

By email:

Jim McManus

Clerk

Ad Hoc Committee on the Assembly Members (Remuneration Board) Bill

Date: 7 March 2025

**Subject: Northern Ireland Assembly Ad Hoc Committee on the Assembly Members  
(Remuneration Board) Bill**

Dear Jim,

Thank you for your letter of 26 February 2025 requesting evidence from the Independent Remuneration Board of the Senedd.

I am pleased to provide you with the following information, which I trust the Committee will find of interest in its pre-legislative scrutiny of the Assembly Members (Remuneration Board) Bill.

**Background to the Independent Remuneration Board of the Senedd**

The Independent Remuneration Board of the Senedd [the Board] was established in 2010 to determine the remuneration and allowances for Members of the Senedd.

The Board was set up following the work of an Independent Review Panel, set up by the then National Assembly Commission, which considered all aspects of financial support available to Members; including pay and allowances for travel, accommodation, constituency offices and support staff. The Panel reported to the Commission in 2009 and all 108 of the Panel's recommendations were accepted, including the recommendation to establish a statutory review body independent of the National Assembly.

The National Assembly for Wales (Remuneration) Measure 2010<sup>1</sup> ('the Measure'), which established the Board, received Royal Approval on 21 July 2010.

The Board's remuneration and allowances functions are broad and are set out in the Measure and the Government of Wales Act 2006<sup>2</sup>; it sets the salaries of Members and Additional Office Holders, Members' pensions and any resettlement or winding up allowances for former Members, Members' support staff budgets, constituency office and engagement budgets, Members' overnight accommodation and travel allowances and additional allowances to support disabled Members or

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<sup>1</sup> <https://www.legislation.gov.uk/mwa/2010/4/contents>

<sup>2</sup> <https://www.legislation.gov.uk/ukpga/2006/32/contents>

Members with caring responsibilities and Members on parental leave. The Board also sets allowances to provide support to political groups of the Senedd. The Board's decisions are set out in a Determination.

## How the Determination is administered

The Board sets out the rates of allowances and rules on claims in a Determination on Members' Pay and Allowances<sup>3</sup> ('the Determination') each Senedd term. This is reviewed annually, however, the Board may only make one Determination relating to Members' and Additional Office Holders' salaries per term, unless there are exceptional circumstances. A Determination relating to Members' salaries must be published before the Senedd term to which it applies 'so far as is reasonably practicable'. The legislative provisions are set out below in the section on Clause 6.

The Board will shortly publish its revised Determination for 2025-26; the Board's recent consultation<sup>4</sup> on the annual review of the Determination proposed an exceptional determination on Members' salaries. It will also shortly issue a second part to its consultation on proposals for the Determination for the Seventh Senedd, for implementation from May 2026.

The Board's Determination is administered by the Senedd Commission (the corporate body for the Senedd<sup>5</sup>), which includes the payment of Members' salaries, all claims and accounting for expenditure. The Senedd Commission provides the funding for the Board's Determination and administrative support for the Board.

## Clause 1 renames the Independent Financial Review Panel (the Panel) as the Remuneration Board (the Board).

The Committee may wish to note that the name of the remuneration board for the Senedd is (my emphasis) the Independent Remuneration Board of the Senedd. This was amended, at the request of the Board's then chair, from 'National Assembly for Wales Remuneration Board' by the Senedd and Elections (Wales) Act 2020.

This reflected the existing provisions in the Measure which state in Section 2(1) that the '*Board is not, in the exercise of its functions, to be subject to the direction or control of the Senedd or of the Senedd Commission.*'

This independence is valued by Members of the Senedd as it clarifies that they are not responsible for, nor able to influence, their own remuneration. This independence does however, on occasion, raise questions about the Board's accountability to the Senedd. The Board engages with Members, the Senedd Commission and stakeholders, consults on its proposals and publishes evidence for its proposals and decisions.

The Chief Executive and Clerk of the Senedd is the principal accounting officer for the Senedd Commission in accordance with section 138 of the Government of Wales Act 2006. As such she is

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<sup>3</sup> <https://remunerationboard.wales/media/2qcj5ggm/determination-2024-25-clean.pdf>

<sup>4</sup> <https://business.senedd.wales/documents/s156668/Annual%20Review%20of%20the%20Determination%20Proposals%20for%202025-26.pdf>

<sup>5</sup> [Senedd Commission](#)

accountable to the Senedd in respect of decisions of the Board as regards the spending of public funds.

The Board is legally required to publish an annual report on the Board's activities, including its use of resources during the financial year, and lay it before the Senedd.

### **Clause 2 amends the 2011 Act to remove from the Panel responsibility for making determinations about allowances payable to Members and former Members.**

As noted above, the Independent Remuneration Board of the Senedd has functions for setting Members' remuneration, pensions and all other allowances. The Senedd Commission is responsible for administering the Board's determinations.

### **Clause 3 introduces a new provision requiring the Board to have regard to the salaries payable to members of certain other legislatures when making determinations as to the salaries payable to Members of the Assembly.**

The Independent Remuneration Board of the Senedd does not have a similar duty to have regard to the salaries payable to members of other legislatures.

In the course of reviewing Members' remuneration, the Board considers a wide range of evidence, including the salaries of other UK legislatures, other elected representatives and roles, and considers the context of Welsh earnings and the wider financial circumstances of Wales (see below). As a result, annual indexation of Members' salaries is linked to changes in the average salaries in Wales (the Annual Survey of Household Earnings Wales<sup>6</sup>).

(National Assembly) Members' salaries were, from 2007, originally set at 82% of MPs' salaries. However, this link was ended with the introduction of the Measure and the establishment of the Board.

The Measure (section 3(2)(a)) states that the Board '*must exercise its functions with a view to achieving the objectives of*

*(a) providing Members of the Senedd with a level of remuneration which—*

*(i) fairly reflects the complexity and importance of the functions which they are expected to discharge, and*

*(ii) does not, on financial grounds, deter persons with the necessary commitment and ability from seeking election to the Senedd...'*

Section 3(3) states that the Board must also '*...keep under review the extent to which, having regard to:*

*(a) experience gained from the operation of the Board's determinations,*

*(b) changes in the functions of Members of the Senedd, and*

*(c) any other relevant changes in circumstances,*

*those determinations appear to be achieving the objectives set out in subsection (2).'*

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<sup>6</sup> [Annual Survey of Hours and Earnings \(ASHE\) - Office for National Statistics](#)

Furthermore, the Board balances these statutory objectives with its own core principles that:

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

**Clause 4 provides for the appointment of a temporary Chair and members of the Board, pending the appointment of replacements.**

**Clause 5 changes disqualification criteria and allows former Members to be members of the Board.**

The appointment criteria and process for appointing members of the Independent Remuneration Board for the Senedd is set out in the Measure. The process is a matter for the Chief Executive and Clerk to the Senedd.

A provision for temporary appointments is not set out in the Measure as members of the Board are appointed for a term of five years. The Board has had temporary Chairs in the past, chosen from its existing membership, due to the resignation of a Chair.

The flexibility for temporary appointments would however be beneficial. The Board is normally five members, but one member resigned last July and another member resigned in January and we have therefore been a Board of only four and then three members (our quorum is three) during a particularly busy period in the Board's term while the public appointments process was underway.

There are several disqualifications relating to Board membership set out in the Measure<sup>7</sup>. Former Members of the Senedd may be appointed to the Board (although individuals who are candidates at a Senedd election or are current Members cannot be appointed). Candidates with political experience have been sought when recruiting new members to the Board. Several current and former members have had political experience from the House of Commons and local government, which has been valuable providing a particular experience and perspective to the Board discussions and in developing relationships between the Board with Members.

**Clause 6 requires determinations to be made at least 6 months before the date of the poll for the Assembly elections, that determinations are to be published in draft and made the subject of consultation.**

As noted above, the Measure (Section 13(9)) requires the Independent Remuneration Board of the Senedd to make its Determination on Members' salaries '*so far as is reasonably practicable...before the end of the term of the Senedd which precedes that in relation to which they are to have effect.*'

In practice, the Board has previously published its Determination (including on Members' remuneration) in the Summer before the start of the new term the following May; this has provided clarity to candidates about their salaries, pensions and any support they may be entitled to in advance

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<sup>7</sup> <https://www.legislation.gov.uk/mwa/2010/4/schedule/1>

of standing or being elected and has assisted the Senedd Commission to plan its budget assumptions for the first year of the new term, as it sets its budget in the early autumn in advance of the next financial year.

The Committee may wish to consider the timing and term length of Board member appointments in relation to the timing of a Determination being published 6 months before an election, given there may be challenges should Board member terms commence or conclude at the same time as, or in the period immediately running up to, or after the required Determination date.

Although the Measure does not require the publication of a draft Determination, the Board does consult with Members, staff, unions, the Senedd Commission and the public on all proposed changes to the Determination. Section 2(4) of the Measure states:

*(4) 'The Board must, before exercising any of its functions, consult those of the following who are likely to be affected, unless the Board considers that there are circumstances that make it inappropriate to do so—*

*(a) Members of the Senedd,*

*(b) staff employed by Members of the Senedd (or by groups of Members),*

*(c) relevant trade unions, and*

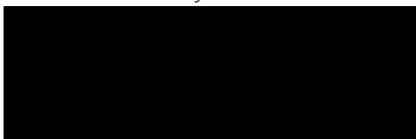
*(d) such other persons as it considers appropriate.'*

As well as formal consultation exercises, the Board holds periodic informal 'drop-ins' with Members to hear their views on any matters relating to the Determination and meets with a 'Members' Representative Group' and a 'Support Staff Representative Group' (including trade union representatives) in advance of Board meetings, to seek views on emerging proposals, approaches to engagement or on particular issues of or interest.

As Chair, I also meet regularly with the Chief Executive and Clerk to the Senedd Commission, to discuss areas of shared interest. The focus of our current discussions is the planning of support for new and returning Members ahead of the Seventh Senedd.

I trust you will find the above of interest and of value and I look forward to hearing the outcome of your work and the passage of the legislation in due course.

Yours sincerely,



**Dr Elizabeth Haywood,**

**Chair, Independent Remuneration Board of the Senedd**

*Croesewir gohebiaeth yn Gymraeg neu Saesneg. | We welcome correspondence in Welsh or English.*