

2 February 2017

Dear Assembly Member,

On 26 January, the Remuneration Board met to discuss future work which will inform our thinking for the remainder of our remit and to consider the annual review of the Determination, in particular to make proposals on AMSS salaries, Offices costs and Residential Accommodation Expenditure for 2017-18.

Annual review of the Determination

Assembly Member Support Staff salaries 2017-18

The Board considered the Assembly Member Support Staff salaries annual increment to apply from April 2017. It considered the broader context of pay across the UK in the public and private sectors. Private sector employees on average are continuing to experience real wage growth as changes in median pay remains above inflation and pay awards over the past year have been worth a median 2%, with the corresponding forecast for public sector pay is 1%.

Last year the Board used the latest available Welsh annual median earnings for full-time staff (as measured by the Annual Survey of Hours and Earnings) to uprate AMSS. We agreed that this remained the most suitable index for determining an appropriate pay increase for 2017-18.

The provisional ASHE figures for 2016 were released in October 2016 at 2.1%.

Therefore, we are proposing to increase AMSS salaries for 2017-18 by 2.1% in line with the provisional 2016 figures for ASHE median earnings in Wales.

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Croesewir gohebiaeth yn y Gymraeg a'r Saesneg/We welcome correspondence in both English and Welsh

The Board has committed to undertaking a review into the pay and career progression of Assembly Member Support Staff, given some of the issues that have been raised with the Board to date. The Board will embark on this review later this year.

Please let us have any responses to the proposed increase by 10 March 2017 to inform our deliberations at our following meeting.

Office costs for 2017-18

The Board considered the office costs allowance and whether it remains appropriate for the financial year 2017-18. The Board considered a number of factors, including recent feedback from Members, Members' spend on office costs, office rental costs across Wales and inflation.

We are proposing to increase the office costs allowance by 1.2% in line with the CPI estimate as at November 2016.

Please let us have any responses to the proposed increase by 10 March 2017 to inform our deliberations at our following meeting.

Residential Allowances for 2016-17

The Board considered Residential Accommodation Expenditure for 2017-18 and considered a number of factors, including comparisons with approaches made by other Legislatures across the UK. In relation to the support for Outer area Members, the Board decided to conduct more research into rental prices and consult on it shortly, probably in February.

A small number of long-serving Outer Area Members still receive reimbursement in respect of mortgage interest payments on properties of their own. Members in this position are permitted to claim up to £882 towards the cost of essential repairs to their property.

The Board decided that the maximum amount for essential repairs should be maintained at £882.

The Board also discussed provision for carers within the residential accommodation expenditure allowance. The Board agreed that the maximum amount of rental costs for Members with dependents should be maintained at £120 per month.

Future work

We will shortly be commissioning research to gain a greater understanding of aspects that may deter individuals from standing for election to the Assembly and aspects within the Board's remit that attract people to the job. We intend to commission experts for this research work and will shortly issue a tender for interested candidates to make bids.

In line with our commitment to regularly review the performance of the Board and the impact of our decisions, we will conduct reviews into the existing provisions which were put into the Determination for the Fifth Assembly and whether the existing principles underpinning the Determination are fit for purpose.

We hope to gather views from you to ask what you think of the current Determination and ways that we can improve it. During the spring we will issue a questionnaire on the effectiveness of the current Determination and the principles underlying the provision of financial support, in particular whether the current approach is too prescriptive.

We will ensure that Members, their support staff and other key stakeholders are kept fully abreast of our progress and involved at key stages.

We continue to meet many of you informally and hope to attend your party group meetings. We are grateful for your nominations for the AM and AMSS Representative Groups and we look forward to meeting them in the spring term.

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

If you would like to discuss this matter with me, or with one of my fellow Board members, please do not hesitate to contact me via the secretariat.

Best Wishes,

A handwritten signature in dark ink, appearing to read 'Dawn Primarolo', with a stylized flourish at the end.

Dame Dawn Primarolo
Cadeirydd / Chair
Bwrdd Taliadau/Remuneration Board