or within the Member's region.
- 3.6 Commissioners asked if the presence of electoral register data on Caseworker would allow the system to be used for party political purposes. Caseworker cannot dictate the content of letters or emails, this would be a matter for the judgment of the Member concerned. In terms of potential political use, for example, Caseworker would not support the use of electoral register information for a mailshot to constituents or those in a certain area or a street.
- 3.7 However, if a group of constituents had written to a Member about a problem and their address details had been entered on the system, a reply or update could be generated for that group from Caseworker. It would be the content of the communication which defines it as either a legitimate use of Assembly resources or as a party political communication.

- 3.8 Were the Assembly Commission to become a named body within the *Representation of the People (England and Wales) Regulations 2001*, Assembly staff could obtain copies of electoral registers directly from the Registration Officer in each local authority and import the data on to Caseworker, without the need for Members or AMSS to obtain and format the material.
- 3.9 Formatting and uploading the Wales electoral registers in their entirety onto the case management system will take approximately 30 hours. This could be done once a year within existing Assembly staff resources with no additional cost, using staff in the ICT Service. Members preferring monthly updates could request copies from the Returning Officers themselves and forward to ICT for uploading after formatting, as happens at the moment.
- 3.10 Commissioners asked about the data protection implications of Assembly staff obtaining the registers direct from Registration Officers. The Commission would become a data controller for these purposes. The information is taken and stored in a secure part of the system. Members and their staff can access it as they do at present and would need to process it properly in accordance with data protection legislation, but this would not change the current position.

National Assembly for Wales
Remuneration Board

Determination on Members' Pay
and Allowances (No. 2)

July 2011



The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

An electronic copy of this report can be found on the National Assembly's website:
www.assemblywales.org

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

Remuneration Board
National Assembly for Wales
Cardiff Bay
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National Assembly for Wales
Remuneration Board

Determination on Members' Pay
and Allowances (No. 2)

July 2011



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Interpretation

In this Determination:

“**the Act**” means the Government of Wales Act 2006;

“**Cardiff**” means any point within a five mile radius centred on the National Assembly Building at Cardiff Bay;

“**Chief Executive and Clerk**” means the Clerk of the Assembly as defined by section 26 of the Act;

“**Inner Area**” means the area within the boundaries of the South Wales West, South Wales Central and South Wales East electoral regions as they stand at the beginning of each Assembly;

“**Main Home**” means the home which a Member has registered with the Members’ Business Support team;

“**Outer Area**” means the area within the boundaries of the Mid and West Wales and North Wales electoral regions as they stand at the beginning of each Assembly;

“**Salary**” means the gross amount payable to a Member before any deductions e.g. income tax and National Insurance contributions;

“**Staff**” means Assembly Members Support Staff (unless stipulated otherwise);

“**Year**” means the 12 months ending with 31 March.

All other terms have the same meaning as in the Act or, as the case may be, the Standing Orders of the Assembly.

Chapter 1: Introduction and principles of financial support

1.1 Introduction

- 1.1.1 This Determination is made by the National Assembly for Wales Remuneration Board (“the Remuneration Board”) under section 3 of the National Assembly for Wales (Remuneration) Measure 2010. This Determination is called the National Assembly for Wales Remuneration Board Determination (No. 2) 2011 and takes effect on 15 July 2011.
- 1.1.2 This Determination supercedes the National Assembly for Wales Remuneration Board Determination 2011.

1.2 Principles of financial support

- 1.2.1 The National Assembly for Wales: Code of Conduct for Assembly Members is available online <http://www.assemblywales.org/memhome/mem-commissioner-standards/cod-ymddygiad.htm> and includes a number of general principles of personal conduct based on the seven principles identified by the Committee on Standards in Public Life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. The broad principles set out below are derived from the Code of Conduct and underpin the rules by which allowances are administered under this Determination. Assembly Members must adhere to the following principles when making claims against allowance entitlements.

1.3 Principles

Expenditure

- 1.3.1 Claims must only be made for expenditure necessarily incurred in order to enable performance of the Member’s duties as an Assembly Member.

Usage

- 1.3.2 Claims must be accurate and must properly reflect actual usage of the resources being claimed.

Political parties

- 1.3.3 Allowances will be paid or reimbursed only where the expense relates to a Member carrying out the duties of an Assembly Member. Claims must not be made for expenditure relating to party political activity.

Other sources

- 1.3.4 Members must not claim against an allowance for anything that the Member is entitled to claim from any other source.

Personal benefit

- 1.3.5 Members must ensure that claims do not give rise to an improper direct or indirect personal financial benefit to themselves or anyone else, including the benefit of a political organisation.

Openness

- 1.3.6 Members must be committed to the principles of openness and transparency. Members will be aware of the Allowance Publication System which informs the public about expenditure incurred by Members.

Personal responsibility

- 1.3.7 Individual Members have full responsibility for all expenses incurred, for making claims and maintaining records sufficient to support claims made in accordance with this Determination. However, this does not preclude the delegation to others of those activities.

Value for money and reasonableness

- 1.3.8 Members must seek to ensure that any expenditure incurred provides value for money to the tax payer, represents the most sustainable and reasonable option available and does not have a negative effect on the reputation of the Assembly or its Members.
- 1.3.9 In assessing whether expenditure is reasonable in all the circumstances, regard will be given to the treatment of any similar claims. The assessment of the reasonableness of a claim will be made as against comparable costs in the locality, or within Wales, as appropriate. For example, a judgement on what is a reasonable

office rental cost will be made in the context of local office rental costs (and not, as against, say, central London office rental costs).

- 1.3.10 It is accepted that in some instances the cheapest option for an individual item of expenditure will not necessarily be the most cost-effective or reasonable option when taken together with other factors. For example, an earlier and more expensive travel ticket might avoid the cost of an overnight stay and might therefore be the most cost-effective option overall.

Documentation

- 1.3.11 Claims must be supported by documentary evidence, except where this Determination confirms that such evidence is not required.

1.4 Appeals process

- 1.4.1 Any questions of entitlement to an allowance in accordance with this Determination are to be decided, in the first instance, by the Members' Business Support team, but a Member, if dissatisfied with the decision, may request that the matter be referred for a decision by the Chief Executive and Clerk. Before reaching a decision on any such question, the Chief Executive and Clerk may, if it is necessary or desirable to do so, seek clarification about the interpretation of this Determination from the Remuneration Board. In doing so, the Chief Executive and Clerk must avoid, so far as possible, disclosing the identity of the individual Member.
- 1.4.2 For the purpose of promoting certainty and consistency in the application of this Determination, the Members' Business Support team must maintain and publish a record of any question referred to the Chief Executive and Clerk under paragraph 1.4.1 of the decision reached and of the reasons for the decision. The published record must, so far as possible, exclude any information disclosing the identity of the individual Member.

1.5 Guidance

- 1.5.1 Assembly Members are referred to the guidance notes issued from time to time by the Members' Business Support team. There is no intention that the guidance notes should affect the content of this Determination. Instead, the notes are intended to assist Assembly Members in understanding this Determination.

Chapter 2: Rules of submission of claims

2.1 Part year allowances

2.1.1 Where an allowance is specified by reference to a financial limit for a year, that limit is reduced, in relation to a Member who enters or leaves the Assembly part way through a year on a pro-rata basis. Members are not restricted to any limit for claiming on a month by month basis as long as the total they have claimed to date does not exceed the limit for the year but where that Member ceases to be a Member part way through a financial year this may result in a refund being claimed from that Member (or in the excess being offset against other entitlements) where the amount that the Member has already claimed up to the time of leaving exceeds the reduced pro-rata limit. For example, if the full year limit for a particular allowance were £4,000, and a Member had claimed £3,000 before leaving at the end of December, an excess of £1,000 would need to be recouped. A pro-rating mechanism will also be applied in the event that a change is made to a financial limit of an allowance during the course of a financial year.

2.2 Returning Member dies or is otherwise prevented through ill-health from taking the oath of allegiance or making the corresponding affirmation

2.2.1 If an individual who ceases to be a Member at an ordinary election by virtue of sections 3 and 14 of the Act but who is subsequently returned at that election should die before, or be otherwise prevented through ill-health from, taking the oath of allegiance or making the corresponding affirmation required by section 23 of the Act, a Winding Up Allowance shall be available under the terms set out in chapter 10 of this Determination.

2.3 Rules for submission of claims

2.3.1 The principles which underpin the reimbursement of expenses are set out in section 1.3 of this Determination. The following rules aim to support those fundamental principles.

2.3.2 Members must ensure that the relevant claim form is completed accurately and submitted in good time to the Members' Business Support team.

- 2.3.3 Items costing £750 or more, or any contractual liability with a lifetime value of £750 or more, must be referred to the Members' Business Support team for approval before any cost is incurred or contract entered into. For example, a three year rental agreement/lease of a piece of office machinery with an annual cost of £500 must be referred as its lifetime value is £1,500.
- 2.3.4 Claims must be accompanied by original invoices and/or receipts (as appropriate). Such invoices and/or receipts must be addressed either to the Member or their staff. In the event that an invoice or receipt is addressed to another person, documentary proof must be produced to satisfy the Members' Business Support team that the expenditure relates solely to the performance of the Member's duties as an Assembly Member.
- 2.3.5 Members are not required to provide supporting invoices and/or receipts for the reimbursement of costs associated with mileage claims for use of private vehicles. However, such sums will only be paid where the Member demonstrates that the travel was undertaken to enable the performance of the Member's duties as an Assembly Member.
- 2.3.6 Original invoices and/or receipts must be submitted in support of all other travel related claims. In accordance with the principles set out in paragraphs 1.3.8 1.3.9 and 1.3.10 and in section 5.2, Members are expected to travel by the most cost effective means. Members will be expected to provide to the Members' Business Support team justification for any claim for travel which that team considers falls outside of these principles.
- 2.3.7 Failure to provide the necessary documentation and/or original receipts may result in a delay or refusal of reimbursement.
- 2.3.8 Claims must be submitted within three months of the end of the month to which the expenditure relates, unless an alternative timescale is given by the Members' Business Support team (e.g. at the end of the financial year) or a reasonable justification can be provided by the Member. This is especially important if a direct payment to a supplier is required, so that the payment can be made to the supplier in accordance with Assembly Commission policy. Late submission of a claim (after the three month cut-off), without adequate reason, may be disallowed. The adequacy of reasons for late claims will be assessed by the Members' Business

Support team, who may refer cases of doubt, or those where novel or contentious issues are involved, to the Chief Executive and Clerk for decision.

- 2.3.9 Special time limits will be notified to Members at the end of each financial year to enable the Assembly Commission to comply with requirements for the completion and audit of its annual accounts. This may result in a shorter deadline for claims. Claims not submitted in accordance with these revised time limits may be refused or may be charged to allowances for the following financial year at the absolute discretion of the Chief Executive and Clerk.
- 2.3.10 Any question of entitlement to an allowance is to be decided, in the first instance, by the Members' Business Support team, but a Member, if dissatisfied with the decision, may request that the matter be referred for a decision by the Chief Executive and Clerk in accordance with the procedure set out in paragraph 1.4.1.

Chapter 3: Members' salaries

3.1 Amount payable

3.1.1 The annual salary payable to Members shall be £53,852, together with an additional office holder's salary if the Member¹ holds one of the offices listed in paragraphs 3.1.3 and 3.1.4. A Member's salary does not become payable until he or she has taken the oath of allegiance or has made the affirmation required by law in accordance with section 23 of the Act.

3.1.2 Members who are also Members of Parliament or Members of the European Parliament will have their Assembly salary reduced, in accordance with section 21 of the Act, by an amount equal to two thirds of the basic salary which that Member would otherwise be entitled to receive.

3.1.3 Members who hold any of the following offices are entitled to receive an additional annual salary² as follows:

Office	Office Holder's Additional Salary
First Minister	£80,870
Deputy First Minister/Welsh Minister/Counsel General (if Assembly Member)/Presiding Officer/	£41,949
Deputy Minister/Deputy Presiding Officer	£26,385
Assembly Commissioners	£12,420
* Chairs of the following committees: <ul style="list-style-type: none">- Children and Young People Committee;- Environment and Sustainability Committee;- Health and Social Care Committee;	£12,420

¹ In accordance with the Act, certain office holder salaries remain payable throughout a period of dissolution and beyond even though the office holder's term of office as a Member has ended by reason of dissolution. For the purposes of entitlements under this part of the Determination, the definition of 'Member' should be read to include those who remain as office holders, even though they have ceased to be a Member by reason of dissolution.

² Notwithstanding the date on which this Determination takes effect, the payment of additional office holder salaries will be backdated to the date of appointment to the relevant office in the Fourth Assembly.

<ul style="list-style-type: none"> - Communities, Equality and Local Government Committee; - Enterprise and Business Committee; - Constitutional and Legislative Affairs Committee; - Finance Committee ; - Public Accounts Committee. 	
<p>* Chairs of the following committees:</p> <ul style="list-style-type: none"> - Petitions Committee; - Standards of Conduct Committee. 	£8,280
<p>Leader of a political group without an executive role</p> <ul style="list-style-type: none"> - The additional office holder's salary is to be calculated as follows: a base level of £12,420 plus an additional £1,000 for every Member of the group to a maximum salary of £41,949 	
<p>Business Managers of political groups</p> <ul style="list-style-type: none"> - The additional office holder's salary is to be calculated as follows: a base level of £6,210 plus an additional £250 for every Member of the group to a maximum salary of £12,420 	

** These salaries may be the subject of review by the Remuneration Board in accordance with section 3 of the National Assembly for Wales (Remuneration Measure 2010).*

3.1.4 A Member who holds more than one of the offices specified in paragraph 3.1.3 is only entitled to receive an additional office-holder's salary in respect of one of those offices, namely the higher or, as the case may be, the highest paid of those offices.

3.2 Counsel General who is not an Assembly Member

3.2.1 A Counsel General appointed under section 49 of the Act but who is not an Assembly Member is entitled to receive salary at the same level as the total salary payable under paragraphs 3.1.1 to 3.1.3 to a Counsel General who is an Assembly Member.

3.3 Payment of salaries

3.3.1 Salaries are paid monthly in arrears on the last working day of each month. Payment is made direct to the Member's account by electronic transfer (Bankers Automated Clearing Services - BACS).

Chapter 4: Residential Accommodation Expenditure

4.1 Part 1 - purpose

- 4.1.1 Payments under this section are for the purpose of reimbursing Members for additional expense which they necessarily incur in staying overnight away from their main homes in connection with the performance of their role as Assembly Members.
- 4.1.2 Parts 2 and 3 of the section relate to the expense of staying overnight in Cardiff in connection with the performance of their role as Assembly Members. Part 2 applies to Members whose main homes are located within the inner area and Part 3 to Members whose main homes are located in the outer area.
- 4.1.3 Part 4 of the section applies to all Members and relates to the expense of staying overnight in connection with the performance of their role as Assembly Members at locations other than their main homes or any accommodation whose expense is reimbursed under Part 2.

4.2 Part 2 - Members whose main homes are located within the inner area

- 4.2.1 Members may claim the expense of up to 20 overnight stays in Cardiff in each year. The maximum amount that may be claimed for each night is the same as the maximum that may be claimed under Part 4.

4.3 Part 3- Members whose main homes are located within the outer area

- 4.3.1 Members may claim under Option A, Option B, Option C or (where applicable) Option D. Claims may not be made under more than one Option in relation to the same period but a Member may at any time notify the Members' Business Support team in writing of a change of option and the date when it is to take effect, which must be not less than a calendar month after the date when notice is given.

Option A – expense of renting furnished property

- 4.3.2 The property in relation to which the claim is made:
 - a) must be in Cardiff;

- b) must have been rented through the agency of a letting agency nominated for the purpose by the Members' Business Support team;
- c) must not be sublet;
- d) must only provide accommodation that is proportionate to the Member's reasonable needs.

4.3.3 The expenses to be reimbursed in relation to the property are:

- a) rent (plus any management charge or ground rent) up to a maximum of £8,400³ in each year in respect of any one property (irrespective of how many Assembly Members reside there);
- b) council tax (subject to paragraph 4.3.4);
- c) utility bills (i.e. gas, electricity, water and sewerage, telephone);
- d) broadband subscription;
- e) television licence;
- f) insurance.

4.3.4 If the property is in council tax Band G, H or I, the amount of council tax which will be reimbursed is that which would have been payable had the property been in Band F.

Option B – expenses in relation to a home in Cardiff provided at the Member's own expense.

4.3.5 The property in relation to which the claim is made:

- a) must be in Cardiff;
- b) must not be the Member's main home;
- c) must not be sublet.

³This figure represents a full year's maximum entitlement and will be pro-rated for the 2011/12 financial year in relation to all Members returned to the Fourth Assembly. For example, for those Members returned on 5 May 2011, the maximum entitlement to 31 March 2012 will be £7,592.

4.3.6 The expenses to be reimbursed are the same as those listed in paragraph 4.3.3b) to f) (and subject to paragraph 4.3.4).

Option C – expenses in relation to other overnight accommodation

4.3.7 The cost of overnight stays in Cardiff may, with the prior written approval of the Members' Business Support team be claimed as an alternative to Options A or B. The maximum amount that may be claimed for each night is the same as the maximum that may be claimed under paragraph 4.4.5 b) but the maximum that may be claimed in each year under this Part is £8,400⁴.

Option D – transitional

4.3.8 This Option is only applicable to Members who:

- a) were Assembly Members immediately before the dissolution of the Third Assembly;
- b) have not ceased to be Assembly Members since (other than solely by reason of that, or another, dissolution);
- c) have at no time opted to make claims under Options A, B or C;
- d) were, immediately before the dissolution of the Third Assembly, either claiming reimbursement of rent or mortgage interest on a home in Cardiff under Part 3.3 (Higher Level Additional Cost Allowance) of Section 3 of the Determination then in force;
- e) continue to satisfy the conditions on which entitlement to reimbursement under that Part were based; and
- f) there has been no change, since that dissolution, in the terms on which the home in question is being rented or, as the case may be, in the terms of repayment of the mortgage debt. For these purposes a rent increase under a contractual rent review or a variation in mortgage interest in accordance with the terms of the mortgage agreement are not to be regarded as changes in those terms.

4.3.9 A Member to whom paragraph 4.3.8 applies:

⁴ See 3 above

- a) may continue to be reimbursed the rent or mortgage interest on the property, (plus, in either case, any management charge or ground rent), subject to a maximum of £8,400⁵ in each year in respect of the property (irrespective of how many Assembly Members reside there);
- b) may, in addition, be reimbursed the same expenses as those listed in paragraph 4.3.3 b) to f) (and subject to paragraph 4.3.4);
- c) where mortgage interest is claimed must, at least once in any twelve month period, submit a statement of interest paid in order that any adjustment in interest rates may be accounted for.

4.4 Part 4 - other overnight accommodation outside Cardiff

- 4.4.1 If it is necessary for a Member, in connection with the performance of their role as an Assembly Member, to stay overnight, other than at the Member's main home or in accommodation whose expense is reimbursable under Part 3, the expense of doing so may be reimbursed in accordance with this Part.
- 4.4.2 Members whose main homes are located within the inner area and who are able to claim the cost of a stay under paragraph 4.2.1 (or who could have done so had they not already claimed the expense of the maximum 20 overnight stays under that paragraph) may not claim the cost of that stay under this Part.
- 4.4.3 Subject to paragraph 4.4.8, no claim may be made under this Part unless the Member has:
 - a) in the case of an overnight stay outside Wales, received the prior written approval of the Members' Business Support team to incur the expense of the accommodation in question. The Member must, when seeking approval, provide the Members' Business Support team with such information as it reasonably requires for the purpose of considering whether approval should be given;

⁵ As 3 above.

- b) in the case of an overnight stay outside the UK, received the approval referred to in paragraph a) before making arrangements to travel.
- 4.4.4 Where the need for an overnight stay is in connection with the business of an Assembly committee, the references in paragraph 4.4.3 to the Members' Business Support team are to be read as references to the officials of the relevant committee instead.
- 4.4.5 Except with the prior written approval of the Members' Business Support team, which will only be given in exceptional circumstances, the maximum nightly amount for hotel accommodation that may be claimed (inclusive of breakfast and parking) is:
- a) £150 if the hotel is in London or Brussels;
 - b) £95 elsewhere.
- 4.4.6 A Member who stays overnight at a hotel may, in addition to the cost of the accommodation, be reimbursed the cost of an evening meal for the Member, subject to a maximum of £20 per night. The amount claimed may not include the cost of any alcoholic drinks.
- 4.4.7 Where, instead of staying at a hotel, a Member stays overnight with a friend or relative, the Member may claim a flat rate of £25 per night.
- 4.4.8 A claim which is made without the requirements of paragraph 4.4.3 having been complied with may be reimbursed if:
- a) it was not reasonably practicable to comply with those requirements;
 - b) the Member provides the Members' Business Support team with a written explanation of why it was not reasonably practicable to comply with those requirements; and
 - c) the claim is approved by the Chief Executive and Clerk.

Chapter 5: Members' travel

5.1 Introduction

- 5.1.1 This section deals with travel on Assembly business by Assembly Members within Wales (referred to as 'normal travel'), elsewhere in the UK but outside of Wales (referred to as 'extended travel') and to the European Union⁶. It also deals with travel undertaken by Members' partners and children, and staff.
- 5.1.2 Subject to the general principles in section 5.2 and paragraph 5.4.2, a Member may travel by road, rail, air or sea on the journeys specified in paragraphs 5.3.1 and 5.3.2 at the expense of the Assembly provided that the journey is necessarily undertaken to enable the performance of the Member's duties as an Assembly Member, and therefore meets one of the following criteria:
- it is for a stated Assembly reason;
 - it is related to a matter currently before the Assembly or one of its committees on which the Member serves;
 - it is pertinent to a constituent or has general relevance in his or her constituency or region.
- 5.1.3 A Member may only claim reimbursement for any journey to the extent that it is not reimbursed by another source, even though a particular journey may cover business on behalf of the Assembly and other organisations.
- 5.1.4 Notwithstanding the references to 'Members' in section 5.2 and paragraph 5.4.2 below, the general principles set out in those paragraphs apply to travel undertaken by any staff of a Member and the general principles set out in section 5.2 apply to travel undertaken by a partner or any child of a Member.

⁶ Although the rules contained in this Determination only apply directly to the categories of travel for which allowances may be claimed under the Determination (as defined in paragraph 5.1.1) Members are reminded that the standards of financial probity set out in Section 1 of the Determination and the general principles referred to in section 5.2, are of general application to costs incurred by Members which are to be met from public funds. They should therefore be observed by Members wherever they make arrangements, or influence arrangements made on their behalf, for travel whose cost is to be met from public funds.

5.2 General principles

- 5.2.1 Members are expected to travel by the most cost effective means, taking into account the actual cost of the travel and the cost of any overnight stay expenses. However, the time involved in a journey may also be taken into account and where benefits from savings in a journey time can be demonstrated, it may be possible to claim at a higher rate of reimbursement. A Member who, in the opinion of the Chief Executive and Clerk, does not travel by the most cost effective means may have the amount of his or her claim abated by an appropriate amount.
- 5.2.2 Members are expected to seek the most cost effective travel ticket for the particular journey, travel method and class of travel they are making, taking account of any discounts available. In addition, Members holding senior rail cards or having access to other concessionary fares should use these.
- 5.2.3 Members should have regard to the Assembly Travel Plan, including the Green Dragon Scheme, which is aimed at encouraging Members of the Assembly, their staff and staff of the Assembly Commission to use public transport, bicycles or communal transport for travel into and from work and on business.

Normal travel – within Wales

5.3 Normal travel – general principles

- 5.3.1 Subject to the general principles in section 5.2 and paragraph 5.4.2, a Member is entitled to travel at the expense of the Assembly when travelling to enable the performance of the Member's duties as an Assembly Member by any reasonable route.
- 5.3.2 Members may also claim for travel between their home, the Assembly and constituency or regional offices.
- 5.3.3 Members may not claim for the refund of any parking charges levied by the Assembly Commission for the provision of parking facilities at/near Tŷ Hywel.

5.4 Travel by road

- 5.4.1 Subject to paragraphs 5.2.1 and 5.2.3, a Member may undertake normal travel by car and claim a mileage allowance based on the actual mileage travelled.

5.4.2 Before embarking on any road travel subject to paragraph 5.4.1, a Member should consider both the feasibility of car sharing with another Member, staff member or a member of Assembly Commission staff and/or of using any approved external car sharing scheme of which the Assembly is a registered member, with the aim of travelling in the most sustainable way appropriate. Full guidance on existing car share initiatives is available from the Members' Business Support team.

5.5 Mileage rates

5.5.1 Travel by car, motor cycle and bicycle will be paid at the HM Revenue & Customs approved mileage rates.

5.5.2 Where a Member shares a journey with another Member, a member of staff (whether their own or another Member's) or a member of Assembly Commission staff in his or her own vehicle on official business, subject to paragraphs 5.2.1 and 5.2.3, he or she shall be entitled to claim a supplement for each passenger per mile, in accordance with HM Revenue & Customs approved mileage rates. More information may be found at:

<http://www.hmrc.gov.uk/paye/rates-thresholds.htm#6>

5.6 Allowable return journeys

5.6.1 When a Member uses a vehicle for travel from the main home to the nearest suitable railway station or airport and it is necessary to return the vehicle to the main home, the cost of the return journey may be claimed. A similar return journey is allowed where the Member is driven to his or her constituency or region from the main home and then travels on to Cardiff by public transport.

5.7 Travel by taxi

5.7.1 Subject to paragraphs 5.2.1, 5.2.3, 5.4.2, 5.7.2 and 5.7.3, if a Member undertakes normal travel by taxi to enable the performance of the Member's duties as an Assembly Member he or she is entitled to claim reimbursement not exceeding the higher rate of the motor mileage allowance specified in paragraph 5.5.1.

5.7.2 If it was not reasonably practicable for the Member to travel other than by taxi, they are entitled to claim the actual level of expense incurred by them.

5.7.3 In any event the maximum amount that a Member can claim by way of reimbursement under this allowance is the actual level of expense incurred by them.

5.8 Travel by hire car

5.8.1 Subject to paragraphs 5.2.1, 5.2.3 and 5.4.2, the expense incurred in using hire cars will only be reimbursed in exceptional circumstances and with the prior approval of the Members' Business Support team. Where such travel is undertaken, the Member is entitled to claim the actual level of expense incurred by them.

5.9 Rail travel

5.9.1 Subject to paragraphs 5.2.1, 5.2.2 and 5.2.3, Members are entitled to claim the actual level of expense incurred by them. In order to demonstrate financial responsibility, Members are expected to choose Standard class travel unless they are able to satisfy the Members' Business Support team that there is a demonstrable need to do otherwise.

5.10 Travel by air

5.10.1 Subject to paragraphs 5.2.1 and 5.2.2, a Member is entitled to claim the cost of travel by scheduled air transport for normal travel. A Member is entitled to claim the cost of travel by private or chartered aircraft for normal travel arrangements up to a maximum cost of the journey had it been made by scheduled air transport.

Extended travel – elsewhere in the UK

5.11 Extended travel

5.11.1 A Member may travel outside of Wales but within the UK at public expense to enable the performance of the Member's duties as an Assembly Member, provided that the reason for the journey meets one of the criteria under 5.1.2 and only where the journey to which the claim relates has been agreed in advance with the Members' Business Support team. The acceptability of any other claims for extended travel allowance not so agreed will be at the discretion of the Chief Executive and Clerk. In all other respects, the levels of allowance and the general principles and conditions subject to

which claims for normal travel are paid will apply to claims for extended travel.

Travel to European Union institutions etc.

5.12 Entitlement

- 5.12.1 In any financial year, each Assembly Member is entitled to make up to four return journeys between Wales and any other member state, or region, of the European Union on Assembly related business.
- 5.12.2 The principal purpose of the visit must be undertaken for purposes in connection with the performance of his or her role as an Assembly Member.
- 5.12.3 Subject to paragraphs 5.2.1 and 5.2.2, a Member is entitled to claim the actual cost to him or her of travel expenses incurred and an entitlement to a subsistence allowance subject to the following maxima:
- the cost of the cheapest, suitable and available return air fare to one of the destinations set out in paragraph 5.12.1; plus
 - two nights' accommodation, meals and incidental travel.
- 5.12.4 A Member not travelling by air may claim actual travelling costs within the maximum set in paragraph 5.12.3 above.

5.13 Application

- 5.13.1 In advance of the journey, Members must submit to the Members' Business Support team a statement of the visit's purpose, location and duration and the persons or organisations to be met. A Member is entitled to claim this allowance only where the journey to which the claim relates has been agreed in advance by the Members' Business Support team. The acceptability of any other claims for this allowance not so agreed will be at the discretion of the Chief Executive and Clerk.

5.14 Travel to regional parliaments, councils or assemblies

- 5.14.1 A Member may apply to the Chief Executive and Clerk for permission to form a delegation to visit a regional parliament, regional council or regional assembly within the European Union. The application must show clearly the likely benefits of the visit to

the business or interests of the National Assembly for Wales and clearly indicate the people or organisations to be visited. Any visit made under this paragraph shall be in place of a visit that might otherwise be made under paragraph 5.12.1.

Travel on committee business

5.15 Travel on committee business

- 5.15.1 When travelling on committee business a Member must comply with rules and principles set out in sections 5.2 to 5.10. Notwithstanding that sections 5.3 to 5.10 are stated to apply to travel within Wales (i.e. to 'normal travel'), for the purposes of travel by Assembly Members on committee business those rules will apply irrespective of the destination of travel undertaken. The following principles also apply to a Member who travels on committee business.
- 5.15.2 A Member may travel at public expense in connection with the performance of his or her role as a member of an Assembly committee in Wales, elsewhere in the UK or anywhere overseas, to the extent that the expenditure is not reimbursed by another source.
- 5.15.3 A Member is entitled to claim reimbursement of costs incurred in undertaking travel on committee business provided that the activity to which the claim relates has been agreed in advance by the committee. Whenever possible arrangements should be made by the clerking team or the Members' Business Support team so as to ensure as far as is practicable that the general principles for travel (such as those in section 5.2) are adhered to. For example, to take advantage of any available group booking discounts.
- 5.15.4 The acceptability of any other claims for committee business travel not agreed in accordance with paragraph 5.15.3 above will be at the discretion of the Chief Executive and Clerk.
- 5.15.5 Mileage travelled in connection with committee business will not count against the limits specified by HM Revenue & Customs as the maximum amount that can be exempted from tax.

Recall of Assembly or committee

5.16 Recall of Assembly or committee

- 5.16.1 A Member is entitled to claim any travel costs incurred by him/her which are necessarily attributable to him/her in undertaking travel to enable him or her to attend a plenary meeting of the Assembly summoned to consider a matter of urgent public importance in accordance with Standing Order 12.3.
- 5.16.2 A Member is entitled to claim any travel costs incurred by him/her which are necessarily attributable to him or her in undertaking travel to enable him or her to attend a meeting of a Committee of the Assembly in accordance with Standing Order 17.46.
- 5.16.3 The provisions relating to travel in sections 5.2 to 5.10, shall apply to these cases. In addition, the actual level of any overnight costs incurred may be claimed if it was necessary to stay overnight during the course of travelling to the Assembly. A Member may also claim the cost of resuming his or her holiday following a recall should this be feasible.

Partner and children's travel

5.17 Limit on number of journeys

- 5.17.1 Subject to the general principles in section 5.2, a Member is entitled to claim for the cost to them of his or her partner and/or any child under the age of eighteen making a journey by public transport between Cardiff and his or her constituency or region, or Cardiff and the Member's main home. Members do not need to travel with their family. However, Members may only claim for 12 single journeys in each year for members of their family.
- 5.17.2 A return journey counts as two single journeys.
- 5.17.3 A partner is defined for the purposes of this allowance as:
- a spouse;
 - civil partners as defined in the Civil Partnership Act 2004;
 - a person living with the Member as the Member's spouse or civil partner and who has been nominated in writing to the Members' Business Support team as the Member's partner.

5.17.4 A child for the purpose of this allowance includes a step child, an adopted child, a foster child, or any other child living as one of the Member's family who has not yet reached the age of eighteen.

5.18 Travel by car

5.18.1 The partner of a Member and/or any child under the age of eighteen may travel by car as an alternative to travelling by public transport between Cardiff and the Member's constituency or region, or Cardiff and the Member's main home. In such cases the Member may claim the appropriate mileage rate. The mileage rates applied will be those applicable to Members. Such claims should be made separately from the Member's own car travel. Any such journey shall count against the total entitlement of 12 single journeys for the year. A partner or child may not claim for journeys made if they travel in the same car as the Member.

5.19 Direct payment to spouse or child

5.19.1 The Member may instruct the Members' Business Support team to pay any amount claimed under this allowance directly to the partner or child concerned.

Travel by Members' staff

5.20 Limit on number of journeys

5.20.1 Subject to the general principles in section 5.2 and paragraph 5.4.2, each Member is entitled to claim the cost to them of members of their staff making up to a total of 18 return journeys by public transport each year between Cardiff and the Member's constituency or region. For this purpose, staff means those who are paid on the Member's behalf from the Staffing Expenditure Allowance, Support for Groups or Temporary Staffing Allowance.

5.21 Travel by Car

5.21.1 Subject to the general principles in section 5.2 and paragraph 5.4.2, a Member is entitled to claim the cost to those staff making car journeys between Cardiff and the Member's constituency or region. A Member may claim the cost to those staff making car journeys between Cardiff and the Member's constituency or region at HM Revenue & Customs approved mileage rates. Any such journey counts against the total entitlement of 18 return journeys for the year.

5.22 Direct payment to staff

- 5.22.1 The Member may instruct the Members' Business Support team to pay any amount claimed under this allowance directly to the member of staff concerned.

Chapter 6: Office Costs

6.1 Purpose and amount

[Note: Paragraphs 6.1.4 to 6.1.6 do not apply to agreements entered into before 5 May 2011.]

- 6.1.1 Members are entitled to claim an Office Costs Allowance to reimburse Members all reasonable costs relating to the running of an office and engaging with constituents. Receipts or proof of expenditure must be submitted with all claims.
- 6.1.2 Members are not entitled to claim from the Office Costs Allowance for using their home as a constituency or regional office.
- 6.1.3 Subject to paragraph 6.1.2, a Member may claim an amount of Office Costs Allowance not exceeding the following in the year commencing 1 April 2011:
- a) £16,242⁷ where the Member maintains an office in the Member's constituency or region; or
 - b) £4,060⁸ where the Member undertakes constituency or regional duties exclusively from the office facilities in Tŷ Hywel, Cardiff Bay.
- 6.1.4 A Member may not claim Office Costs Allowance in respect of an office, or part thereof which is leased or rented from a family member, business partner or business associate.
- 6.1.5 A Member who rents or leases an office or part thereof from an organisation (including a trust in which the Member, or a family member, business partner or business associate of the Member, has a pecuniary interest) may not claim Office Cost Allowance in respect of the rent or lease of the office or part thereof unless the Members' Business Support team has agreed the proposal in advance of the agreement having been entered into.

⁷ This figure represents a full year's maximum entitlement and will be pro-rated for the 2011-12 financial year in relation to all Members returned to the Fourth Assembly. For example, for those Members returned on 5 May 2011, the maximum entitlement to 31 March 2012 will be £14,680

⁸ This figure represents a full year's maximum entitlement and will be pro-rated for the 2011-12 financial year in relation to all Members returned to the Fourth Assembly. For example, for those Members returned on 5 May 2011, the maximum entitlement to 31 March 2012 will be £3,670.

6.1.6 Approval may be given under paragraph 6.1.5 where the Member, family member, business partner or business associate has either a very small holding in a listed company or is a beneficiary of a major pension fund. The decision as to the size of a holding or a pension fund is at the discretion of the Members' Business Support team. Save that a Member, if dissatisfied with the decision made by the Members' Business Support team, may request that the matter be referred for a decision by the Chief Executive and Clerk in accordance with the procedure set out in paragraph 1.4.1.

6.2 Office costs

6.2.1 It is not possible to produce an exhaustive list of admissible items but the following examples may assist Members in deciding whether or not they can make a claim (in cases of doubt reference should be made to the Members' Business Support team):

- the cost of maintaining an office in the Member's constituency or region (including rent, insurance, council tax or business rates, electricity, gas, water and telephone charges and the cost of equipping such offices);
- legal costs relating to the lease or rental of the office;
- valuation costs relating to the lease, rental or sharing of the office;
- measures to ensure the security of the office;
- the cost of hiring or renting rooms situated in the Member's constituency or region for the purposes of holding surgeries;
- the cost of advertising the holding of surgeries;
- newspapers and periodicals;
- the cost of mobile telephone calls made in accordance with paragraph 6.2.6 below;
- accountancy fees relating to the costs of furnishing and maintaining an office;
- stationery not available directly from the National Assembly for Wales Commission;

- the wages and other costs of directly employed cleaning staff not covered elsewhere.

- 6.2.2 All individual items of office equipment costing £100 or more must be recorded on an inventory held by the Members' Business Support team. All items on the inventory should be returned to the Assembly Commission when the Member relinquishes the seat unless alternative arrangements are agreed with the Members' Business Support team. Where no such arrangements have been made, the value of any items not returned will be set-off as against any sums due to the Member under this Determination.
- 6.2.3 Claims for individual items of furniture or other individual items costing £750 or more, or contracts with a lifetime value of £750 or more, must be referred to the Members' Business Support team for approval before any cost is incurred or the contract entered into.
- 6.2.4 The costs of repaying a mortgage, including mortgage interest, cannot be claimed under this allowance.
- 6.2.5 Invoices for office rent must contain the address of the property being rented.
- 6.2.6 Members are entitled to claim an amount to cover the cost of mobile telephone calls where such costs relate solely to the discharge of the Member's duties as an Assembly Member. Claims must not be made for the cost of personal calls.

6.3 Central supply of office furniture

- 6.3.1 Members who wish to establish an office for the first time, or who immediately before the dissolution of the Third Assembly did not maintain a constituency or regional office, are entitled to make a one-off requisition of office furniture from a central list in order to equip that office.
- 6.3.2 The Members' Business Support team administers the list and is available to provide advice on the selection of furniture and other matters relating to the establishment of a first office. Eligible Members must submit a written request for the items they wish to requisition for approval by the Members' Business Support team. The cost of the approved items will be met from central funds (and not from the Office Costs Allowance), subject to a maximum

allowance. For the 2011-12 financial year the maximum allowance is £5,000.

- 6.3.3 A claim against this provision can only be made within 12 months of the Member being returned, either at an election or by-election, and no further claims will be permitted.
- 6.3.4 This provision is not available for the relocation of an existing office or the establishment of an additional office.
- 6.3.5 Notwithstanding a claim under this provision, Members are entitled to purchase general office supplies charged to their Office Costs Allowance in accordance with this Determination.

6.4 Approved suppliers of office equipment and stationery

[Note: Paragraphs 6.4.1 to 6.4.4 do not apply to hire agreements entered into before 5 May 2011.]

- 6.4.1 Members can only purchase or hire photocopiers from approved suppliers. A list of these approved suppliers is held by the Members' Business Support team.
- 6.4.2 If photocopiers are purchased or hired from an unapproved supplier, the Members' Business Support team may refuse reimbursement, or direct payment, of the claim to the extent it exceeds the highest price quoted by the approved suppliers for the actual, or a comparable, item.
- 6.4.3 Members must have regard to any guidance issued by the Members' Business Support team in relation to the purchase of other office equipment and stationery, including guidance on the use of approved suppliers.
- 6.4.4 Where such guidance lists an approved supplier or suppliers for a particular category of office equipment or stationery, Members must provide evidence of value for money and seek approval from the Members' Business Support team to purchase items, within these categories, from unapproved suppliers.

6.5 Office security

- 6.5.1 An additional amount shall be available to fund any expenditure by Members of more than £1,000 in any financial year in respect of safety precautions which Members propose to carry out to

safeguard themselves, their staff, their constituency or regional office and their office equipment, where such safety precautions have been recommended by the police. Such recommendations must be in writing and Members must submit the recommendations and at least three competitive quotations for the cost of carrying out such works in advance of any expenditure being incurred.

6.6 Health & safety and disability access

- 6.6.1 An additional amount shall be available to fund any expenditure by Members of more than £1,000 in any financial year in respect of health and safety precautions or alterations to improve access to their premises which Members propose to carry out, where such measures have been recommended by an appropriate person as approved by the Chief Executive and Clerk and described in guidance issued by the Members' Business Support team. Such recommendations must be in writing and Members must submit the recommendations and at least three competitive quotations for the cost of carrying out such works in advance of any expenditure being incurred.
- 6.6.2 No Member will be required to fund more than £1,000 from their Office Costs Allowance in respect of both paragraphs 6.6.1 and 6.6.1 in the same financial year.

6.7 Leasing, sub-letting and sharing

[Note: Paragraphs 6.7.1 to 6.7.4 do not apply if the agreement or arrangement was entered into before 1 April 2010.]

- 6.7.1 A Member who rents an office from a party political organisation or a trade union may not claim Office Cost Allowance in respect of the rent of that office unless:
- a) the Member has, before entering into the agreement to rent the office, notified the Members' Business Support team of the proposal;
 - b) a valuer nominated by the Members' Business Support team has advised the Members' Business Support team that the proposed rent does not exceed that which is reasonable; and
 - c) a copy of the executed agreement has been deposited with the Members' Business Support team.

- 6.7.2 A Member who rents part of an office to a party political organisation or trade union (or to any other organisation or business) may not claim Office Cost Allowance in respect of that office unless:
- a) the Member has, before entering into the agreement to rent that part of the office, notified the Members' Business Support team of the proposal;
 - b) a valuer nominated by the Members' Business Support team has advised the Members' Support team that the proposed rent is not less than that which is reasonable; and
 - c) a copy of the executed agreement has been deposited with the Members' Business Support team.

6.7.3

- a) If a valuer has advised on a rent under paragraph 6.7.1 b) a Member may not claim Office Cost Allowance in respect of any increase to that rent unless the increase has been notified to the Members' Business Support team and the Members' Business Support team is satisfied that the increase will not mean that the rent exceeds that which is reasonable.
- b) If a valuer has advised on a rent under paragraph 6.7.2 b) a Member may not reduce that rent, whilst still claiming Office Cost Allowance in respect of the office, unless the proposed decrease has been notified to the Members' Business Support team and the Members' Business Support team is satisfied that the decrease will not mean that the rent is less than that which is reasonable.
- c) The Members' Business Support team may, in order to enable them to consider an increase or decrease notified to them under sub-paragraph a) or b), require that the advice of a valuer notified by them be obtained.

- 6.7.4 The cost of obtaining the advice of a valuer for the purposes of paragraphs 6.7.1 b), 6.7.2 b) or 6.7.3 c) may be claimed as part of a Member's Office Cost Allowance.

- 6.7.5 A Member who proposes to enter into an arrangement to share an office with a Member of Parliament or a Member of the European

Parliament may not claim Office Cost Allowance in respect of the rent of that office unless:

- a) the Member has, before entering into the arrangement to share the office, notified the Members' Business Support team of the proposal;
- b) a draft agreement, setting out the terms of the proposed arrangement, including those relating to the method of sharing the costs of the office, has been deposited with the Members' Business Support team; and
- c) the Members' Business Support team has approved the proposed arrangement.

6.7.6 Any proposed variation to an arrangement of the kind referred to in paragraph 6.7.5 must be notified to the Members' Business Support team, and may not be put into effect, by a Member who is claiming Office Cost Allowance in respect of the office, without the approval of the proposed variation.

6.7.7 A Member who claims Office Cost Allowance in respect of the rent of an office:

- a) which is shared with a Member of Parliament or a Member of the European Parliament; or
- b) part of which is rented to another person;

is only entitled to claim Office Cost Allowance in respect of the net rent of the office, i.e. the difference between the amount paid by the Member by way of rent of the office and the amount received by the Member as contribution towards the rent or as rent for part of the office, as the case may be.

6.7.8 A Member who rents part of an office (in respect of which Office Cost Allowance is claimed) to a party political organisation must ensure that no other part of the office is used for party political, including electioneering, purposes.

Chapter 7: Assembly Members' support staff

7.1 Staffing expenditure allowance

7.1.1 A Member is entitled to claim Staffing Expenditure costs, up to a maximum of £89,000 (in 2011-12)⁹, for persons employed by them where those costs are wholly, exclusively and necessarily incurred to enable the performance of the Member's duties as an Assembly Member.

7.1.2 A Member may claim an allowance to cover the salary for up to three full-time equivalent staff (111 hours). The related employer National Insurance contributions, including those for any overtime payments referred to in paragraph 7.3.1, will be paid centrally and will not be deducted from the Staffing Expenditure Allowance.

7.1.3 All staff will be employed on one of three salary bands, Band 1, Band 2 or Band 3, and must be employed in line with the Recruitment Policy issued by the Members' Business Support team.

7.1.4 The full-time equivalent salary scales for these posts are as follows:

Band	Point 1	Point 2	Point 3	Point 4	Point 5
1	£22,594	£24,620	£26,833	£29,249	£31,890
2	£19,296	£21,225	£23,353	£25,698	£28,287
3	£17,472	£18,826	£20,285	£21,861	£23,563

7.1.5 New staff will enter on the scale minimum for the appropriate pay band, unless, in exceptional circumstances, there are compelling reasons to justify a higher starting salary. Members are required to submit a business case for such treatment to the Members' Business Support team, and have it approved, before such a higher salary may be offered to the new staff member. Any disputes will be referred for a decision by the Chief Executive and Clerk in accordance with the procedure set out in paragraph 1.4.1.

⁹ This figure represents a full year's maximum entitlement and will be pro-rated for the 2011-12 financial year in relation to all Members returned to the Fourth Assembly. For example, for those Members returned on 5 May 2011, the maximum entitlement to 31 March 2012 will be £80,442.

7.1.6 All staff will move up the incremental scale one point at a time on the anniversary of their commencement of employment subject to satisfactory performance.

7.1.7 Staff bonuses may not be paid from this (or any other) allowance.

7.2 Staff combinations

7.2.1 The 'Potential Maximum Cost' of any combination of staff employed is equivalent to the salary cost that would be payable were all employees paid at the top point of their relevant pay band, taking account of their contracted hours.

7.2.2 Members may employ staff in any combination of bands so long as the potential maximum cost does not exceed the total value of the Staffing Expenditure Allowance (ie.£89,000 in 2011-12)¹⁰. The difference between the Potential Maximum Cost and the total value of the Staffing Expenditure Allowance is known as the 'Remaining Balance'.

7.2.3 The Remaining Balance may be used to cover the costs outlined in sections 7.3 to 7.6 and also other staff related costs such as approved redundancy costs (where section 7.12 is not applicable), incidental costs of work placements, staff and interns, etc.

Remaining balance

7.3 Travel and overtime payments

7.3.1 Up to a maximum of £2,000¹¹ of the Remaining Balance may be applied to staff travel and overtime payments.

7.4 Engagement fund

7.4.1 A Member may use up to £2,000¹² (inclusive of VAT) of the Remaining Balance to bring in external expertise to advise or assist, for a fixed period, on a specific task or piece of work. The Engagement Fund element of the Staffing Expenditure Allowance is separate to that element, set out in paragraph 7.3.1, available for

¹⁰ See 9 above

¹¹ This figure represents a full year's maximum entitlement and will be pro-rated for the 2011-12 financial year in relation to all Members returned to the Fourth Assembly. For example, for those Members returned on 5 May 2011, the maximum entitlement to 31 March 2012 will be £1,808.

¹² See 11 above

staff travel and overtime. A Member wishing to use his or her Staffing Expenditure Allowance in this way must obtain permission from the Members' Business Support team in advance.

7.5 Temporary support

7.5.1 Where a Member has employed three full-time equivalent staff (111 hours) but requires additional temporary support, not otherwise eligible to be met from the Engagement Fund in paragraph 7.4.1, or the Temporary Staffing Allowance in section 7.11 he or she may use the Remaining Balance for this purpose.

7.6 Life assurance and critical illness provision for Members' staff

7.6.1 A Member may use the Remaining Balance in respect of the cost to him or her of contributions made to any life assurance and/or critical illness provision authorised by the Remuneration Board in respect of any staff paid from:

- Staffing Expenditure Allowance; or
- Office Costs Allowance in respect of directly employed cleaning staff.

7.7 Virement

7.7.1 A Member may vire to the Support for Groups allowance such sums as he or she may choose from the Remaining Balance provided prior written notification is given to the Members' Business Support team.

Contract, payment of salaries and pension provision details

7.8 Contracts of employment

7.8.1 Members are required to provide each of their employees with a standard written statement of the terms and conditions of employment that has been issued by the Members' Business Support team. Members must provide a signed copy to the Members' Business Support team within one month of the commencement of the employment.

7.9 Payment of salaries

7.9.1 Staff salaries shall be paid monthly in arrears on the last working day of each month. Payment must be made direct to the

individual's account by electronic transfer (Bankers Automated Clearing Services - BACS).

7.10 Pension provision for Members' staff

7.10.1 A Member is entitled to claim an allowance in respect of the cost to him or her of contributions made to the personal pension plan of any staff paid from:

- Staffing Expenditure Allowance; or
- Office Costs Allowance in respect of directly employed cleaning staff.

7.10.2 The maximum amount payable is 10 per cent of the actual salary paid to the relevant member of staff. This allowance does not count against either the Staffing Expenditure Allowance or the Office Costs Allowance.

Temporary Staffing Allowance

7.11 Temporary Staffing Allowance (TSA)

7.11.1 A Member may claim TSA to meet the costs of any additional expenses wholly, exclusively and necessarily incurred to enable the performance of the Member's duties as an Assembly Member in obtaining temporary assistance whilst a person to whom a salary is paid by him/her under the Staffing Expenditure Allowance is prevented through illness, maternity leave, paternity leave or adoptive leave from providing such assistance.

7.11.2 TSA can only be claimed if the member of staff for whom cover is required:

- is absent from work because of illness, maternity leave, paternity leave or adoptive leave and continues to be employed by the Member via his/her Staffing Expenditure Allowance;
- is not employed on a casual or temporary basis;
- in the case of illness, is absent for a continuous period that exceeds two weeks;
- submits supporting medical certificates for periods of sickness, a maternity certificate (MATB1 form) showing the expected week of

confinement for maternity leave or a matching certificate in the case of paternity or adoptive leave;

- has a valid contract of employment specifying the periods of paid sickness, maternity, paternity or adoptive leave.

- 7.11.3 The maximum TSA entitlement will be based on the amount of the absent employee's gross salary for a specified period (shown below).
- 7.11.4 Members are encouraged to ensure that all staff providing the temporary cover have pension arrangements in place in line with good employment practice.
- 7.11.5 Absences for illness, maternity, paternity and adoptive leave are treated as completely separate for the purposes of calculating TSA. Therefore a Member who has an employee who has been on maternity or paternity leave and (unrelated) sick leave will have access to two separate budgets for TSA.
- 7.11.6 When an individual is absent through illness, the maximum allowance available will be based on six months full-pay and six months half-pay (including employer's National Insurance contributions and pension costs) of each absent qualifying employee.
- 7.11.7 Once the 'more than two week rule' set out in paragraph 7.11.2 has been met TSA will be retrospective to the first day of absence.
- 7.11.8 When an individual is absent due to maternity, paternity or adoptive leave, the maximum allowance available is equivalent to 26 weeks of the absent employee's gross salary (including employer's National Insurance contributions and pension costs).
- 7.11.9 Where a claim for temporary assistance to cover sickness absence of an employee utilises the maximum period allowed in these arrangements, any extension of the temporary assistance should be claimed against the Remaining Balance. The permanent employee will have reached the contractual limit for salary entitlement and the costs of the replacements will no longer be additional to the normal salary costs.
- 7.11.10 If a subsequent claim for assistance arises in respect of an employee who has had 12 months paid sickness absence, then that

claim may only be admitted if a period of 12 months has elapsed from the end of the previous claim.

Redundancy

7.12 Redundancy payments to staff who are paid from the Staffing Expenditure Allowance

- 7.12.1 A Member is entitled to claim for the cost to him or her of redundancy payments to qualifying staff, where the Member ceases to be a Member of the Fourth (or any subsequent) Assembly for any reason. Such sums will be paid out of central funds (and will not be deducted from the Staffing Expenditure Allowance).
- 7.12.2 To qualify, staff must have at least two years' service with the Member on the date at which they cease to be employed by the former Member and not be self-employed. Redundancy payments will be calculated on the basis of the statutory entitlement under the current employment legislation, uprated by 50 per cent.

Chapter 8: Support for Groups

8.1 Purpose

- 8.1.1 Groups of three or more Members are entitled to a Support for Groups allowance to assist them in the discharge of their work in the Assembly. The allowance is payable only in respect of costs which are incurred by them wholly, exclusively and necessarily for the purpose of discharging their duties as Members.
- 8.1.2 It is not possible to produce an exhaustive list of admissible items, but the following examples may assist in deciding whether or not a claim may be made (in cases of doubt reference should be made to the Members' Business Support team):
- employing staff in an administrative capacity;
 - employing staff to undertake research;
 - the costs of overtime, travel, etc.;
 - acquiring office equipment and hire of facilities.
- 8.1.3 Expenditure under this allowance may be authorised by the designated leader of a group or such other Member to whom such authority may be delegated by him or her.
- 8.1.4 In every case the cost of employment must be calculated by reference to the top pay point for the relevant band of each person to be employed (not the actual pay point of the person being recruited).
- 8.1.5 Groups are required to provide each of their employees with a standard written statement of the terms and conditions of employment that has been issued by the Members' Business Support team. Groups must provide a signed copy to the Members' Business Support team within one month of the commencement of the employment.
- 8.1.6 The related employer National Insurance contributions for any staff funded under any of the provisions of the Support for Groups Allowance will be paid centrally and will not be deducted from this allowance.

- 8.1.7 Purchases of individual items of furniture, other permitted items and contractual liabilities costing more than £750 must be referred to the Members' Business Support team for approval prior to incurring the expenditure.
- 8.1.8 The costs of repaying a mortgage, including interest thereon, cannot be claimed under this allowance.
- 8.1.9 Staff bonuses may not be paid from this (or any other) allowance.

8.2 Staff combinations

- 8.2.1 The 'Potential Maximum Cost' of any combination of staff employed under sub-paragraphs 8.2.2 a), b) and c) is equivalent to the salary cost that would be payable were all employees paid at the top point of their relevant pay band, taking account of their contracted hours.
- 8.2.2 Groups may employ staff in any combination of the bands so long as the Potential Maximum Cost does not exceed the total value of the allowance as follows:
- a) a group of three or more Members, which **is** represented by a Member in the Welsh Government, is entitled to **£127,390**¹³; or
 - b) a group of between three and ten Members, which is **not** represented by a Member in the Welsh Government, is entitled to **£199,048**¹⁴; and
 - c) a group of more than ten Members, which is **not** represented by a Member in the Welsh Government, is entitled to the amount in sub-paragraph b) and an additional **£30,866**¹⁵ for each additional five members of the group (or part thereof).
- 8.2.3 The difference between the Potential Maximum Cost and the total value of the allowance is known as the 'Remaining Balance'.

¹³ This figure represents a full year's maximum entitlement and will be pro-rated for the 2011/2012 financial year in relation to all Members returned to the Fourth Assembly. For example, for those Members returned on 5 May 2011, the maximum entitlement to 31 March 2012 will be £115,141

¹⁴ As 13 above save that the maximum entitlement to 31 March 2012 for those Members returned on 5 May 2011 would be £179,909

¹⁵ As 14 above save that the additional entitlement to 31 March 2012 for those Members returned on 5 May would be £27,898

8.2.4 The Remaining Balance may be used to cover the costs outlined in sections 8.4 to 8.6, and also other staff related costs such as approved redundancy costs (where section 8.7 is not applicable), travel, hire of facilities, etc.

8.2.5 All staff must be employed on a salary point of one of four salary bands, Band 1, Band 2, Band 3 or 'Additional Group Support' (as set out in paragraph 8.2.6), and must be employed in line with the Recruitment Policy issued to Members by the Members' Business Support team.

8.2.6 The full time equivalent salary scales for these posts are as follows:

	Pay point 1	Pay point 2	Pay point 3	Pay point 4	Pay point 5
Additional Group Support	£30,404	£31,961	£33,600	£35,323	£37,138
Band 1	£22,594	£24,620	£26,833	£29,249	£31,890
Band 2	£19,296	£21,225	£23,353	£25,698	£28,287
Band 3	£17,472	£18,826	£20,285	£21,861	£23,563

8.3 Progression through the pay points

8.3.1 Individual support staff will, subject to satisfactory performance, move up the incremental scale one point at a time on the anniversary of their commencement of employment until they reach the scale maximum for their band.

8.3.2 New support staff commencing employment will enter on the scale minimum for the appropriate pay band unless, in exceptional circumstances, there are compelling reasons to justify a higher starting salary. Groups are required to submit a case for such treatment to the Members' Business Support team and have it approved, before such higher salary may be offered to the new staff member. Any disputes will be referred for a decision by the Chief Executive and Clerk in accordance with the procedure set out in paragraph 1.4.1.

Remaining balance

8.4 Office equipment and stationery

8.4.1 Groups may use the Remaining Balance to purchase or hire office equipment and stationery, but all such purchases must be made in accordance with requirements of chapter 6 (Office Costs Allowance) of this Determination.

8.5 Life assurance and critical illness provision for group staff

8.5.1 Groups may use the Remaining Balance in respect of the cost to them of contributions made to any life assurance and/or critical illness provision for any group staff. Any such provision must first be authorised by the Remuneration Board.

8.6 Engagement Fund

8.6.1 Groups may use up to £2,000 (inclusive of VAT) of the Remaining Balance to bring in external expertise to advise or assist, for a fixed period, on a specific task or piece of work. A Group wishing to use their Support for Groups allowance in this way must obtain permission from the Members' Business Support team in advance.

Other arrangements

8.7 Pension provision for group staff

8.7.1 Groups are entitled to claim an allowance in respect of the cost to them of contributions made to the personal pension plan of any group staff.

8.7.2 The maximum amount payable is 10 per cent of the actual salary paid to the relevant member of staff. This allowance is paid from central funds and does not count against the Support for Groups Allowance.

8.8 Redundancy arrangements

8.8.1 These Redundancy Arrangements apply to groups comprised of Members returned to the Fourth (and any subsequent) Assembly.

8.8.2 A group is entitled to claim for the cost of redundancy payments to qualifying staff where the group composition changes whether as a result of an election, or where a Member of a group ceases to be a Member during the term of an Assembly, such that it reduces or

removes entitlement to the Support for Groups Allowance in paragraph 8.2.2.

- 8.8.3 To qualify, staff must have at least two years' service with the employing group on the date at which they cease to be employed by the group (or former group) and not be self-employed. Redundancy payments will be calculated on the basis of the statutory entitlement under the current employment legislation, uprated by 50 per cent. Such sums will be paid out of central funds (and will not be deducted from the Support for Groups Allowance).

Chapter 9: Equality and access

9.1 Support for disabled Assembly Members

9.1.1 Members who, because of their disability, require additional resources to perform their responsibilities as Members are entitled to financial support for this purpose. This disability related provision is administered by the Members' Business Support team.

9.1.2 The amount of financial provision will be calculated on the basis of an assessment of the nature and extent of a Member's disability and the consequential level of additional resources required to enable the Member to discharge their responsibility as a Member. The Member's needs will be assessed in the context of the Member's disability and not with reference to the "Welsh comparative context" as otherwise required by paragraph 1.3.9. This assessment and the calculation of the amount of provision payable to a Member shall, in the first instance, be agreed by the Member and the Chief Executive and Clerk and, if no agreement is reached, by the Chief Executive and Clerk alone.

9.1.3 For the purposes of this provision, 'disability' shall have the same meaning as it has in the Equality Act 2010:

"A person (P) has a disability if -

a) P has a physical or mental impairment, and

b) The impairment has a substantial and long-term adverse effect on P's ability to carry out normal day-to-day activities."

9.2 Physical adjustments

9.2.1 Resources are also available in respect of approved alterations, costing over £1,000 in any financial year, to improve access to constituency or regional office premises for Members' staff and constituents. The first £1,000 is to be funded by the Member out of their Office Costs Allowance and any remaining balance will be met from central funds. Further detail is provided in section 6.6.

9.3 Disabled support staff

9.3.1 Members and Groups must comply with the requirements of the Equality Act 2010 in their role as employers. In so doing, they may

be required to make reasonable adjustments or provide on-going support for disabled staff. The cost of any such adjustments will be met from the Office Cost Allowance or Support for Groups Allowance as appropriate.

9.4 Providing a service to diverse constituents

- 9.4.1 Members and their staff have an obligation to comply with the requirements of the Equality Act 2010 in their capacity as service providers to their constituents. This might, for example, include providing an alternative meeting place or home visits, providing information in accessible formats or other languages and providing communication support for meetings/surgeries (e.g. British Sign Language interpretation). Members may use their Office Cost Allowance to help provide a relevant service to their constituents.

Chapter 10: Members leaving office:

Winding Up Allowance

10.1 Winding Up Allowance

- 10.1.1 A person who, for whatever reason, has ceased to be a Member of the Assembly (a “former Member”) is entitled to claim an allowance in respect of the cost incurred wholly, exclusively and necessarily in completing any work that was in progress at the time that person ceased to be a Member.
- 10.1.2 A Member ceases to be a Member of the Assembly on the date of any of the following:
- a) the resignation of the Member;
 - b) the death of the Member;
 - c) the dissolution of the Assembly if the Member is not a candidate for election to the new Assembly; or
 - d) the election if the Member is a candidate for election to the new Assembly but is not elected.
- 10.1.3 The amount that can be claimed is to be governed by a written winding up plan agreed between the Members’ Business Support team and the former Member, and calculated by reference to the period agreed for the winding up and the Office Costs Allowance, Residential Accommodation Expenditure and that part of the Staffing Expenditure Allowance which provides for the actual salaries in payment to staff employed by the former Member on the day that the former Member ceased to be a Member. The agreed winding up plan is (subject to 10.1.5) to have a maximum duration of three months and no claim will be considered in relation to costs incurred after the expiry of the period of the plan.
- 10.1.4 The amount payable under this allowance shall be reduced by the amount by which the Office Costs Allowance, Residential Accommodation Expenditure and that part of the Staffing Expenditure Allowance referred to in paragraph 10.1.3 may have been over claimed (applying the pro-rating described in paragraph 2.1.1 of this Determination).

- 10.1.5 In respect of a deceased Member:
- a) this allowance shall have effect as if references to the former Member included as appropriate references to the personal representatives of the deceased Member, and
 - b) the maximum duration of three months referred to in 10.1.3 does not apply but the plan must provide for the winding up to be completed as soon as is reasonably practicable under the circumstances.

10.2 Work undertaken and expenses

- 10.2.1 A claim for work undertaken and expenses which have been incurred in accordance with paragraphs 10.1.1 and 10.1.3 can include the following:
- salary and employer's National Insurance contributions of staff who continue to be employed together with related pension contributions;
 - contractual liabilities for staff;
 - contractual liabilities for the payment of equipment hire or accommodation leasing agreements;
 - postage, stationery and telephone costs;
 - travel costs.
- 10.2.2 Redundancy payments under section 7.12 do not fall within the scope of this allowance.

Resettlement Grant

10.3 Resettlement Grant

- 10.3.1 A person who immediately before a dissolution of the Assembly is a Member of the Assembly and either the transitional arrangements in paragraphs 10.4.1 to 10.4.3 apply to that person, or that person:
- is a candidate for re-election; but
 - is not re-elected,
- is entitled to claim a Resettlement Grant.

- 10.3.2 In the preceding paragraph (and in paragraph 10.4.1 d)), 'candidate for re-election' includes a person on a list of candidates of a registered political party; and 're-elected' includes a person returned for an Assembly electoral region.
- 10.3.3 Assembly Members who also are or have also been Members of Parliament or Members of the European Parliament and who have or have had their Assembly salary reduced by two-thirds in accordance with paragraph 3.12 of this Determination, will have their Resettlement Grant calculated by reference to the unabated salary level.
- 10.3.4 Except where paragraphs 10.4.1 to 10.4.3 apply, the amount of the Resettlement Grant payable is one calendar month's salary (at the rate payable to Members immediately before the dissolution) for each completed year of service subject to a maximum payment equal to six months' salary.

10.4 Transitional arrangements

- 10.4.1 This paragraph (and paragraphs 10.4.2 and 10.4.3) applies to a person who:
- a) was an Assembly Member immediately before the dissolution of the Third Assembly;
 - b) has since served continuously as an Assembly Member (other than by reason of a dissolution);
 - c) ceases to be an Assembly Member either at the dissolution of the Third Assembly or at a subsequent dissolution;
 - d) is not a candidate for re-election or, if a candidate, is not re-elected; and
 - e) notifies the Members' Business Support team in writing of a wish to receive a Resettlement Grant under these transitional arrangements.
- 10.4.2 The amount of the Resettlement Grant payable under these transitional arrangements, expressed as a percentage of yearly salary (at the rate payable to Members immediately before the dissolution in question), is determined by age (at the election) and length of service as a Member of the Assembly before that dissolution.

10.4.3 The relevant percentages are shown in the following table:

Percentages of yearly salary/number of years of service (completed years)

Age	under 10	10	11	12	13	14	15 or over
Under 50	50	50	50	50	50	50	50
50	50	50	52	54	56	58	60
51	50	52	55	58	62	65	68
52	50	54	58	63	67	72	76
53	50	56	62	67	73	78	84
54	50	58	65	72	78	85	92
55 to 64	50	60	68	76	84	92	100
65	50	58	65	72	78	85	92
66	50	56	62	67	73	78	84
67	50	54	58	63	67	72	76
68	50	52	55	58	62	65	68
69	50	50	52	54	56	58	60
70 or over	50	50	50	50	50	50	50

10.5 Calculating years of service

10.5.1 In calculating the number of years of service (whether for the purpose of paragraph 10.3.4 or of paragraphs 10.4.2 and 10.4.3) a period of tenure as a Member shall not be taken into account on more than one occasion; any period of service that was disregarded when determining a previous resettlement grant payment shall be disregarded. Any fraction of a year shall also be disregarded except where a Member who was first elected at an ordinary general election fails to complete a year as a consequence of the date of dissolution prior to an ordinary general election falling on an earlier date than that on which the Member was first elected. In such a case the Member shall be regarded as having served a complete year.

10.6 Office holders

10.6.1 Assembly Members who have at any time during their period of service referred to in paragraph 10.5.1 held an office specified in paragraph 3.1.3 shall be entitled to receive an additional payment by way of Resettlement Grant. The payment will be equal to the amount of salary paid to the holder of that office in the three

months before they ceased to hold that office. If a Member held more than one office during that period, the amount of salary on which this payment is based will be the higher, or as the case may be, the highest amount paid to that Member. However, where a Member has chosen not to draw an additional salary to which they are entitled, or has chosen to draw a reduced sum, the additional payment under this paragraph will be calculated by reference to the unabated salary.

III Health Retirement Grant

10.7 III Health Retirement Grant

- 10.7.1 Any Member whose health precludes his or her continued participation as a Member of the Assembly shall be entitled to claim an III Health Retirement Grant on ceasing to be a Member. The level of grant payable shall be calculated on the same basis as a claim for a Resettlement Grant under sections 10.3 to 10.6, to include, where appropriate, the transitional arrangements set out in that chapter save that reference to the date of a dissolution of the Assembly shall be construed as a reference to the date when the Member ceases to be a Member.
- 10.7.2 An Assembly Member who claims an III Health Retirement Grant shall not be entitled to claim a Resettlement Grant at the time of the next dissolution of the Assembly.



Office Holder Remuneration

**Report of the Remuneration Board
of the National Assembly for Wales**

July 2011

The Remuneration Board

The Rt Hon George Reid (Chair)

Sandy Blair

Mary Carter

Stuart Castledine

Professor Monojit Chatterji

Biographies of Board members are available at Appendix A.

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With assistance from the Research Service of the National Assembly.

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Executive Summary

1. The independent Remuneration Board of the National Assembly for Wales, established by the National Assembly for Wales (Remuneration) Measure 2010, has a mandate to determine the salaries and allowances of Assembly Members and their staff from the beginning of the Fourth Assembly.
2. This report represents the findings of the second phase of our work to determine additional salaries for committee chairs, opposition party leaders, party business managers and whips, and Assembly Commissioners.
3. In completing our work, we have sought to:
 - develop a system of remuneration that is fit for purpose, transparent and sustainable;
 - base remuneration on responsibility, not workload;
 - develop a methodology that reflects the relative responsibilities of each office under consideration;
 - develop solutions within a predominantly Welsh context; and
 - target the system of remuneration and allowances to support the strategic purpose of the Assembly as a legislature; specifically to hold the Welsh Government to account, legislate and represent the people of Wales.
4. Our work has been informed by the evidence gathered during the first phase of our work, and by written and oral consultation with Members who held offices in the Third Assembly or who have taken up office in the Fourth Assembly.
5. We have explored the way it is anticipated that each office will function within the context of the Fourth Assembly, and asked those who provided us with evidence to compare the relative responsibilities of the additional offices at the Assembly in order to enable us to develop a coherent and sustainable framework for additional salaries which takes account of the internal relativities.
6. All of the additional salary levels set out in this report will be backdated to the date of appointment of the office holder in the Fourth Assembly, and are subject to a pay freeze for four years, as set out in our first report, *Fit for Purpose*, of March 2011.¹

¹ Chapter 5, *Fit for Purpose*

Chairs of Assembly Committees

7. To reflect the relative responsibilities and contributions of committee chairs to the strategic purpose of the Assembly, there will be a two-tier structure of additional salaries for committee chairs.
8. In recognition of the significant additional responsibilities that will be borne by the chairs of eight of the Assembly's committees within the newly streamlined structure, the chairs of those committees will receive additional salaries of £12,420, which is 50 per cent greater than the £8,280 interim salary level we set in March 2011 on the basis of our understanding of the responsibilities borne by chairs of Third Assembly committees. The responsibilities of the chairs of the Petitions and Standards Committees will be broadly similar to those of Third Assembly committee chairs, and they will each receive an additional salary of £8,280.
9. The additional salaries that will be paid to the chairs of committees in the Fourth Assembly are set out in Figure 1.

Figure 1: Additional Salaries Payable to Committee Chairs in the Fourth Assembly

Committees	Additional salary
Children and Young People; Environment and Sustainability; Health and Social Care; Communities, Equality and Local Government; Enterprise and Business; Public Accounts; Finance; Constitutional and Legislative Affairs	£12,420
Petitions; Standards	£8,280

10. Our decisions are based on the committee structure agreed by the Assembly in June 2011. If there are material changes to the committee structure during the course of the Fourth Assembly, we will review the impact on the decisions we have taken.

Opposition Party Leaders

11. To reflect their responsibility in driving forward the overall purposes of the Assembly, leaders of opposition parties will receive a base level of additional salary equal to that paid to the chairs of the most strategically significant Fourth Assembly committees. The additional responsibilities and complexities involved in leading larger parties, in comparison to smaller opposition parties, will be recognised by a per-Member incremental element. Leaders of opposition parties in the Fourth Assembly will receive additional salaries, backdated to the date of appointment, comprising a base level of £12,420 and a proportional element of £1,000 per seat held. The total additional salary will be subject to a cap of £41,949 (the level of additional salary payable to Welsh Ministers).
12. The actual levels of additional salary payable to the leaders of the opposition parties in the Fourth Assembly, based on the political balance following the election in May 2011, are shown in Figure 2.

Figure 2: Additional Salaries Payable to Opposition Party Leaders in the Fourth Assembly

Opposition Party	Number of Members	Additional salary
Conservative	14	£26,420
Plaid Cymru	11	£23,420
Liberal Democrats	5	£17,420

Party Business Managers and Whips

13. The roles undertaken by party whips are for party political purposes, and we do not believe that it is appropriate to pay additional salaries to them from public funds. Therefore, from the Fourth Assembly onwards, opposition and Government chief whips will no longer receive additional salaries.
14. To reflect the responsibilities of business managers to the effective functioning of Assembly business, each party's business manager will receive an additional salary of a base level of £6,210, which is 50 per cent of the additional salary payable to chairs of the more strategically significant committees, plus a proportional element of £250 per Member in the party group. The total additional salary will be subject to a cap of £12,420. Based on the current political balance, the additional salaries payable to business managers from each party in the Fourth Assembly is shown in Figure 3.

Figure 3: Additional Salaries Payable to Party Business Managers in the Fourth Assembly

Party	Number of Members	Additional salary
Labour	30	£12,420
Conservative	14	£9,710
Plaid Cymru	11	£8,960
Liberal Democrats	5	£7,460

Assembly Commissioners

15. Assembly Commissioners have responsibility for overseeing and deciding the strategic governance of the Assembly. Such responsibilities are broadly equivalent to those of chairs of the more strategically significant committees, and, to reflect this, Assembly Commissioners will receive additional salaries of £12,420.

Costs of Revised Determination

16. The total additional salary payable to all office holders at the beginning of the Fourth Assembly is £889,033 compared with £960,203 at the end of the Third Assembly. This is a reduction on office holders' salaries of £71,170 or 7.4 per cent. The revised estimated cost of our Determination for 2012-13 is £12.9 million.

Future Considerations

17. The next phase of our work will be to undertake a review of pension benefits to Members, office holders and staff. We intend to start work in this area, which we anticipate will be ongoing for the duration of the Fourth Assembly, during autumn 2011.

Introduction

The Remuneration Board of the National Assembly for Wales, established by the National Assembly for Wales (Remuneration) Measure 2010, has a mandate to determine the salaries and allowances of Assembly Members and their staff from the beginning of the Fourth Assembly.

Following our appointment by the Assembly Commission on 22 September 2010, we met on a number of occasions between October 2010 and March 2011 to undertake the first phase of our work.

Our *Determination on Assembly Members' Pay and Allowances 2011-12* was published in March 2011. The rules of financial support set out in the Determination came into effect from the beginning of the Fourth Assembly. The Determination was accompanied by a report, *Fit for Purpose*, which outlined the principles upon which our work was based, the context within which our decisions were made, and the evidence upon which we reached our conclusions.

The limited time available to us to prepare our first Determination meant that we did not receive sufficient evidence to reach a final view on the additional salaries for some office holders, namely committee chairs, Assembly Commissioners, leaders of opposition parties, and party whips. We were also of the view that these roles might change as a result of the outcome of the 2011 election. We resolved to make a final Determination as soon as possible on these issues after further consultation on the degree of responsibility attached to these roles in the Fourth Assembly.

This report represents the findings of the second phase of our work, which has included further written and oral consultation with Members who held offices in the Third Assembly, and consultation with those who have taken up office in the Fourth Assembly. We have taken account of the new committee structure, in which dual function committees undertake both scrutiny and legislative work, and have also given due consideration to the impact of a broadly proportional electoral system on the political composition of the Assembly, and consequently on the roles of various office holders.

We believe that our decisions are fair, clear and sustainable; that they represent value for money; and that they reflect the extra responsibilities of additional office holders.

We are grateful to all those who assisted us during this second phase of our work.



The Rt Hon George Reid
Chair of the Remuneration Board
July 2011

Principles and Methodology

This chapter summarises our objectives and the way in which we have undertaken this phase of work.

Principles

18. In undertaking our review of additional salaries for office holders, we have adhered to the same principles which we applied to the first phase of our work. These are to:
- develop a system of remuneration that is fit for purpose, transparent and sustainable;
 - base remuneration on responsibility, not workload;
 - develop a methodology that reflects the relative responsibilities of each office under consideration;
 - develop solutions within a predominantly Welsh context; and
 - target the system of remuneration and allowances to support the strategic purpose of the Assembly as a legislature; specifically to hold the Welsh Government to account, legislate and represent the people of Wales.
19. Throughout the first phase of our work all of our decisions in relation to salaries were based on the general principle, which has also been adopted by the Senior Salaries Review Body (SSRB), that:
- “pay should reflect levels of responsibility, rather than workload.”²*
20. This principle has continued to guide our consideration, during the second phase of our work, of the appropriate levels of additional salaries payable to office holders.
21. We have also examined the extent to which office holders have responsibility for, and contribute to, the fulfilment of the strategic capacity of the Assembly. In doing this we have taken account of the comparative responsibilities and contributions of holders of the various offices at the Assembly.³

² P4, SSRB Report No 48: Review of Parliamentary Pay and Allowances, Volume 1, 2001

³ First Minister, Welsh Ministers, Counsel General, Presiding Officers, Commissioners, business managers and whip, party leaders and committee chairs.

22. A further guiding principle for the work is that the additional responsibilities borne by office holders should be considered in the context of the Fourth Assembly — a transitional Assembly that will work differently in light of the enhanced legislative powers it has as a result of the Yes vote in the referendum held in March 2011.⁴ In particular, the restructuring of the committee system to include dual function legislative and scrutiny committees, and the political balance in the Assembly following the May 2011 election, have informed our understanding of the roles of committee chairs, opposition party leaders, party whips and Assembly Commissioners.

Methodology

Collection of Evidence in Phase One

23. To inform the first phase of our work (October 2010-March 2011), we gathered evidence from office holders in several ways. All Members of the Third Assembly were invited to respond to a survey which asked them to comment specifically on the responsibilities of office holders; both their own responsibilities, if relevant, and those of others. In total 22 Members responded, of whom 17 were office holders. Members of the Board held interviews with holders of each of the types of office to provide additional information on the responsibilities inherent in each role and the Chair of the Board led a discussion on the responsibilities and roles of office holders at our colloquium in December 2010.
24. The evidence we gathered indicated that Members were broadly content with the levels of additional salaries payable to office holders at the end of the Third Assembly, although some respondents questioned the rationale for paying additional salaries to party whips, and others felt that the salary paid to the leader of the largest party in opposition was too high.
25. Our survey also indicated that Members were more likely to be motivated to take additional offices because it was an opportunity to serve and make a difference rather than for financial reasons. However, the majority of respondents felt that it was appropriate that the additional responsibilities of office holders should be recognised by the payment of additional salaries.
26. We drew on evidence from the SSRB, the reviews of pay and allowances at other UK legislatures, the reports of the two independent panels on Assembly Members' pay and allowances, and the Assembly Commission's records in order to understand the development of the system of additional salaries that was in place at the end of the Third Assembly. We also commissioned research on average earnings for broadly comparable roles within Wales.⁵
27. We did not consider that this information was sufficient for us to make final decisions on additional salaries for:
- committee chairs;
 - leaders of the parties in opposition;

⁴ For further reading on the transitional Assembly, refer to pages 35-37 of *Fit for Purpose*

⁵ Chapter 6, *Fit for Purpose*

- party business managers and whips; and
 - Assembly Commissioners.
28. We did however have sufficient evidence to allow us to make an interim Determination on a rate of additional salary for the chairs of those committees that were most significant to the strategic purposes of the Assembly.

Phase One Decisions

29. Figure 4 provides a summary of the decisions we made in March 2011 with regard to additional salaries for office holders for the four years from the beginning of the Fourth Assembly. This includes the interim decisions made in relation to party leaders, party whips, committee chairs and Commissioners. For illustrative purposes, the additional salaries payable to office holders at the end of the Third Assembly are also included.

Figure 4: Fit for Purpose Decisions on Additional salaries for Office Holders⁶

Office	April 2010 (£)	2010 Total (including base salary) (£)	April 2011 (£)	2011 Total (including base salary) (£)
First Minister	80,870	134,722	80,870	134,722
Welsh Minister	41,949	95,801	41,949	95,801
Counsel General	41,949	95,801	41,949	95,801
Presiding Officer	41,949	95,801	41,949	95,801
Leader of largest opposition party	41,949	95,801	-	-
Deputy Minister	26,385	80,237	26,385	80,237
Deputy Presiding Officer	26,385	80,237	26,385	80,237
Government Chief Whip	26,385	80,237	-	-
Leaders of opposition parties (other than the largest)	12,168	66,020	-	-
Assembly Commissioner	12,168	66,020	8,280	62,132
Opposition Chief Whip	12,168	66,020	-	-
Committee chairs (higher level)	12,168	66,020	8,280	62,132
Committee chair (lower level)	8,112	61,964	-	-

Collection of Further Evidence in Phase Two

30. In total, during the second phase of our work (May-July 2011), 25 past or present office holders provided us with evidence on the offices under consideration. The evidence gathering process has enabled us to discuss the roles and the key skills required of office holders in more detail with individuals with experience of undertaking those roles.

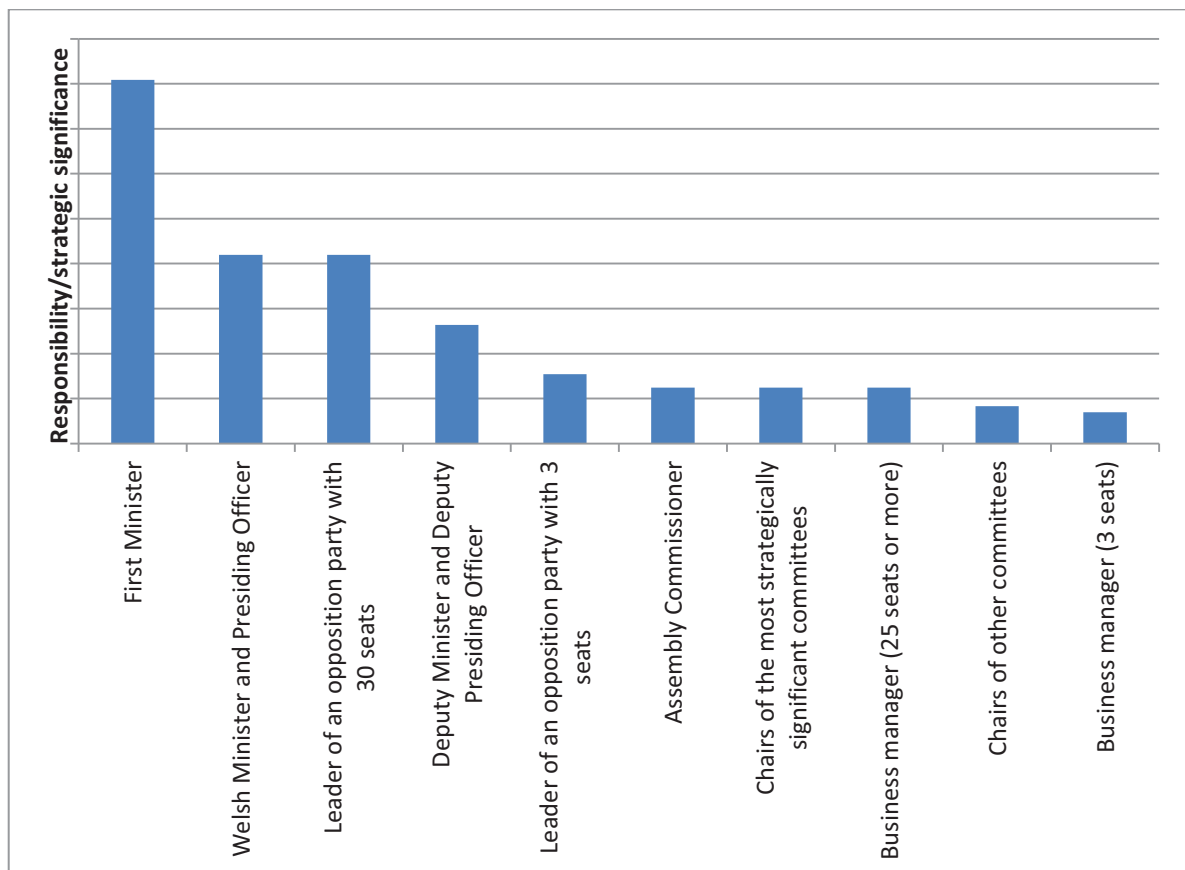
⁶ As sufficient evidence to determine appropriate salary levels for committee chairs, opposition party leaders, party whips and Commissioners had not been received during the first phase of our work, decisions on the level of additional salaries were deferred. An interim salary level for committee chairs and Commissioners was set.

31. To gather this evidence, we wrote to a cross-section of Third Assembly office holders (29 in total) from all political parties and key individuals in the Fourth Assembly, all of whom were invited to complete a detailed questionnaire which probed the particular responsibilities associated with each office, the roles' relevance to the Assembly's strategic purpose, how success in the roles could be measured, the key skills and attributes required, and whether the office holders felt that there were valid comparisons to be drawn with other positions within the Welsh economy. In total, 17 written responses were received.
32. Following receipt of the written evidence, the Chair and Board members with particular professional experience in remuneration issues met with 13 Members and former Members, who between them had held all four offices under consideration and who came from all four political parties represented in the Assembly. These interviews aimed to increase further our understanding of the roles and responsibilities of office holders and their contribution to fulfilling the strategic purpose of the Fourth Assembly. The Board also received detailed briefings from Assembly officials on the likely impact in this area of a revised committee structure.
33. We explored the way each of the different offices are expected to function within the context of the Fourth Assembly, taking particular account of its political composition and its enhanced legislative powers. We also asked those who provided us with evidence to compare the comparative responsibilities of the additional offices at the Assembly and for their views on the relative significance of each of the roles to the strategic purpose of the Assembly. The combination of the evidence obtained during both phases of our work has enabled us to make a judgement on the responsibility and strategic purpose ranking of these offices against each other and their position on a qualitative scale ranging from Assembly Member to First Minister.
34. The discussions we had with Members not only gave us insight into the contributions of the various offices to the strategic purpose of the Assembly, but also indicated that there was considerable agreement amongst Members as to the relative additional responsibilities inherent in each office. In particular, there was general agreement that:
 - there is considerable commonality in the responsibilities of leaders of all opposition parties but there was also a differential in the nature of those responsibilities broadly corresponding to the number of Members in the party group. It was generally agreed that if a hypothetical opposition group were to have 30 Members, the leader of that group would have responsibilities broadly comparable to those of a Welsh Minister. The responsibilities of the leader of the minimum group size, three Assembly Members, would be significantly less than this, but would still be greater than those borne by chairs of the more strategically important committees;
 - the responsibilities of Assembly Commissioners are roughly equivalent to those of the chairs of the most strategically important committees, and the responsibilities of both these offices merit additional salaries;

- as a result of the new committee structure agreed by the Assembly, the responsibilities of chairs of committees in the Fourth Assembly were likely to be greater than those of committees in the Third Assembly. However, not all committee chairs would have the same levels of responsibility, so the two tier additional salary structure should continue; and
- the role of party whip should not be remunerated from public funds, although that of party business manager did merit additional salary. There was consensus that the responsibility level is lower than that of the chairs of the most strategically significant committees, but should be weighted according to the Members within each group.

35. This comparative approach to office holder roles and responsibilities has enabled us to develop a sustainable, coherent framework for the payment of additional salaries to office holders with broad recognition being given to their internal relativities. Our findings are laid out in Figure 5.
36. Further detail on the particular methodology applied to determine the salary level for each office is set out in the relevant chapters.

Figure 5: Relative Responsibility and Strategic Significance of Office Holder Roles



37. One of the key principles on which we have based the system of financial support set out in our Determination is that the financial support and remuneration provided to Assembly Members must be based within a Welsh context. We therefore took account in our decisions on additional salaries for office holders of the evidence received during the first phase of our work that the base salary paid to Members (£53,852) was within the top 1.7 per cent of the Welsh

earnings distribution.⁷ While this base salary level and the additional salaries payable to office holders have been frozen for four years from the beginning of the Fourth Assembly, the high relative starting point in relation to average Welsh earnings means that we consider that the salary levels we have set should not act as a deterrent to Members considering standing for additional offices.

Phase Two Decisions

38. During our consideration of the appropriate level of additional salaries for party leaders, party whips, committee chairs and Commissioners, we evaluated and took account of the comparative responsibilities and contributions to the strategic purpose of the Assembly of these roles and of the offices for which decisions on additional salaries had already been reached. This helped to ensure that there was internal coherence within the structure of office holder payments.
39. Decisions for additional salaries for each office, and details of the particular methodologies applied, are set out in Chapters 2 to 5.

Future Considerations

Members' Pension Scheme

40. The next phase of our work will be to undertake a review of pension benefits to Members, office holders and staff. In *Fit for Purpose* we indicated that we would defer consideration of this matter until we received the 2011 actuarial valuation of the scheme and had time to consider the implications of the March 2011 report of Lord Hutton on public sector pensions and the public debate about its conclusions. We intend to start work in this area, which we anticipate will be ongoing for the duration of the Fourth Assembly, during autumn 2011.

Monitoring and Evaluation

41. We will monitor the implementation and impact of our Determination to ensure that the system of support we have put in place for the Fourth Assembly continues to be fit for purpose. In particular, we will assess the impact of our *Fit for Purpose* recommendations relating to Members' support staff and increasing the strategic capacity of the Assembly and make further changes should those be necessary.

Members' Support Staff

42. Before April 2013, we will review the remuneration arrangements for Assembly Members' support staff, having previously frozen their salary scales until that time.⁸

⁷ Chapter 5, *Fit for Purpose*

⁸ Chapter 9, *Fit for Purpose*

A Five Year Assembly

43. The system of financial support set out in our Determination is for the four years from the start of the Fourth Assembly. As we noted in *Fit for Purpose*, the Fixed-Term Parliaments Bill 2010-11 is likely to result in the Fourth Assembly term being extended to five years.

44. In 2013-14 we will therefore review the decisions we have taken on Members' salary levels in order to assess whether the system of financial support in place for the final year of the Fourth Assembly is appropriate and to determine the arrangements for the Fifth Assembly. Prior to making our Determination on the total remuneration package for the Fifth Assembly, we are likely to assess the job weight and responsibilities of Assembly Members, Ministers and other office holders in the light of the development of the Fourth Assembly.

Committee Chairs

This chapter sets out the history of supplementary payments for committee chairs; reviews the roles and responsibilities they have in the Fourth Assembly; and outlines our decisions on additional salaries.

Overview

45. As we set out in *Fit for Purpose*, the system of remuneration of committee chairs has a long history, which we believe has “evolved without any firm guiding principles in place”.⁹
46. In the first two Assemblies the Government of Wales Act 1998 required the Assembly to establish subject committees, regional committees, a subordinate legislation scrutiny committee and an audit committee. Subject committees corresponded with ministerial portfolios and were unusual in that the Ministers were themselves members of the committees. Chairs of these committees were not remunerated.
47. A review by the SSRB in 2001 stated that the responsibilities of a committee chair were greater than those of an Assembly Member, and that a case could be made for paying additional salaries to chairs of some committees.¹⁰ This resulted in the chairs of some subject and scrutiny committees receiving additional salaries. The number of such chairs increased in 2008, following the establishment of five permanent legislation committees, each with a non-voting Chair.¹¹ While chairs of ad hoc legislation committees had not previously received additional salaries, the Commission took the view that it was likely that the new permanent legislation committees would meet frequently and regularly, and that the chairing role would be specialised, requiring the development of advanced expertise in legislative procedures. To take account of the volume, high profile and specialised nature of the work required of the new legislation committee chairs, the Commission agreed that legislation committee chairs should receive additional salaries commensurate with those received by the chairs of the four main scrutiny committees, Audit Committee and Finance Committee.¹²
48. The two independent panels on financial support for Assembly Members both considered the issue of additional salaries for committee chairs. The first panel recommended that there should be no extension to the level of remuneration or the range of chairs in receipt of additional salaries¹³ but, on the basis of separate oral evidence to the Commission, the salaries payable to the chairs of some committees were increased, and an additional rate of additional

⁹ P56, *Fit for Purpose*

¹⁰ SSRB No.49 *National Assembly for Wales: Review of Pay and Allowances, May 2001*

¹¹ *National Assembly for Wales Commission, Salaries for Chairs of Permanent Legislation Committees, NAFWC 2008 Paper 4, 4 December 2008*

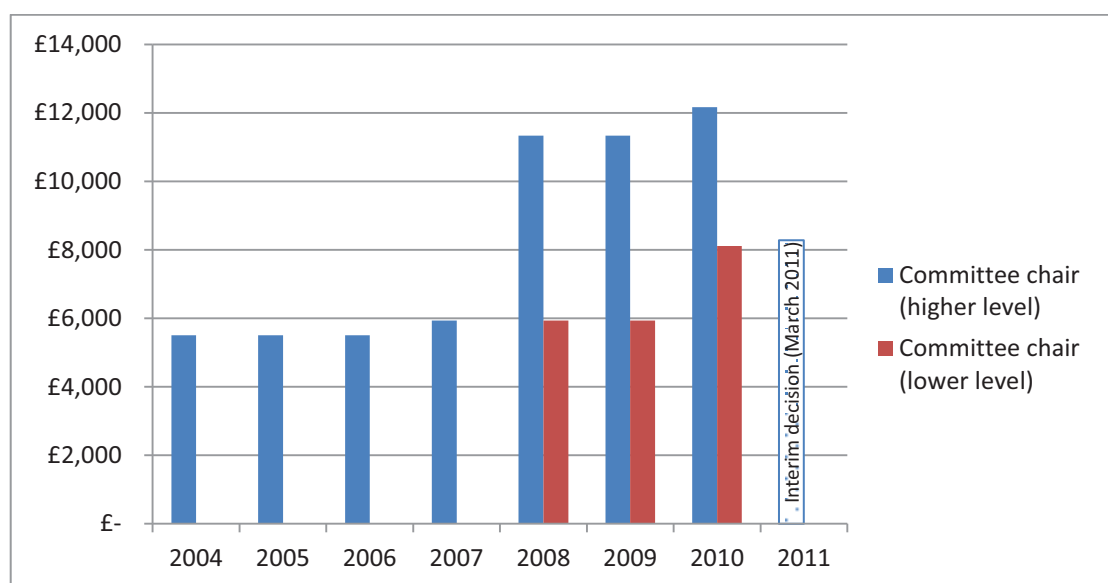
¹² *National Assembly for Wales Commission, Minutes of 6 March Meeting, 2008*

¹³ *Report of the Independent Panel on Financial Support for Assembly Members, 2008*

salary was applied to certain other committees.¹⁴ There is no recorded information on how this decision was reached. The two-tier structure was endorsed by the second independent panel which, in 2009, increased the levels of additional salaries at both the higher and lower rate, although it is not clear on what evidence these increases were based.¹⁵

49. Figure 6 shows the development of the additional salaries payable to committee chairs, including our interim decision in relation to the chairs of the more strategically significant committees.

Figure 6: Growth in Salaries Paid to Committee Chairs as at the Start of Each Financial Year



50. While we did not receive enough evidence during phase one of our work to make a final decision on the level of additional salaries for committee chairs, the Board undertook research to benchmark the roles of Assembly committee chairs against broadly comparable roles within the Welsh economy.¹⁶ This work, combined with information on the practices followed in other UK legislatures, and evidence received on the contribution of committee chairs to the strategic capability of the Assembly, allowed us to make an interim decision on the rate of additional salaries for the chairs of those committees that were most significant to the strategic purposes of the Assembly. Our interim decision was based on the responsibilities of the chairs of committee during the Third Assembly, which was the evidence available at the time. We were unable in March 2011 to define which committees might be the most strategically significant in the Fourth Assembly, as there was uncertainty as to the committee structure which would be in place.

¹⁴ National Assembly for Wales Commission, Minutes of 4 December Meeting, 2008

¹⁵ National Assembly for Wales Independent Review Panel: Getting it Right for Wales, July 2009

¹⁶ Chapter 6, Fit for Purpose

Principles

51. Our decisions on pay have been based on the principle that:
- “pay should reflect levels of responsibility, rather than workload.”¹⁷
52. As we stated in *Fit for Purpose*, “this principle is particularly appropriate in considering additional salaries for office holders”.¹⁸
53. In order therefore to assess the level of additional salary for chairs of the committees fundamental to the strategic purpose of the Assembly, we have reviewed the contribution that committee chairs make to the strategic capacity of the Assembly, and the particular responsibilities associated with the role of a chair of a committee in the Fourth Assembly.
54. We also took account of the decisions we have previously made in relation to Members’ pay, including the four-year freeze in the level of Members’ base salaries, and the levels of additional salaries for holders of additional offices, from the beginning of the Fourth Assembly.¹⁹

Methodology

Committees in the Fourth Assembly

55. The new Standing Orders agreed for the Fourth Assembly gave the Business Committee greater flexibility with regard to the structure of the Assembly’s committee system than it had previously had, thus enabling the Assembly to agree in June 2011 to the formation of a simpler committee structure than had been in place in the Third Assembly.²⁰
56. Standing Orders require the Business Committee to ensure that the committee structure scrutinises every area of responsibility of the Welsh Government and associated public bodies, all matters relating to the legislative competence of the Assembly and the functions of Welsh Ministers and the Counsel General. The Committee must also ensure broad balance between examination of the expenditure, administration and policy of the Welsh Government and associated public bodies, and the examination of legislation.²¹
57. Standing Orders also require the committee system to deliver other specific functions in relation to finance, constitutional and legislative affairs, standards of conduct and petitions.²² The Government of Wales Act 2006 requires that there must also be a Public Accounts Committee.²³

¹⁷ P4, SSRB Report No 48: Review of Parliamentary Pay and Allowances, Volume I, 2001

¹⁸ P51, *Fit for Purpose*

¹⁹ First Minister, Welsh Ministers, Deputy Ministers, Presiding Officers.

²⁰ The Business Committee is distinct from the committees of the Assembly which undertake policy and legislative scrutiny. It is a functional committee with responsibility for the management and coordination of Assembly business.

²¹ Standing Orders of the National Assembly for Wales, May 2011

²² Standing Orders of the National Assembly for Wales, May 2011

²³ Section 30, Government of Wales Act 2006

58. Figure 7 sets out the committee structure for the Fourth Assembly, as agreed by the Assembly in Plenary in June 2011. The size of each committee is also indicated.

Figure 7: Committees of the Fourth Assembly

Committee	Membership
Policy committees	
Children and Young People	10
Environment and Sustainability	10
Health and Social Care	10
Communities, Equality and Local Government	10
Enterprise and Business	10
Other committees	
Public Accounts	8
Finance	8
Constitutional and Legislative Affairs	5 ²⁴
Petitions	4
Standards	4

59. The Fourth Assembly has agreed that the five policy committees, each having a broad remit defined by areas of Welsh Government policy responsibility, will have dual legislative and scrutiny functions, and sufficiently large memberships to allow them, if appropriate, to undertake work in smaller groups and sub-committees to facilitate policy and legislative work to take place simultaneously as and when required.

Responsibilities of Chairs of Committees with Scrutiny and Legislative Functions

60. The Assembly has not defined responsibilities for committees in any great detail. To provide us with a basis upon which to make our decisions on additional salaries for committee chairs, we have, during our interviews with Members and office holders, and via our questionnaires, examined the degrees of responsibility involved. We have also taken account of reports in this area from other legislatures. Within the broad Assembly remit of scrutinising legislation, Government policy, expenditure and performance, we believe that committee chairs have the following main responsibilities:

- delivering a balanced, comprehensive and effective programme of legislative, policy and financial scrutiny;
- maintaining the independence of their committee from the Welsh Government;
- acting impartially, fairly and decisively;
- mastering their committee’s remit and gaining the confidence of stakeholders and members;

²⁴ The Constitutional and Legislative Affairs Committee comprises an Assembly Member from each political party and the Deputy Presiding Officer as chair.

- securing the commitment and engagement of committee members;
 - overseeing the support and advice available to the committee; and
 - driving innovation, engagement and the impact of their committee’s work.
61. More detail on our findings on key responsibilities is set out in Appendix D.
62. We heard evidence that the committee structure of the Fourth Assembly will require committees to self-manage a more demanding and varied programme of work than was the case in the Third Assembly and to make much greater use of formal sub-committees, informal groups and rapporteurs, as well as continued operation in full committee.
63. These greater responsibilities will be borne by the chairs of the five policy committees, and, in our view, also by the chairs of the Finance, Public Accounts, and Constitutional and Legislative Affairs Committees. These eight committees between them have the responsibility to scrutinise the whole of the Welsh Government’s policy programme, spending and actions, and their chairs will be responsible for providing leadership, driving forward the committees’ agendas and ensuring that the strategic legislative and scrutiny purposes of the Assembly are fulfilled.
64. During the first phase of our work, the Board benchmarked the roles of committee chairs at the Assembly against broad comparators within the Welsh public and private sectors, which included members and chairs of local health boards, NHS bodies in Wales, Welsh Government sponsored bodies and local government committees. This resulted in an interim decision of an additional salary of £8,280 for the chairs of the most strategically significant committees in the Fourth Assembly.²⁵
65. We revisited this amount in light of the evidence obtained in the second phase of our work in respect of the roles of committees and committee chairs in the Fourth Assembly. Ensuring scrutiny of the Welsh Government’s expenditure and policy and the examination of legislation within the much leaner committee structure put in place by the Assembly will, in our view, result in significantly greater responsibilities for the chairs of all eight committees when compared with those borne by chairs of scrutiny and legislation committees in the Third Assembly.
66. Based on the evidence we have received, we have concluded that an appropriate level of additional salaries for chairs of the committees set out in paragraph 63 is £12,420, which is 50 per cent greater than the £8,280 interim salary level we set in March 2011.

Responsibilities of Chairs of Other Fourth Assembly Committees

67. We considered separately the roles and responsibilities of the Petitions and Standards Committees.

²⁵ Chapter 6, *Fit for Purpose*

The Standards Committee

68. Evidence we received during the first phase of our work indicated that the Standards Committee met infrequently compared to most other committees of the Assembly. However, from the evidence we gathered during the second phase of our work it was clear that the Standards Committee, and the work undertaken by this Committee, was widely recognised as being central to the good governance and reputation of the Assembly.
69. We took account of the nature of the work, and the importance of the Committee’s role in working with the Assembly’s independent Commissioner for Standards to demonstrate the Assembly’s commitment to the highest level of standards of conduct in public life. We also considered the substantial responsibilities involved in the consideration of possible sanctions against Assembly Members.
70. Given the significant role played by the Standards Committee in promoting and maintaining the reputation of the Assembly and its Members, we were persuaded that the level of responsibility associated with chairing the Committee will be substantial. We note, however, that uniquely among the Assembly’s committees, the Standards Committee does not have a rolling programme of work. Instead it meets largely in response to issues referred to it and, from the experience of the first three Assemblies, does so irregularly. We therefore judge the sustained level of responsibility to be lower than that of other chairs.

The Petitions Committee

71. In *Fit for Purpose*, we set out our understanding of the Assembly’s strategic functions — to scrutinise Welsh Government policy and finance; to scrutinise and make laws; and to represent constituents.²⁶ The Petitions Committee has a role in supporting work in each of these three functions. Its role is to consider all admissible petitions which are submitted by the public, and it therefore forms one of the principal channels by which the people of Wales are able to engage directly with the Assembly. Petitioners are able to attend meetings of the Committee to discuss their proposals, which can relate to any aspect of the Assembly’s or the Welsh Government’s work.
72. The Presiding Officer has said that:

“the new Assembly represents communities across the whole of Wales. I want the Fourth Assembly to directly interact with communities across the country. [...] No one in Wales should feel that their voice cannot be heard.”²⁷
73. We believe that the Petitions Committee has considerable potential in further developing citizen engagement with the Assembly across Wales. It has only four members, and has a different focus to the other committees of the Assembly in that it is less directly involved in the task of holding the Welsh Government to account. For these reasons, we consider the level of

²⁶ Chapter 4, *Fit for Purpose*

²⁷ Press release: <http://www.assemblywales.org/newhome/new-news-fourth-assembly.htm?act=dis&id=216913&ds=6/2011> (6 July 2011)

responsibility of its chair to be lower than that of the chairs of the committees listed in paragraph 63.

Additional Salaries for Chairs of Standards and Petitions Committees

74. We concluded that the breadth of responsibilities and contribution to the Assembly’s strategic purpose of the Standards and Petitions Committees were more limited than those of the other eight committees. We consider that the responsibilities of the chairs of these two committees are reasonably closely aligned with those of chairs of the larger committees in the Third Assembly. In view of this we decided that our interim determination of additional salary of £8,280 for committee chairs, as set out in *Fit for Purpose*²⁸, is an appropriate level of additional salary for the chairs of the Standards and Petitions Committees in the Fourth Assembly.

Conclusions

75. **Much of the Assembly’s core business is conducted through the work of its committees. Committee chairs, through leadership, shaping of their committees’ agendas, and representing their committees in Plenary, the media and in Welsh public life, have an important role in supporting and driving the strategic goals of the Assembly. Having created just ten core committees, the Assembly has identified clearly its priorities and rationalised the system required to deliver those. Our decisions in relation to additional salaries for committee chairs reflect the responsibilities inherent in this role.**
76. **Based on the evidence we received in relation to the expected functioning of the Fourth Assembly’s committee structure, we decided on a two-tier structure of additional salaries, as set out in Figure 8. These payments will be backdated to the date of appointment of committee chairs. Additional salaries for committee chairs are subject to the same four-year freeze as Members’ base salary levels, as set out in *Fit for Purpose*.²⁹**

Figure 8: Additional Salaries Payable to Committee Chairs in the Fourth Assembly

Committees	Additional salary
Children and Young People; Environment and Sustainability; Health and Social Care; Communities, Equality and Local Government; Enterprise and Business; Public Accounts; Finance; Constitutional and Legislative Affairs	£12,420
Petitions; Standards	£8,280

Future considerations

77. Our decisions on additional salaries for committee chairs are based on evidence we have received about the likely functioning of the new committee structure. However, the dual function committee structure agreed by the Business Committee represents a significant departure from the practice of separate legislation and scrutiny committees in the Third

²⁸ Chapter 6, *Fit for Purpose*

²⁹ Chapter 5, *Fit for Purpose*

Assembly. We will therefore monitor the operation of the committee system in practice to ensure that the additional salaries we have agreed remain appropriate. For example, should the Assembly create any further committees or redesign the structure it put in place in June 2011, we would consider the impact of those changes on the decisions we have taken. If we consider the changes are material, we may then decide to adjust the additional salaries of committee chairs to reflect those changes.

Party Leaders

This chapter sets out the history of supplementary payments to party leaders; the impact of a broadly proportional electoral system on opposition parties; the roles and responsibilities of their leaders; and outlines our decisions on additional salaries.

Overview

78. In its 2001 report, the SSRB made no recommendations on salaries for opposition leaders at the National Assembly.³⁰ The Assembly itself decided to set the additional salary for the leader of the largest party in opposition at the same level as that paid to Welsh Ministers.³¹
79. The SSRB did not propose a change to this situation in its 2004 report, although it did recommend that consideration should be given to remunerating the leaders of other parties, as it was of the view that this could help to support the ethos of proportionality which was embedded in the Assembly's electoral system.³²
80. The first independent panel which considered the system of financial support for Assembly Members recommended in March 2008 that the leaders of the other parties in opposition should also receive additional salaries, but at a level equivalent to those paid to committee chairs. This was based on evidence received by the panel to the effect that the leaders acted as the representative of their parties and groups within the Assembly; were responsible for the allowances received by the party group and for employing group staff; and that the Assembly is not based on a Westminster-style model. The panel commented that the established protocol within the Assembly was for equal treatment for all political groups.³³
81. While the panel noted that in Westminster only the leader of the main party in opposition received a salary, and that no additional salaries were paid to leaders of opposition parties in Scotland³⁴ or Northern Ireland, it felt that to correct anomalies in the then system, brought about by the broadly proportional electoral system and the absence of a traditional Westminster-style system, it would be appropriate for all party leaders to receive remuneration.³⁵ This was accepted by the Commission on 6 March 2008.³⁶
82. In July 2009, the second independent review panel's report stated that parity should be maintained between the pay of leaders of non-executive parties other than the largest, and

³⁰ SSRB No.49 National Assembly for Wales: Review of Pay and Allowances, 2001

³¹ The National Assembly for Wales (Assembly Members and Officers) (Salaries, Allowances etc.) (No.2) Determination 2001

³² SSRB No.58 National Assembly for Wales: Review of Pay and Allowances, 2004

³³ Report of the Independent Panel on Financial Support for Assembly Members, 2008

³⁴ An allowance scheme was put in place to support leaders of opposition parties in the Scottish Parliament.

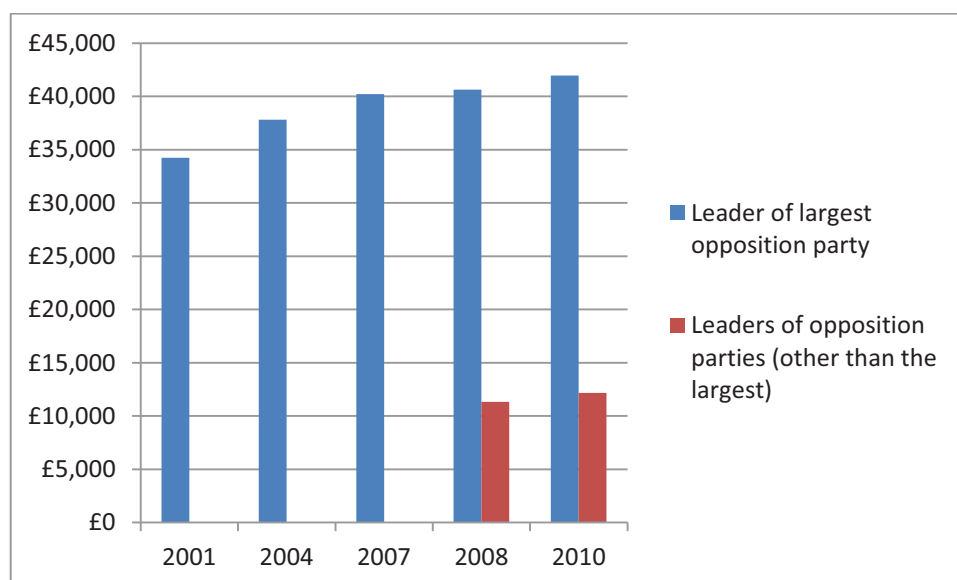
³⁵ Report of the Independent Panel on Financial Support for Assembly Members, 2008

³⁶ National Assembly for Wales Commission, Minutes of 6 March 2008 Meeting, 2008

committee chairs.³⁷ The panel did not comment on the additional salary paid to the leader of the largest party in opposition.

83. The political balance in the Third Assembly, during which Labour and Plaid Cymru formed a coalition Government, meant that there were only two parties in opposition. According to the Assembly’s Standing Orders, party groups can contain no fewer than three Assembly Members.³⁸
84. The leader of the largest party in opposition, the Conservatives, received an additional salary equivalent to that of a Welsh Minister (£41,949 as at the end of the Third Assembly). The leader of the Liberal Democrats, the other party in opposition, received an additional salary equivalent to that of a chair of a more strategic committee (£12,168 as at the end of the Third Assembly). Figure 9 shows the increase in additional salaries paid to party leaders over time.

Figure 9: Growth in Salaries Paid to Party Leaders as at the Start of Each Financial Year



85. In *Fit for Purpose* we recognised the absolute importance of opposition parties in holding the Welsh Government to account, and the centrality of strong political leadership of opposition parties to ensuring this happens effectively.³⁹
86. We also recognised that, in its early days, the Assembly adopted terminology in use at Westminster. We appreciate the major responsibilities there of the Leader of the Opposition in an adversarial system based largely on two major parties competing for office. But we have significant reservations, in a broadly proportionally elected Assembly, about paying the leader of one party almost £30,000 more than the leader of the next largest, when only a few Members may separate them. In addition, this approach does not include a mechanism for

³⁷ Report of the Independent Panel on Financial Support for Assembly Members, 2008

³⁸ Standing Orders of the National Assembly for Wales May 2011

³⁹ Chapter 6, *Fit for Purpose*

determining payments if, as is possible, two opposition parties have the same number of Members.

87. The political balance of the four Assemblies to date is summarised in Figure 10.

Figure 10: Political Balance at the Start of Each Assembly

Party	First Assembly (1999)	Second Assembly (2004)	Third Assembly (2007)	Fourth Assembly (2011)
Labour	28	30	26	30
Conservatives	9	11	12	14
Plaid Cymru	17	12	15	11
Liberal Democrats	6	6	6	5
Independent	0	1	1	0

Principles

88. The Assembly has developed in response to constitutional changes during the last 12 years. In *Fit for Purpose*, we outlined our understanding of the Fourth Assembly as a transitional legislature, which will need to adapt to its enhanced legislative powers by developing new ways of working.⁴⁰
89. In considering additional salaries for party leaders, we have taken account of the role played by each opposition party leader in contributing to the strategic aims of the Assembly. We have borne in mind the particular political composition of the Fourth Assembly, but, in line with our principle that our Determination should also be sustainable and appropriate for future Assemblies as well, we have also taken into account the broadly proportional system by which Members are elected, and the implications this has for the composition of future Assemblies.
90. Overall, we have sought to develop a system for determining the level of additional salaries paid to party leaders which is sustainable, transparent and can withstand changes to the membership of political groups during Assemblies.

Methodology

91. The majority of those who responded to our first survey told us that the responsibilities of party leaders should be recognised by payment of additional salaries. This view was reinforced by the evidence received in response to our second survey, and in the interviews we held with office holders. Many Members commented on the significant responsibilities associated with leading a party in opposition, including ensuring that the party successfully holds the Executive to account. We also heard that, in the light of the enhanced legislative powers of the Assembly following the March 2011 referendum, the role of the party leaders in mounting effective challenges to Government will become increasingly important. In effect, they should have a

⁴⁰ Chapter 4, *Fit for Purpose*

grip on every aspect of party policy and management, and present to the nation an alternative vision to that of the Government.

92. A majority of those who provided us with evidence questioned the level of additional salary payable to the leader of the largest party in opposition when compared to that paid to the leaders of other opposition parties. The model, which appears to us to be based on a Westminster-style model, is of questionable relevance in a small broadly proportional legislature like the Assembly. In particular, when taking the political composition of the Fourth Assembly into account, the small difference in the number of Members in the largest and second largest parties in opposition make it difficult to justify a continuation of the relative levels of party leaders' additional salaries payable in the Third Assembly.

Responsibilities of Opposition Party Leaders

93. In line with the principle that pay should reflect responsibility, we sought evidence on the particular roles undertaken by opposition party leaders and the responsibilities they have. Each party leader will of course undertake their roles according to their own priorities and leadership styles, but the evidence we heard has enabled us to identify a number of key areas of responsibility. These include:
- setting their group's strategic direction;
 - presenting an alternative vision to that of the Government;
 - providing constructive opposition to government including working consensually;
 - holding the Government to account, and challenging it when appropriate;
 - influencing policy and legislation;
 - developing party policy;
 - representing the Assembly;
 - acting as chief spokesperson for the party and its policies; and
 - managing Members and staff within the party group.
94. More information on the responsibilities that the evidence we received suggested are inherent in the role of opposition party leaders is summarised in Appendix D.
95. In order to undertake these responsibilities effectively, we heard that leaders of opposition parties must have a range of skills and attributes, including: leadership; effective communication; ability to gain the confidence of colleagues; party management; brokering and bringing together different views within the group; and the identification and utilisation of skills, strengths and talent within the group.

96. Party leaders also have responsibility for managing the allowance provided to employ central group staff, who report to the party leader. Group offices are structured according to the particular priorities and needs of individual groups. They work to coordinate strategic support and direction for party groups within the Assembly, and to assist Members' individual staff in the provision of support for party spokespersons across the full range of Ministerial portfolios. The allowance provided to each group (summarised in Figure 11) is dependent on the number of Members in the party group, and on whether or not the party is represented in the Welsh Government.

Figure 11: Party Group Support Allowances 2011-12

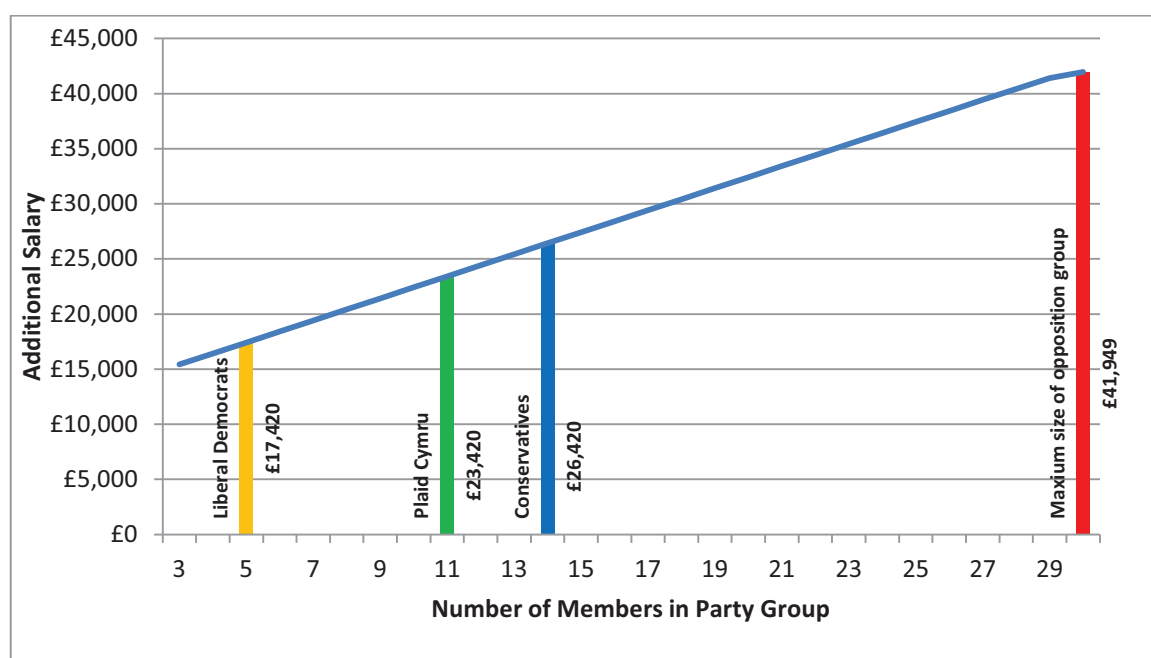
Number of Members in party group	Additional allowance
Three or more (if party is represented in the Welsh Government)	£127,390
Three to ten Members (if party is not represented in the Welsh Government)	£199,048
More than ten Members (if party is not represented in the Welsh Government)	£199,048 plus additional £30,866 for each five additional Members

97. We heard evidence that in the Scottish Parliament leaders of opposition parties receive an allowance against which they are able to claim reimbursement for non-party political expenditure incurred in the course of their duties as party leader. We considered whether a similar system might be applied at the Assembly, but concluded that a combination of additional salary and group allowance should be sufficient for these purposes.
98. As set out in Chapter 1, during the second phase of our work we have taken into account the comparative responsibilities of the various offices under consideration. The evidence we received in response to our survey and during the interviews we undertook indicated that leaders of opposition parties represented in the Assembly had greater responsibilities and contributed more significantly to the strategic purposes of the Assembly than committee chairs. We also heard that the overall weight of responsibility of a party leader was, at least in part, linked to the number of Members in each group, but that the principle of equality for all parties in the Assembly and the responsibility of all opposition parties to hold the Government to account meant that this link was not absolute.
99. One of our key principles is that the system of financial support should be sustainable. We therefore considered the hypothetical situation of the maximum possible opposition; 30 Members. We were of the view that under these circumstances the leader of the opposition, whose party would have the bulk of responsibility for ensuring robust and effective challenge to the Executive, ready to form an alternative Government, would therefore have a similar level of responsibilities as Welsh Ministers, and should therefore receive remuneration at the same level.
100. We accepted that all opposition party leaders held significant responsibilities with regards to the strategic purposes of the Assembly, and that these responsibilities were greater than those

of chairs of committees. We also recognised that the size of a party group resulted in additional complexity and responsibility for party leaders.

101. We therefore decided, as a starting point, a base level of £12,420 — the level payable to chairs of scrutiny and legislation committees — should be paid to all leaders of opposition parties. To reflect the partial link between overall level of responsibility and party size within the Assembly, the base element should then be combined with an additional payment of £1,000 per Member in the group, subject to a maximum level of additional salary of £41,949, the level payable to Welsh Ministers. This methodology recognises the evidence we received in respect of the relative responsibilities and strategic significance of opposition party leaders as compared to other offices. Figure 12 shows the outcome of our model, and highlights the additional salaries to be paid to leaders of opposition parties in the Fourth Assembly, given its current political composition.

Figure 12: Additional Salary Levels for Leaders of Parties in Opposition



102. We consider that this approach to the determination of the additional salaries of opposition leaders is sufficiently robust to apply in future Assemblies. Once the base element and per-Member increment amount have been determined at the beginning of each Assembly, the additional salaries payable to opposition leaders can be calculated on a consistent basis.

Conclusions

103. **The Assembly as a legislature is not based on an adversarial Westminster-style model. Instead, practice within the Assembly is to acknowledge the role of all opposition party leaders in holding the Government to account.**

104. In this light we decided that all party leaders should receive a base level of additional salary to reflect the contributions of their roles to the achievement of the Assembly’s strategic purpose.
105. To reflect the additional responsibilities and complexities involved in leading larger parties in comparison to smaller opposition parties, we have decided that the additional salary payable to each party leader should also contain an element of proportionality. This means that the leaders of the larger parties receive greater additional salaries in line with the responsibilities they have.
106. Leaders of opposition parties in the Fourth Assembly will receive additional salaries, backdated to the date of appointment and subject to a cap of £41,949 (the salary payable to a Welsh Minister). The additional salary payable will comprise a base element of £12,420 and a proportional element of £1,000 per Member in the party group.
107. The levels of additional salary payable to the leaders of the opposition parties in the Fourth Assembly, based on the particular political balance following the election in May 2011, are shown in Figure 13.

Figure 13: Additional Salaries Payable to Opposition Party Leaders in the Fourth Assembly

Opposition Party	Number of Members	Additional salary
Conservative	14	£26,420
Plaid Cymru	11	£23,420
Liberal Democrats	5	£17,420

108. The combination of a base element to reflect responsibilities shared equally by all opposition party leaders, with a proportional element based on the number of Members in each party group, ensures that the relative additional salaries payable to the leaders of each opposition party are transparently calculated, fully reflective of job responsibility and equitable.
109. The model is appropriate for the Assembly as a broadly proportional legislature, and ensures that there is transparency and clarity should more than one party return the same number of Members, as well as being able to withstand any changes in the numbers of Members in each group during Assemblies.
110. The formula for additional salaries for party leaders is subject to the same four-year freeze as Members’ base salary levels, as set out in *Fit for Purpose*.⁴¹ We envisage that the formula will continue to apply in future Assemblies, and as part of our review of the total remuneration package for Assembly Members, we will reassess the levels of the base element and per-Member increment.

⁴¹ Chapter 5, *Fit for Purpose*

Party Business Managers and Whips

This chapter sets out the history of supplementary payments to party business managers and whips; reviews the roles and responsibilities they have; and outlines our decisions on additional salaries.

Overview

111. In 2008, the SSRB, as part of its consideration of pay and allowances in the Northern Ireland Assembly, said that the role of a party whip included a combination of party political and Assembly business. The SSRB therefore took the view that it was a matter for that Assembly to decide whether whips should receive additional salaries, but said that if they were to be eligible for additional remuneration, the salary should be equivalent to that received by committee chairs.⁴² The Northern Ireland Assembly subsequently decided that whips should not receive additional salaries.
112. In 2008, the National Assembly for Wales' first independent panel noted that whips at the Assembly had not received an additional salary prior to 2008. It said that recommending an additional salary for any of the party whips would be out of line with practice at other devolved institutions but that there was no reason why the Assembly should not follow its own path on this issue if it so wished.⁴³ The Assembly Commission considered the payment of additional salaries to party whips, and took into account recommendations made by the Commissioner who had been a non-voting member of the Panel. It decided that where the opposition chief whip was also the opposition business manager they should receive a salary equivalent to the higher level paid to committee chairs. This only applied to the chief whip of the largest opposition party. The Commission also decided that the Government chief whip should receive a salary equivalent to that paid to a Deputy Minister.⁴⁴ The Board has been unable to establish the rationale behind these decisions.
113. We understand that the current Scottish Government includes a Cabinet Secretary for Parliament and Government Strategy, who is responsible for overseeing parliamentary affairs and the management of Government business in the Parliament, developing Government strategy, and co-ordinating policy delivery across portfolios. The Cabinet Secretary is supported by a Minister for Parliamentary Business and Chief Whip, a position which is remunerated.

⁴² P16, SSRB report no. 67: Northern Ireland Assembly: Review of Pay, Pensions and Allowances 2008

⁴³ Report of the Independent Panel on Financial Support for Assembly Members, 2008

⁴⁴ National Assembly for Wales Commission, Minutes of 6 March Meeting, 2008

114. In *Fit for Purpose* we set out our view that the rationale for, and evidence supporting, the Assembly Commission's decisions to pay additional salaries for party whips was opaque. There was also a lack of clarity about which aspects of the role of whip are for the business purposes of the Assembly and which are party political.⁴⁵

Principles

115. In considering payments to party business managers and whips we have taken into account the extent to which they are responsible for supporting the strategic purposes of the Assembly.

116. In particular, we explored the balance of whips and party business managers' roles between Assembly and party purposes, as we were clear that only responsibilities undertaken in relation to the fulfilment of the Assembly's strategic purposes should be remunerated from public funds. It would therefore be inappropriate for public funds to be used to remunerate roles which are essentially party political in nature.

117. We have also considered the enhanced legislative powers of the Fourth Assembly, its political composition, the impact of these on the business of the Assembly and the role of the party business managers in securing the effective operation of Assembly business.

Methodology

118. The evidence received during the first phase of our work did not provide us with a clear understanding of the role of party whips. The evidence we gathered as part of our second survey has given us a greater understanding not only the work of the whips, but also of the business managers of each party group. We were particularly interested in the arrangements in all three opposition parties, where the same individuals perform the roles of whip and business manager.

The Role of the Business Committee and Party Business Managers

119. In *Fit for Purpose*, we recognised the Business Committee as having a central role in the management of the Assembly's business and in advising on general practice and procedure in the Assembly.⁴⁶ The Committee is chaired by the Presiding Officer, and has responsibility for organising Government and Assembly business in Plenary. It is also responsible for proposing committee structures and remits at the outset of a new Assembly, agreeing timetables for consideration of legislation by committees and considering revisions to the Standing Orders which govern the Assembly's procedures. In line with Standing Orders, business managers from each opposition party sit on the Business Committee, together with the Minister for Finance and Leader of the House, who is responsible for managing the business of the Welsh Government. This means that, in contrast to the opposition groups, where the whip is also the business manager, the Government chief whip is not a member of the Business Committee.

⁴⁵ Chapter 6, *Fit for Purpose*

⁴⁶ *The Business Committee is distinct from the ten Assembly Committees referred to in Chapter 2 and does not undertake policy or legislative scrutiny.*

120. During our discussions with Assembly Members, we explored the roles undertaken by party business managers, in particular the work they do to negotiate and manage Assembly business and proceedings. The evidence we received suggested that this work was a key factor in ensuring the effective conduct of Assembly business.

121. As outlined in *Fit for Purpose*, we have aimed to focus the payment of additional salaries to those offices which “act as leaders and drivers for [the Assembly’s] strategic functioning”.⁴⁷ We therefore considered whether it would be appropriate to pay additional salaries to party business managers in recognition of the responsibilities they bear for the strategic functioning of the Assembly as a legislature.

Opposition Whips and Party Business Managers

122. There is some overlap between the work undertaken by party whips and that done by party business managers. However, there are also clear distinctions between them. We agreed with the majority of those from whom we gathered information that, in the main, the work of a party whip supports the party group’s political purposes, and the work of the party business manager supports the strategic purposes of the Assembly.

123. We heard that party business managers play a central role in managing the business of the Assembly, including ensuring that it is organised effectively and that sufficient time is secured for the mechanisms necessary for legislation and for holding the Government to account.

124. While the Business Committee is the formal mechanism, the evidence we have received has suggested that a significant amount of negotiation in relation to business happens outside official meetings. Therefore, in order successfully to undertake their responsibilities, each party business manager must have specific skills and attributes. Given the close political balance of the Fourth Assembly, this is particularly important. Many of those we spoke to explained that the size of the Assembly means that operating as party whip is not onerous, but that the composition of the Fourth Assembly has increased the need for discussion, cooperation and constructive challenge by party business managers.

Government Chief Whip

125. In the Fourth Assembly, the Leader of the House is the Minister responsible for managing Government business within the Assembly. She also holds the finance portfolio within the Cabinet. Given the extent of these responsibilities, we recognise that there may be a need for additional business management support on behalf of the Government. This, though, is a matter for the First Minister to address in the formation of his Cabinet. Section 51 of the Government of Wales Act 2006 places an upper limit of 12 on the number of Welsh Ministers. Currently, the Cabinet numbers ten. While this is clearly a matter for the First Minister alone, we are – given the extent of the Leader of the House’s responsibilities – sympathetic towards additional support being required by the Government, particularly in managing business

⁴⁷ P51, *Fit for Purpose*

matters as they impact on Members. We do not believe, however, that it is appropriate to make payment for purely party matters.

126. Evidence we received demonstrated that other elements of the role currently undertaken by the Government chief whip relate to the effective organisation of Assembly business more generally. For example, the role provides an effective channel for influence on government from backbench Members of the governing party. The particular circumstances present in an Executive party mean that such a conduit is central to the effective operation of the legislature as a whole. Similarly, it acts to facilitate constructive dialogue related to Government proposals between all parties. Furthermore, the negotiations and practical decisions underpinning the organisation of the committee system, which has considerable importance to the strategic success of the Assembly, is a matter for the party groups (including any in government) rather than for the Government itself.

Payment of Additional Salaries

127. The principle underpinning the payment of additional salaries to office holders is that remuneration should reflect those responsibilities which contribute to the fulfilment of the strategic purposes of the Assembly. The roles of opposition and Government whips are for party political purposes, and we do not agree that they should be remunerated from public funds, particularly within a small legislature of only 60 Members.

128. However, we recognise the importance to the efficient and effective functioning of the Assembly of the responsibilities undertaken by the business managers of all groups represented in the Assembly. We therefore decided that business managers of all groups should receive additional salaries.

129. At present, the Government chief whip is not a member of the Cabinet and does not sit on the Business Committee. We recognise, however, that some other aspects of this role, as it is currently configured, relate to business management in respect of the Labour group, as distinct from the Government. We decided therefore, in common with the business managers of the other parties, the post should be remunerated for the party business management element of the role. While it is clearly a matter for the First Minister to consider, we would suggest that a new title along the lines of Labour group business manager might more clearly delineate the distinction between Government and Assembly functions.

Responsibilities of Party Business Managers

130. In accordance with our principle that remuneration should reflect responsibility, we sought evidence on the responsibilities of party business managers. The evidence we have received has enabled us to identify a number of key areas of responsibility. These include:

All party business managers

- facilitating effective organisation and conduct of Assembly proceedings in Plenary and committees; and

- engaging in formal and informal communication and negotiation.

Opposition party business managers

- membership of the Business Committee and fulfilment of functions of that committee as set out in Standing Orders.

Business managers of parties in government

- provision of an effective channel for influence on Government from Members of the governing party(ies); and
- facilitating constructive dialogue related to government proposals between all parties.

131. Information on the responsibilities that we understand are borne by party business managers is also set out in Appendix D.

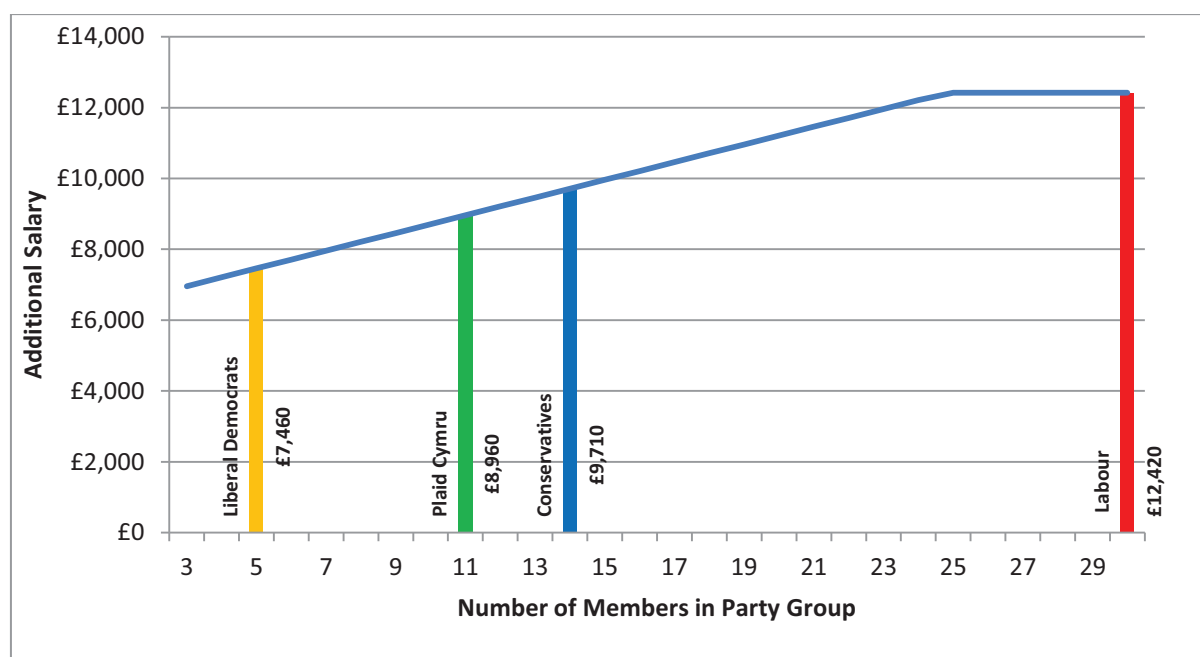
Additional Salaries for Business Managers

132. The evidence we received indicated that the level of responsibility inherent in the role of party business manager overall would not exceed the responsibilities of a chair of a strategically significant committee in the Fourth Assembly. The evidence received also led us to conclude that the weight of the party business manager role is also affected by the number of Members in each party group. Recognising these two elements, we concluded that the additional salary levels of party business managers should, very broadly, fall somewhere between the additional salary levels of the chairs of the Standards and Petitions Committees and the chairs of the eight other committees, and should also reflect the size of party groups. We decided therefore to apply a similar methodology for party business managers as that outlined in Chapter 3 in relation to opposition party leaders.

133. Taking this into account we determined that an initial base element for all party business managers should be equal to half the additional salary for the chair of the most strategically significant committees. To reflect the link of overall responsibility to party size, we decided there should be a proportional element of £250 per Member in the group. The total additional salary payable would be subject to an overall cap of £12,420 — the level of additional salary payable to chairs of the more strategically significant committees in the Fourth Assembly.

134. Figure 14 shows the outcome of our model for all parties in the Fourth Assembly, and highlights the additional salaries to be paid to party business managers given the current political composition of the legislature.

Figure 14: Additional Salary Levels for Party Business Managers



Conclusions

135. We do not believe it is appropriate for the party political activities of whips to be paid for from public funds. However, we recognise that each party group in the Assembly, including parties which are represented in the Government, must participate in the management of the Assembly's business. We consider, therefore, that those responsibilities of each party business manager which contribute to the effective functioning and governance of the Assembly should be remunerated from public funds. Our assessment of the relative level of remuneration has therefore excluded any party political whip activity, and from the Fourth Assembly onwards, the opposition and Government chief whips will no longer receive office holder additional salaries for their whip roles.
136. The work of party business managers at the Assembly, both in formal meetings of the Business Committee and via bilateral negotiations and discussions outside of those meetings, contributes to the successful functioning of the Assembly as a broadly proportional legislature. To recognise this, we have decided that party business managers will receive additional salaries reflecting the responsibilities common across all parties and the particular responsibilities associated with managing the contribution to Assembly business in larger parties, with a weighting to reflect the number of Members in the party group.
137. In the Fourth Assembly, business managers of each party will receive an additional salary, backdated to the date of appointment and subject to a cap of £12,420. The additional salary payable will comprise a base element of £6,210 and a proportional element of £250 per Member in the party group.

138. The levels of additional salary payable to party business managers in the Fourth Assembly, based on the particular political balance following the election in May 2011, are shown in Figure 15.

Figure 15: Additional Salaries Payable to Business Managers in the Fourth Assembly

Party	Number of Members	Additional salary
Labour	30	£12,420
Conservative	14	£9,710
Plaid Cymru	11	£8,960
Liberal Democrats	5	£7,460

139. The combination of a base payment to reflect responsibilities shared by all party business managers with a proportional element based on the number of Members in each group ensures that the relative additional salaries payable are equitable. The model is appropriate for the Assembly as a broadly proportional legislature, and ensures that there is transparency and clarity should more than one party return the same number of Members, as well as being able to withstand any changes in the numbers of Members in each group during Assemblies.

140. The formula for additional salaries for party business managers is subject to the same four-year freeze as Members' base salary levels, as set out in *Fit for Purpose*.⁴⁸ We envisage that the formula will continue to apply in future Assemblies, and as part of our review of the total remuneration package for Assembly Members, we will reassess the levels of the base element and per-Member increment.

⁴⁸ Chapter 5, *Fit for Purpose*

Assembly Commissioners

This chapter sets out the history of supplementary payments to Assembly Commissioners; reviews the roles and responsibilities they have in the Fourth Assembly, and outlines our decisions on additional salaries.

Overview

141. The National Assembly for Wales Commission (the Assembly Commission) was created by the Government of Wales Act 2006. Its remit is to ensure that the Assembly is provided with the property, staff and services needed to undertake its work. The first Assembly Commissioners were elected at the start of the Third Assembly when the 2006 Act came into force. Prior to this, under the Government of Wales Act 1998, the National Assembly for Wales was a body corporate which had a shared responsibility for exercising parliamentary and governmental functions. The 2006 Act formally separated the two functions and created separate legal entities to carry them out. The National Assembly had responsibility for undertaking parliamentary functions, including legislating, holding the Welsh Government to account, and representing the people of Wales.
142. The Assembly is an unincorporated association of 60 Assembly Members which is dissolved a few weeks prior to each election. It is not, therefore able to enter into contracts or own property. The Assembly Commission was therefore created by the 2006 Act as a permanent legal entity. Assembly Commissioners are responsible for setting the strategic direction for the services which support the Assembly and enable it to function; the governance of the organisation; the proper and appropriate management and use of public money to support the Assembly; and for exercising the functions conferred on the Commission by the 2006 Act.
143. Commissioners are subject to distinct duties, which may require them to act independently of their political parties. Whilst they can take into account the views of colleagues within their political groups, they are not representatives of them. They must act collectively and take joint responsibility for the duties conferred on them as a Commission. Commissioners are required to oversee strategic decisions made by Commission staff in managing the resources put in place to support the National Assembly's work, and to hold the Assembly's management to account.
144. Following the Commission's consideration of the report of the first independent panel on financial support for Assembly Members, it agreed that Commissioners should receive additional salaries with effect from 1 April 2008. The level of additional salary payable was set

at a level equal to the higher level paid to committee chairs.⁴⁹ This parity with committee chairs was endorsed by the second Independent Panel in its July 2009 report.⁵⁰

145. We recognised during the first phase of our work that Assembly Commissioners should receive additional salaries in respect of the responsibilities that their roles carried. However, as we stated in *Fit for Purpose*, there was a lack of clarity and understanding amongst Assembly Members of the responsibilities of Commissioners.⁵¹ For this reason, we decided that in the interim, salaries for Assembly Commissioners should maintain parity with those of committee chairs, and that we would gather further evidence on which we could make a robust decision in the context of the Fourth Assembly.

Principles

146. In order to assess the extent to which Assembly Commissioners support the strategic functions of the Assembly, we considered the expectations of the role in the context of the Fourth Assembly and the subsequent responsibilities attached to the role. We recognise that the Commission has adopted a more strategic and collegial approach in the Fourth Assembly, and that Commissioners are therefore likely to exercise more responsibilities than in the past.

Methodology

147. As part of our first phase of work, we asked Members to comment on the role of Assembly Commissioners. There was a broad consensus that additional salaries should be paid to Commissioners, but many of the respondents were unsure of the responsibilities and requirements of the role.

148. To inform our second phase of work, we sought further evidence on the work of Assembly Commissioners. The evidence we received indicated that the role of Commissioner was, depending on how it was performed, potentially one of great responsibility. Some of those we spoke to compared it with the role of a non-executive director, whilst others commented that it may be similar to performing the role of a trustee of a charity.⁵² Our view also is that many aspects of the role of Commissioner, and in particular the governance responsibilities which the role carries, are broadly analogous to those of a non-executive director. Given the importance of overseeing the governance and expenditure of the institution, we were concerned by the general lack of awareness among Members of the role of Commissioners.

Responsibilities of Assembly Commissioners

149. We heard evidence from Assembly officials about the role of Commissioners, and the ways of working agreed by the Commission for the Fourth Assembly. The evidence we received suggested that key responsibilities of the role include:

⁴⁹ *National Assembly for Wales Commission, Minutes of 6 March Meeting, 2008*

⁵⁰ *National Assembly for Wales Independent Review Panel: Getting it Right for Wales, July 2009*

⁵¹ *Chapter 6, Fit for Purpose*

⁵² *Oral evidence received during interviews with Board members, June 2011*

- setting overall strategy and draft annual budget for the Assembly Commission;
- setting performance targets and holding officials to account for delivery;
- authorising substantial transactions affecting Commission property;
- overseeing transactions delegated to the Chief Executive and other Commission staff; and
- accounting to the Assembly and public in Wales for the work of the Commission.

150. More detail about the responsibilities involved is set out in Appendix D.

151. Consideration of this evidence, and the evidence collected through our surveys and interviews with Members and office holders about the relative responsibilities and contribution to the Assembly’s strategic purposes of Commissioners and other office holders, indicated that the historic link of additional salaries payable to chairs of strategically important committees and Assembly Commissioners continued to be appropriate in the Fourth Assembly. We decided therefore that in the Fourth Assembly Commissioners should receive additional salaries of £12,420, backdated to the date of appointment.

Conclusions

152. In order for the Assembly to function, the services that support it and the resources it requires must be managed effectively. The Assembly Commission has responsibility for the provision of those services and for prudent and responsible management of public funds. The Commission therefore must set a clear strategic direction for the Assembly as an institution, and make effective and considered decisions to ensure that services, property and staff are provided to the Assembly to enable it to fulfil its strategic purposes.

153. Assembly Commissioners, who oversee and make those decisions, therefore bear a considerable level of responsibility. In line with our principle that remuneration should reflect responsibility, we have decided that Assembly Commissioners should receive additional salaries at a level of £12,420, thereby maintaining parity with the higher level of salaries for committee chairs. Additional salaries for Assembly Commissioners are subject to the same four-year freeze as Members’ base salary levels, as set out in *Fit for Purpose*.⁵³

154. This level of additional salary is based on the expectations of how the Commission will operate in the Fourth Assembly. We note that the Commission intends to undertake a review of its effectiveness after twelve months, and we shall consider the findings of that review in due course.

⁵³ Chapter 5, *Fit for Purpose*

Estimated Costs

In this chapter we cover the effect of our decisions on additional salaries for office holders on the estimated costs arising from our Determination on Assembly Members' Pay and Allowances for 2011-12.

Cost Estimate of Initial Determination (March 2011)

155. As we set out in *Fit for Purpose* in March 2011, the estimated cost of the system of financial support in our Determination was £12.7 million in 2011-12. This represented a real terms reduction of 7.1 per cent under the budget for 2010-11, and resulted in a residual contingency within the agreed budget for 2011-12 of 2.3 per cent.⁵⁴ This reflected the number of changes we had made to the system of financial support, the impact of which could only be estimated, and the decisions regarding additional salaries for office holders which had yet to be taken at that stage.

156. Figure 16 shows the costs, as estimated in March 2011, of our initial Determination against the agreed Members' budget for 2011-12 and indicative budget for 2012-13.

Figure 16: Initial Overall Estimated Costs 2011-12 and 2012-13⁵⁵

Revenue expenditure	2011-12 (£000)	2012-13 (£000)
Members' budget	13,034	13,041
Our Determination (estimated costs)	12,734	12,889
Contingency	300	152

Costs of Decisions on Additional salaries (July 2011)

157. As outlined in Chapter 1, one of the principles upon which we based our deliberations of additional salaries for office holders at the Assembly was that any new arrangements we put in place should be at least cost neutral when compared to the arrangements in place at the end of the Third Assembly.

158. Figure 17 shows the total number of office holders eligible to receive additional salaries in July 2011, and the levels of those salaries, in the light of our revised Determination. The position as at the end of the Third Assembly in March 2011 is shown for illustrative purposes. The total additional salary payable to all office holders at the beginning of the Fourth Assembly is

⁵⁴ Uses HM Treasury assumptions 2011-12 2.5 per cent, 2012-13 2.2. per cent, and 2013-14 2.7 per cent as at 29 November 2010 (accessed 9 March 2011).

⁵⁵ Includes the costs of the full system of financial support set out in the Board's Determination, including salary on costs.

£889,033 compared with £960,203 at the end of the Third Assembly. This is a reduction on office holders' salaries of £71,170 or 7.4 per cent.

Figure 17: Total Additional Salaries of Office Holders⁵⁶

Office	Office holder salary (£)	Office holders (March 2011)	Total (£)	Office holder salary (£)	Office holders (July 2011)	Total (£)
First Minister	80,870	1	80,870	80,870	1	80,870
Deputy First Minister	41,949	1	41,949	41,949	0	0
Welsh Minister	41,949	7	293,643	41,949	7 ⁵⁷	293,643
Counsel General	41,949	1	41,949	41,949 plus 53,852 ⁵⁸	1	95,801
Presiding Officer	41,949	1	41,949	41,949	1	41,949
Deputy Minister	26,385	4	105,540	26,385	3	79,155
Deputy Presiding Officer	26,385	1	26,385	26,385	1	26,385
Leader of largest opposition party	41,949	1	41,949	-	-	-
Leaders of other opposition parties	12,168	1	12,168	-	-	-
Opposition leader (14 Members)	-	-	-	26,420	1	26,420
Opposition leader (11 Members)	-	-	-	23,240	1	23,240
Opposition leader (5 Members)	-	-	-	17,420	1	17,420
Assembly Commissioner	12,168	4	48,672	12,420	4	49,680
Committee Chairs (higher)	12,168	12	146,016	12,420	8	99,360
Committee Chairs (lower)	8,112	5	40,560	8,280	2	16,560
Government Chief Whip	26,385	1	26,385	0	1	0
Opposition Chief Whip	12,168	1	12,168	0	1	0
Party business manager (30 Members)	-	-	-	12,420	1	12,420
Party business manager (14 Members)	0	1	0	9,710	1	9,710
Party business manager (11 Members)	0	1	0	8,960	1	8,960
Party business manager (5 Members)	0	1	0	7,460	1	7,460
Total		41	£960,203		35	£889,033

⁵⁶ Salary figures shown in Figure 17 do not include on costs of NI and pension costs.

⁵⁷ Section 51 of the Government of Wales Act 2006 sets an upper limit of 12 on the size of the Welsh Government. As at July 2011, there are a total of 10 Welsh Ministers and Deputy Ministers.

⁵⁸ The current Counsel General is not an Assembly Member, so receives a base salary of £53,852 and the additional £41,949.

Revised Total Cost Estimate of Determination (July 2011)

159. We have updated our March 2011 Determination in the light of our July 2011 decisions on additional salaries for office holders. The revised costs of the system of financial support we have put in place are set out in Figure 18.

Figure 18: Revised Overall Estimated Costs 2011-12 and 2012-13⁵⁹

Revenue expenditure	2011-12 (£000)	2012-13 (£000)
Members' budget	13,034	13,041
Our Determination (estimated costs*)	12,803	12,994
Contingency	231	47

160. These estimated costs have been updated to reflect the number of office holders as at July 2011. The estimated costs for both 2011-12 and 2012-13 have risen above those included in *Fit for Purpose* (shown in Figure 16 above) partly as a result of our decisions on office holders' salaries. However, we are of the view that the system of remuneration we have put in place for office holders is transparent, supports the Assembly's strategic purposes and reflects the way the Fourth Assembly will operate.

The Costs of our Work

161. The direct cost incurred by the Remuneration Board in producing our revised Determination was £8,779. This figure includes Board members' remuneration and the expenses incurred in the course of our work. It covers two formal meetings, six days of consultation and interviews undertaken by the Chair and other Board members, and nineteen and a half days of preparatory work.

⁵⁹ Includes the costs of the full system of financial support set out in the Board's Determination; revised to reflect changes to office holder additional salaries and Counsel General salary only, including all on costs (pensions and NI contributions).

Remuneration Board

Remit and Membership

The Remuneration Board, as recommended by the Independent Review Panel on Assembly Members' Pay and Allowances in its report of July 2009, was established by the National Assembly for Wales (Remuneration) Measure 2010.

The Board is an independent statutory body which has responsibility for:

- providing Assembly 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;
- providing Assembly Members with resources which are adequate to enable them to fulfil their functions as Members; and
- ensuring probity, accountability, value for money and transparency with respect to the expenditure of public funds.

In fulfilling its remit, the Board is required to act in an open and transparent manner, and, where the Board considers it appropriate, undertake consultation with those likely to be affected by the exercising of its functions.

The Board was appointed under a fair and open recruitment process and consists of a Chair and four Board members:



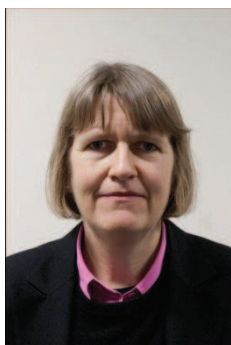
The Rt Hon George Reid
(Chair)

A Scottish politician, journalist and academic. Privy Councillor, former MP, MSP, Presiding Officer of the Scottish Parliament and Chair of its Corporate Body. Lord-Lieutenant of Clackmannanshire. Worked for 15 years in wars and disasters as a director of the International Red Cross/Red Crescent. Current appointments include: UK Electoral Commissioner, Independent Adviser on the Scottish Ministerial Code, and visiting professor at Glasgow and Stirling Universities. He recently led strategic reviews of governance in the Northern Ireland Assembly and the National Trust for Scotland.



Sandy Blair CBE

A former director of the Welsh Local Government Association, WLGA (retired 2004). A local authority chief executive for 16 years before appointment to the WLGA, and President of SOLACE in 1999/2000. Has held a number of paid public appointments and trusteeships such as non-executive director of the Health and Safety Executive, HSE, chair of the Monmouth Diocesan Board of Finance and roles within the Church in Wales. Has served as a member of the Remuneration Committees for UWIC and HSE.



Mary Carter

Retired as a Partner of KPMG in September 2008 and is currently a member of the Armed Forces Pay Review Body which makes recommendations to the Prime Minister and Secretary of State for Defence on military pay, compensatory allowances and charges, as well as a part time consultant to KPMG. A lawyer by background, she has specialised for over 20 years in advising UK and non UK companies on remuneration and incentives for directors/senior management and related governance and taxation issues.



Stuart Castledine

A chartered accountant who occupied a number of financial and general management roles within Allied Dunbar, Chartered Trust and Bristol & West Building Society before becoming Tesco's first Financial Services Director. More recently, has undertaken a variety of assignments in the public and private sectors, helping establish joint ventures and alliances as well as being a turnaround director of a number of financial services organisations. He is currently Finance Director of Bluestone Resorts Ltd and a non-executive director of the Welsh Ambulance Service.



Professor Monojit Chatterji

An academic with public policy experience, he has published research in such areas as the determinants of public sector pay. Currently Bonar Professor of Applied Economics at the University of Dundee and Bye-Fellow and Director of Studies in Economics at Sydney Sussex College Cambridge, and Chair of the National Joint Council of UK Fire and Emergency Services (the pay negotiating body). Previously a member of the School Teachers' Review Body which makes recommendations to the Prime Minister and Secretary of State for Education and Skills on pay and conditions, and also governance arrangements for school teachers and head teachers in England and Wales. Formerly member of the Economists Group, Office of Manpower Economics, considering cross-cutting issues on pay in the public sector.

Meetings of the Board

Date	Meeting
26 May 2011	Informal update meetings between Chair and party leaders/representatives; Chair's drop in session for Members.
27 May 2011	Meeting between Chair and IPSA; briefings from Assembly officials.
22/23 June 2011	Evidence taking meetings between Board members and office holders.
24 June 2011	Formal Board meeting: election results and implications for Fourth Assembly; update on implementation of Determination; additional salaries for office holders; budget update; Remuneration Board governance.
7 July 2011	Formal Board meeting: revised Determination, budget update, Members' pensions.

Agenda and minutes of each of the Board's formal meetings are available on the Board's website at: <http://www.assemblywales.org/memhome/mem-allow-pay-pensions/members-remunerationboard/meetings-board.htm>

Consultation

Throughout this phase of our work, and in accordance with Section 2 of the National Assembly for Wales (Remuneration) Measure 2010, the Board undertook consultation with a range of stakeholders. The Board is particularly grateful to the following for taking the time to provide evidence to support it in its work.

Assembly Members:

Peter Black AM
Angela Burns AM
Rosemary Butler AM
Christine Chapman AM
Jeff Cuthbert AM
Andrew RT Davies AM
Byron Davies AM
Jocelyn Davies AM
Paul Davies AM
The Rt Hon the Lord Dafydd Elis-Thomas AM
Janice Gregory AM
Mark Isherwood AM
Ann Jones AM
The Rt Hon Carwyn Jones AM
David Melding AM
Sandy Mewies AM
Darren Millar AM
Nick Ramsay AM
Rhodri Glyn Thomas AM
Kirsty Williams AM
Ieuan Wyn Jones AM

External Consultees:

Mick Bates, *former Assembly Member*
Nick Bourne, *former Assembly Member*
Sir Malcolm Jack KCB, *Clerk of the House, House of Commons*
Gareth Jones, *former Assembly Member*
Dai Lloyd, *former Assembly Member*
Baroness Randerson, *former Assembly Member*
Trevor Reaney, *Chief Executive and Clerk, Northern Ireland Assembly*
Huw Williams, *Head of Officeholder Services and Allowances Policy, Scottish Parliament*

Office Holder Responsibilities

It is not a matter for us to provide definitive job descriptions for office holders. However, in order for us to make our decisions on appropriate levels of additional salaries for offices based on responsibilities, we have gathered evidence on common elements associated with the responsibilities of each office, a summary of which is reproduced below. The Assembly Commission and Business Committee may wish to take account of our findings and, if so, we would welcome further discussions with them.

Responsibilities of Committees

- informing and strengthening the work of the Assembly as a whole by reporting to it on matters within the committee’s portfolio;
- scrutinising Bills and other Assembly, UK and EU legislative proposals, reporting to the Assembly with recommendations for their improvement, and considering and making amendments to Bills;
- examining the finance and performance of relevant parts of the Welsh Government, its sponsored bodies and others of relevance to Wales; and
- monitoring and reporting on the implementation of Welsh Government policy, legislation and other commitments, including identifying and examining areas of existing or emerging Welsh Government policy, or areas where existing policy is deficient, and making proposals for improvements, new policies, or committee Bills.

Responsibilities of Committee Chairs

- setting the strategic direction of the committee and ensuring the transparent prioritisation of its activity so as to deliver a balanced, comprehensive and effective programme of legislative, policy and financial scrutiny;
- maximising the relevance and influence of the committee whilst maintaining its clear independence from the Welsh Government;
- acting impartially at all times, decisively, fairly and in a manner that maintains the confidence of the committee;
- commanding the confidence of Members, witnesses and the public at large through mastery of the subject matter of the committee’s remit; demonstration of effective

- legislative, policy and financial scrutiny techniques; maintenance of order; and the application of all relevant legal and procedural requirements on the committee;
- securing the commitment and engagement of all committee members and building cross-party consensus wherever possible;
 - building the culture and skills mix within the committee required to maximise its effectiveness as a scrutiny body;
 - ensuring that the committee receives the expert advice, information and other support it requires to fulfil its objectives effectively;
 - driving the delivery of all aspects of the committee’s work with pace and quality;
 - representing the committee publicly, in the media and in formal Assembly business; and
 - ensuring critical analysis and evaluation of the committee’s work and driving innovation in its operation so as to increase effectiveness, public engagement and impact.

Responsibilities of Opposition Party Leaders

- setting the strategic direction for the group in holding the Government to account and influencing legislation;
- providing a constructive opposition to government and identifying when to work consensually or support the government and when to challenge;
- devising strategies for influencing policy and legislation;
- prioritising issues on which to challenge the Executive;
- representing the Assembly as a leader of a party in opposition;
- acting as the chief spokesperson for the party and its policies;
- developing party policy and offering policy alternatives; and
- managerial responsibility for Members of the party groups.

Responsibilities of Party Business Managers

All party business managers:

- facilitating effective organisation and conduct of Assembly proceedings in Plenary and committees; and
- engaging in formal and informal communication and negotiation.

Opposition party business managers:

- membership of the Business Committee and fulfilment of functions of that committee as set out in Standing Orders.

Business managers of parties in government:

- provision of an effective channel for influence on Government from Members of the governing party(ies); and
- facilitating constructive dialogue related to government proposals between all parties.

Responsibilities of Assembly Commissioners

The Assembly Commission is a corporate body with a separate legal status distinct from the Assembly and with the legal responsibility of providing the property, staff and services required for the Assembly's purposes. Commissioners are responsible for:

- setting overall strategy;
- setting clear performance targets and holding officials accountable for delivery;
- setting the Commission's draft annual budget for approval by the Assembly;
- directly authorising the most important transactions affecting Commission property;
- generally overseeing transactions delegated to the Chief Executive and other staff; and
- accounting to the Assembly and the public in Wales for the work of the Commission.

Assembly Commissioners are required to discharge those responsibilities by:

- attending Commission meetings;
- seeking to understand and reflect the views of Assembly Members, within and beyond their party groups, to assist officials in providing services that are fit for purpose;
- providing clear, regular feedback on Commission business and plans to their party groups;
- explaining and, if necessary, defending Commission decisions to Assembly Members;
- developing a sound understanding of their portfolio areas and work directly with officials on policy and delivery, and be a source of expertise for Assembly Members;
- attending committees to account for the work and plans of the Commission (examples from Third Assembly – Equal Opportunities, Public Accounts, Finance);
- formulating and supporting legislative proposals relating to the Commission (example from the Third Assembly – the National Assembly for Wales (Remuneration) Measure);
- signing off the Commission Annual Reports;

- formally representing the Commission and the Assembly at events or to the media;
- answering oral and written Assembly Questions;
- answering correspondence on Commission matters and meeting stakeholders;
- appointing the Chief Executive, agreeing the senior structure of the organisation and determining pay for the Chief Executive and Directors (based on advice from an independent Remuneration Committee);
- chairing Plenary sessions as Acting Deputy Presiding Officer; and
- acting in the interests of the Assembly as a whole and taking collective responsibility for ensuring that the organisation fulfils its purpose.

One Commissioner is also a member of the Assembly Commission Audit Committee.

Background Documents

National Assembly for Wales Remuneration Board Documents

National Assembly for Wales Remuneration Board: *Determination on Members' Pay and Allowances 2011-12*

National Assembly for Wales: *Fit for Purpose: Report of the Remuneration Board of the National Assembly for Wales, 2011*

Relevant Assembly Commission Documents

National Assembly for Wales: *Assembly Commission Budget 2011-12*

National Assembly for Wales: *Determination of Members' Pay and Allowances 2010*

Remuneration at the National Assembly for Wales

SSRB Report no. 42: *Initial Pay, Allowances, Pensions and Severance Arrangements for: Members of the Scottish Parliament, National Assembly for Wales, Northern Ireland Assembly, 1999*

SSRB Report no. 49: *National Assembly for Wales: Review of Pay and Allowances, 2001*

SSRB Report no. 58: *National Assembly for Wales: Review of Pay and Allowances, 2004*

National Assembly for Wales: *Report of the Independent Panel on Financial Support for Assembly Members, 2008*

National Assembly for Wales: *Getting it Right for Wales: Report of the Independent Review Panel on Members' Pay and Allowances, 2009*

Remuneration at Other UK Legislatures

Scottish Parliament, SPCB: *Report to the Scottish Parliamentary Corporate Body on the Reimbursement of Expenses for Members of the Scottish Parliament, Sir Alan Langlands, 2008*

Scottish Parliament, SPCB: *A Report on the Scheme for the Reimbursement of Members' Expenses, Sir Neil McIntosh, Corporate Body, 2009*

Scottish Parliament, SPICe: *The Edinburgh Accommodation Allowance – An International Comparison, D Oag and S Wakefield, 2007*

Scottish Parliament, SPICe: *Parliamentary Pay and Expenses, Murray Earle, 2007*

SSRB Report No 48: *Review of Parliamentary Pay and Allowances, Volume I, 2001*

SSRB Report No 48: *Review of Parliamentary Pay and Allowances, Volume II, 2001*

SSRB Report no. 50: *Scottish Parliament: Review of Pay and Allowances, 2001*

SSRB Report no 57: *Review of Parliamentary Pay and Allowances, Volume 1, 2004*

SSRB Report no 57: *Review of Parliamentary Pay and Allowances, Volume 2, 2004*

SSRB Report no. 67: *Northern Ireland Assembly: Review of Pay, Pensions and Allowances, 2008*

SSRB: *Review of Parliamentary Pay and Pensions, Sir John Baker, 2008*

SSRB: *Determination of MPs' Salary Increases for 2009*

SSRB: *Determination of MPs' Salary Increases for 2010*

SSRB: *Determination of MPs' Salary Increases for 2011*

Legislation

Government of Wales Act 1998, <http://www.legislation.gov.uk/ukpga/1998/38/contents>

Government of Wales Act 2006, <http://www.legislation.gov.uk/ukpga/2006/32/contents>

The National Assembly for Wales (Remuneration) Measure 2010,
http://www.opsi.gov.uk/legislation/wales/mwa2010/mwa_20100004_en_1

National Assembly for Wales
Assembly Commission Audit Committee

Annual Report to the National Assembly
for Wales Commission for the year ended
31 March 2011

July 2011



The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

An electronic copy of this report can be found on the National Assembly's website:
www.assemblywales.org

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

Assembly Commission Audit Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

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National Assembly for Wales
Assembly Commission Audit Committee

Annual Report to the National Assembly
for Wales Commission for the year ended
31 March 2011

July 2011



Assembly Commission Audit Committee

Annual Report to the National Assembly for Wales Commission for the year ended 31 March 2011

1. Introduction and role of the Committee

The Assembly Commission Audit Committee is pleased to present this report on its work for the year ended 31 March 2011, the final year of the third Assembly.

The role of the Committee is to provide constructive advice, challenge and support to the Chief Executive in respect of her Accounting Officer responsibilities. These responsibilities include the requirement to ensure that public money is spent in a regular and proper manner and that value for money is secured in the use of resources. The Accounting Officer is also required to ensure that sound corporate governance arrangements are in place and that effective internal controls are operating to ensure that risks are properly identified and managed.

As such, the Committee's work examines and provides assurance to the Commission and Accounting Officer on:

- the annual report and accounts;
- the planned activity and results of internal and external audit;
- adequacy of management response to issues identified by internal and external audit;
- the Commission's corporate governance and risk management arrangements including the annual Statement on Internal Control; and
- counter-fraud policies, whistle-blowing processes, and arrangements for special investigations.

2. Terms of reference

The Committee acts in an advisory capacity and has no executive powers. Its terms as set by the Commission are consistent with Treasury guidance and are reviewed by the Committee from time to time. A copy is attached at Annex A.

3. Committee membership and attendees

Membership of the Committee was unchanged during the year and comprised:

Richard Calvert, Chair and Independent Adviser

Tim Knighton, Independent Adviser

Professor Robert Pickard, Independent Adviser

William Graham AM, Commissioner for Assembly Resources

Regular attendees at Committee meetings were the Chief Executive in her capacity as Principal Accounting Officer, the Chief Operating Officer, and Head of Finance and representatives of internal and external audit. Other managers of the Assembly attended as required. Secretariat services were provided by the Governance and Audit team of the Assembly Commission.

4. Committee activity and considerations

The Committee met five times during the year and its activity was guided by the forward work programme for the year. Regular agenda items included:

- internal audit plans and reports;
- Annual Report and Accounts including the Statement on Internal Control;
- external audit plans and reports;
- consideration of risk management reports and periodic discussion of key risks;
- governance and internal control arrangements; and
- updates on key issues.

In addition to these, the Committee also considered:

- the Commission's Information Management Strategy;
- an update by the Chief Operating Officer on the progress on recommendations from Internal Audit Reports on Procurement and contract management; and,
- an information update on the Commission's budget for 2011-12.

5. Committee findings and observations

The Committee's key findings and observations were:

External Audit and Annual Accounts

The Committee welcomed the fact that the draft accounts for 2009-10 were submitted for audit in line with the agreed timetable and received an unqualified audit opinion.

The Committee commended the Head of Finance and her team for the smooth production of the accounts for 2009-10, with fewer substantive audit issues being identified than in previous years.

The Wales Audit Office had not raised any significant matters from its interim audit. The Management Letter for 2009-10 identified opportunities to improve the organisation's financial management and contained five recommendations. The Committee were pleased to note that there were no issues of significant concern and that the five recommendations had been addressed in a timely manner.

More generally, the Committee was pleased to note that the excellent working relationships between the Commission and the Wales Audit Office have continued and been built upon during the year and that a culture of constructive challenge continues to exist.

In addition to its work on the annual accounts, the Committee received reports from the Wales Audit Office which detailed the results of its examinations of Assembly Members' allowance claims.

The Wales Audit Office reported satisfactory findings with no significant matters of concern; though as a result of this work, administrative processes were further strengthened in response to specific recommendations. The audit programme over recent years has ensured that payments to each Assembly Member have been audited by the end of the third Assembly, thus providing a high level of assurance in this potentially sensitive area.

Statement on Internal Control

Linked to the upcoming review of the annual accounts, the Committee considered the draft Statement for 2010-11 at its last meeting and identified several areas where it could be expanded. This included assessing future risks which the Commission may face in the coming year and adding a paragraph on fraud risk. One of the members of the Committee provided external challenge at the interim statement stage and this was particularly useful in developing the final statement.

Internal Audit

Internal audit provides one of the key resources for the Committee's work. Following earlier concerns about the quality and rigour of internal audit arrangements, a new contract was awarded this year for the provision of internal audit services. This was awarded to KPMG, and commenced in July 2011. This service is managed by the in-house Head of Internal Audit who takes responsibility for all audit outputs. The reviews for 2010-11 included:

- Review of the Broadcasting Contract;
- Contract Management;
- Core Financial Controls;
- UNO Post Implementation Review;
- Payroll.

The report on core financial controls provided a satisfactory level of assurance to the Committee on the overall control environment within the Assembly Commission. The Committee recognised however that the efficiency of the control environment is hampered by limitations in the current IT system for finance, and emphasised the need to look at future options for upgrading this.

The payroll audit identified a strong level of assurance for payroll controls, though process value for money factors limited this to a satisfactory audit assurance. The Committee noted that proposals are in hand to address these value for money issues.

The Committee also welcomed the in-depth analysis provided by the reviews on the Broadcasting Contract, Contract Management and UNO. These identified important lessons to be learned and recommendations for developing controls and expertise in procurement, contract and project management. The Committee was broadly satisfied with the progress made in taking forward recommendations from the internal audit reports, though will want to see further progress in embedding the planned changes around procurement and contract management over the year ahead.

Risk Management

In fulfilling its role of challenging risk management within the organisation, the Committee considered the registers of Strategic Risks and Significant Operational Risks throughout the year. In addition the Committee considered a specific strategic risk in detail at two of the meetings.

The Committee considers that considerable progress has been made in embedding risk management within the Commission and that processes generally work well. The Committee will be reviewing the results of an internal audit in this area at its next meeting.

Information Management Strategy

The Committee endorsed the new Information Management Strategy which was the key development following an Internal Audit Report on Records Management in 2009-10. The Committee emphasised the need to ensure that the strategy was not diluted during implementation and to highlight the strategy's importance to staff.

6. Forward Look

The Committee has an agreed work programme for 2011-12. In addition to the regular items, the Committee will also be taking an active interest in the development and operation of the new internal audit service and the rollout of the audit plan. The Committee will also wish to take a careful interest in the Commission's financial management given the tough financial environment that will be faced by the public sector as a whole. The Committee will monitor carefully the progress on implementing improvements in Procurement and Contract Management and the implementation of the Information Management Strategy. The Committee will also give consideration to the transition to the fourth Assembly and any new strategic approach determined by the Commission.

7. Conclusion

We believe that the Committee has an established and effective work programme capable of delivering the assurance required by the Accounting Officer, and that overall assurance levels within the Commission are good. That said, there is scope both for improvement in some areas and for greater efficiency in the exercise and management of controls. We will pay particular attention to these areas in 2011-12 and will ensure that the internal audit programme

supports this. We will review this work programme in the light of any new priorities established by the fourth Assembly.

The Committee wishes to thank the Chief Executive and staff of the Assembly for the positive approach taken to its work. The Committee is also grateful to the internal and external auditors for undertaking their work in a constructive and helpful manner and to the Secretariat for ensuring that that the Committee operates in a smooth manner.

Richard Calvert, Chair, Independent Adviser

Tim Knighton, Independent Adviser

Professor Robert Pickard, Independent Adviser

William Graham AM, Commissioner for Assembly Resources

Agenda Item 8

Comisiwn y Cynulliad Assembly Commission

NAFWC 2011 (Paper 8 Part 1)
Schedule of contracts

Cynulliad
Cenedlaethol
Cymru
National
Assembly for
Wales



Date: Thursday 14 July 2011

Time: 12:00–14:00

Venue: Conference Room 4B

Author name and contact number: John Grimes, ext 8225

Schedule of contracts

1.0 Purpose and summary of issues

1.1 At their recent informal meeting Commissioners requested further information about the Assembly's schedule of contracts.

2.0 Recommendation

2.1 Commissioners are invited to note the attached schedule and consider how the Commission might take a more active role in the Assembly's approach to procurement. Some options are set out at the end of this paper.

3.0 Assembly's schedule of contracts

3.1 A summary of the Assembly's schedule of contracts is attached at Annex A.

3.2 The schedule shows the contracts over £25,000 that are due for renewal each year. It gives summary details of each contract and, in particular, the start and finish dates. The column headed 'Framework' indicates those contracts which are let under a public sector 'framework' and for which simpler tendering arrangements are in place.

3.3 The schedule assists with the forward planning of future procurement.

4.0 Wider procurement issues

4.1 The schedule is also published on the Assembly's internet site so that potential suppliers can be aware of the business the Assembly contracts to external providers. In doing this we provide an indication of the contracts likely to be offered for tender in the future although there can be no guarantee that a particular contract will be renewed in its existing form or, indeed, at all. This contributes to the Assembly's policy to encourage and support small and medium-sized enterprises through its procurement policy and provides information both to suppliers who might wish to tender for these contracts and also to small and medium-sized enterprises who might wish to develop their business by acting as a sub-contractor to a main supplier.

4.2 Procurement is a complex process and a tightly controlled element of the Assembly's business. As well as the underlying need to meet business requirements efficiently and effectively, procurement is influenced by legal requirements and Assembly policies in relation to:

- encouraging small and medium sized enterprises;
- sustainability;
- social responsibility;
- open and fair competition;
- European law (the single market); and
- ensuring value for money.

4.3 It is worth noting that on occasions these factors can work in opposite directions. For example, drivers to reduce costs through collaboration and cooperation between authorities encourage the letting of large contracts. Conversely, policies to encourage small and medium-sized enterprises can point towards smaller contracts. One way to reconcile these is by building opportunities for sub-contractors into larger contracts and the contracts schedule assists with this.

Schedule of contracts

- 4.4 It is also worth noting that policies directed solely at encouraging local companies would be illegal under EU single-market provisions. The European Union does encourage policies for the development of small and medium-sized enterprises which, of their nature, tend to be 'local' to the contracting authority but procurement practice must ensure that opportunities are not restricted geographically.
- 4.5 Procurement is a highly litigious area and the law provides opportunities for potential suppliers who feel they have been unfairly treated to seek redress through the courts. These powers have recently been enhanced by the new EU Remedies Directive which has both strengthened the powers of the courts and increased the penalties for compliance failure.
- 4.6 In any contract, procurement is only the start of the process. If contracted services are to be delivered successfully there is a need to maintain effective working relationships with the contractor to ensure adherence, on both sides, to contract requirements while enabling a flexible approach to changing needs and circumstances. The improvement of contract management is one of our development priorities.
- 4.7 The Assembly Commission's Audit Committee has considered a number of internal audit reports on procurement and contract management, which have identified important lessons to be learned and recommendations for developing our controls and expertise. The Committee has been broadly satisfied with the progress made in taking forward recommendations from the internal audit reports, but wants to see further evidence that we are embedding the planned changes over the year ahead. The Committee plans to monitor carefully the progress on implementing the improvements.
- 4.8 The Assembly Commission may wish to discuss and explore aspects of procurement and procurement policy further. Some options for closer involvement of Commissioners include the following:
- Commissioners may wish to take an interest in more significant contracts of particular relevance to their portfolio, to be involved in the specification of the service, to be consulted about the procurement process and keep

an overview of service standards under the contract. For example, the current ICT service from Siemens (our biggest external contract) is due to end in 2014 and planning our approach has started. This will be a complex process and is key to services for the Assembly;

- a Commissioner could lead for the Commission on our current review of procurement policies and process, with a view to reporting back on changes and improvements in the autumn; and
- a comprehensive policy review of the Commission's approach to insourcing and outsourcing services could be undertaken, with a Commissioner providing oversight, and leading on consultation. This could have wider implications about the way Assembly services are provided and how much they cost.

Agenda Item 9

Comisiwn y Cynulliad Assembly Commission

Cynulliad
Cenedlaethol
Cymru
National
Assembly for
Wales



NAFWC 2011 (Paper 9)

Assembly Commission rolling programme

Date: Thursday 14 July 2011

Time: 12:00–14:00

Venue: Conference Room 4B

Author name and contact number: Commission Secretariat, ext 8705

Assembly Commission rolling programme

Meeting date	Agenda item	Portfolio holder/lead official
22 September 11 (first week of term)	Draft Commission budget 2012–13	Angela Burns/Steve O'Donoghue
20 October 11	Vote 2011 campaign feedback	Rhodri Glyn Thomas/Non Gwilym
	Reviewing the effectiveness of the Commission	Presiding Officer/Ian Summers
	Tŷ Hywel sub-lease	Peter Black/Dianne Bevan
	UNO benefits and savings six monthly review	Peter Black/Dianne Bevan
	Royal opening debrief	Rhodri Glyn Thomas/Non Gwilym
	Fourth Assembly Programme final report	Presiding Officer/Dianne Bevan
	Bilingual services	Rhodri Glyn Thomas/Non Gwilym
	Portfolio holder updates	Portfolio holders
	Management Board report to the Commission	Claire Clancy
	Rolling programme	Secretariat
24 November 11	Bilingual services	Rhodri Glyn Thomas/Non Gwilym
	Finance Committee report on draft Commission budget	Angela Burns/Steve O'Donoghue

NAFWC 2011 (Paper 9)

Assembly Commission rolling programme

Meeting date	Agenda item	Portfolio holder/lead official
	Carbon management strategy annual report	Peter Black/Connie Cockburn
	Management Board report to the Commission	Claire Clancy
	Rolling programme	Secretariat
2 February 12	Assembly staff remuneration?	Peter Black/Steve O'Donoghue
	Equalities scheme 2012-16	Sandy Mewies/Steve O'Donoghue
	Review of Freedom of Information processes?	Sandy Mewies/Non Gwilym
	Portfolio holder updates	Portfolio holders
	Management Board report to the Commission	Claire Clancy
	Rolling programme	Secretariat
8 March 12	Assembly staff remuneration?	Peter Black/Steve O'Donoghue
	UNO benefits and savings six monthly review	Peter Black/Connie Cockburn
	Framework for annual report and accounts 2011-12	Angela Burns/Rhodri Glyn Thomas/Non Gwilym/Steve O'Donoghue
	Management Board report to the Commission	Claire Clancy
	Rolling programme	Secretariat
May 12	Draft budget strategy 2013-14	Angela Burns/Steve O'Donoghue
	Review of Assembly Commission effectiveness	Presiding Officer/Claire Clancy
	Portfolio holder updates	Portfolio holders
	Management Board report to the Commission	Claire Clancy
	Rolling programme	Secretariat
July 12	Sign off annual report and accounts 2011-12	Presiding Officer/Claire Clancy
	Draft budget strategy 2013-14	Angela Burns/Steve

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Assembly Commission rolling programme

Meeting date	Agenda item	Portfolio holder/lead official
		O'Donoghue
	Management Board report to the Commission	Claire Clancy
	Rolling programme	Secretariat