

# Mid-term review of effectiveness 2022 / 2023

## Response by the Remuneration Board

April 2023

The Independent Remuneration Board of the Senedd (the Board) is an independent body responsible for ensuring Members of the Senedd have the appropriate remuneration and resources available to them to undertake their role. This includes setting the salaries of Members as well as their other allowances such as staffing and office costs.

The current Board's term office commenced in 2020 and runs until September 2025, approximately one year in advance of the establishment of the next Senedd. Further information on the Board, its functions and its Members is available on the Board's [website](#).

In May 2022, the Board commissioned Gareth Watts, the Senedd Commission's Head of Internal Audit, to carry out a review of the Board's effectiveness approximately midway through the Board's term in office. The Board would like to thank Gareth for his time in undertaking the review and for presenting his findings to the Board. The Board would also like to thank all those who contributed to the review (see a list of contributors in appendix 2 to the [review report](#)). Further background information on this review is provided at Annex A of this paper.

The Board considered the review report in its meeting on 2 February 2023 including its response to the report's recommendations. This paper sets out the Board's response to each of the 12 recommendations made, agreed by the Board at its meeting on 16 March 2023.

The Board welcomes the report and the reflection back to the Board of the views expressed by stakeholders including Members of the Senedd and their staff, and by members of the Board itself, as part of the fieldwork undertaken by the report's author.

Some of the feedback provided makes for uncomfortable reading for the Board, none more so perhaps than the reported loss of confidence and trust in the Board from some Members and Support Staff.

The Board is fully committed to making improvements where possible in order to improve trust in its work. As such the report's findings and recommendations are welcomed by the Board as it moves into the second half of its term in office, and will help it to continue to develop and discharge its functions as effectively.

As acknowledged by stakeholders, the first half of the Board's term in office has been challenging in terms of the context – in particular, the loss of any face-to-face contact caused by Covid – in which we have operated. Some of the frustrations felt by stakeholders are directly attributable to this challenging context and are shared by the Board.

The Board has already started to make changes to its ways of working in response to issues raised as part of the review. It is committed to increasing its in-person engagement with its stakeholders, despite some continued barriers to this, more recently caused by the impact of national general strikes. The Board will continue its focus on implementing the recommendations as set out below.

The Board also recognises the issue raised regarding the complexity of the regulatory environment, and the relationship between the Board and the Commission. These are often features in a parliamentary setting, and the Board is also aware of the need to continuously navigate respective remits when discharging its functions. The Board is committed to playing its part in simplifying the Determination processes for Members, within the confines of its remit.

Some of the recommendations related to this issue are properly for the Senedd and Commission to consider, such as the legal governance framework within which the Board must operate. The Board stands ready to work with the Senedd or Senedd Commission to inform any such consideration, and bring its experience to bear on these matters.

The Board notes the suggestion in the report that a further effectiveness review should be carried out before the end of this Board's term in office, to validate the progress made as well as to evaluate the Board's overall effectiveness throughout the whole of its term. This will be considered further towards the end of the Board's term in office.

# The Board's response to the recommendations of the review

Recommendation 1	Details	The Board's response
Issue	The review identifies that the Board does not currently have in place a single document which outlines the respective roles and responsibilities of meeting attendees nor sets out the details of meeting rules such as quorum, deputising for the chair etc.	The Board acknowledges the benefit of setting out clearly the respective roles and responsibilities of attendees at its meetings and the arrangements for the conduct of Board business.
Recommendation	The Board, in conjunction with the secretariat team, introduce a Board Charter or other such governance document.	The Board's Secretariat has been asked to update the existing governance document, titled 'the Board's Charter', reflecting the legal requirements of the operation of the Board and setting out the details of roles, responsibilities and administrative arrangements, for agreement by the Board.
Recommendation 2	Details	The Board's response
Issue	The Covid pandemic has significantly reduced the opportunities for in person meetings between the Board members, secretariat, and the wider integrated teams.	Whilst the limitations on face-to-face interaction experienced during the pandemic has undoubtedly affected the forging of relationships between Board members and officials who support the Board's work, steps have been taken recently to strengthen those one-to-one relationships. For example, the Board has recently agreed which Board member will lead the various thematic reviews in its strategic work programme. These members are now working directly
Recommendation	The Board works with Commission officials to agree and set aside time to develop relationships between the Board and officials. Time and dates should be set aside for development and team building opportunities to contribute towards developing the effectiveness of the Board further.	

		<p>with officials outside Board meetings. In time this model of working should help to develop closer working relationships between Board members and officials.</p> <p>Opportunities will also be sought for Board members and staff members to engage more frequently, for example in the margins of Board meetings, in particular when they are in-person, and as part of the induction process for new staff.</p>
<b>Recommendation 3</b>	<b>Details</b>	<b>The Board's response</b>
<b>Issue</b>	<p>The advent of Senedd reform may continue to impact upon the work of future Boards and may necessitate the different skill sets, experiences, and time commitments for future Board members. For example, one suggestion brought forward during my review was whether there should be a requirement for a former Member of the Senedd to be a member of a future Board.</p>	<p>As set out in Section 6 and Schedule 2 of the National Assembly for Wales (Remuneration) Measure 2010 it is the Senedd Commission's responsibility to make arrangements for selecting candidates for membership of the Board and appoint its members.</p> <p>The Board plans to review its skills matrix prior to the next recruitment process and to discuss this with the Commission.</p>
<b>Recommendation</b>	<p>The responsibility for Board recruitment rests with the Commission. If opportunities arise the current Board should work with the Commission, to review the role specification for future Board Members in light of Senedd reform. This review should be completed in advance of the next round of Board recruitment.</p>	

Recommendation 4	Details	The Board's response
Issue	Currently feedback is sought from Board members and Commission officials at the end of Board meetings. During the review some feedback was shared with me around Board meetings that had not previously been fed back to the Board. Therefore, the Board may look to use other methods to gather feedback and to try and ensure that constructive and evidence feedback is received in 'real time'.	In response to this recommendation the Chair will undertake an annual appraisal of the Board's work with fellow Board members individually, as a means of gathering feedback on the way in which the Board operates.
Recommendation	The Board works with the secretariat to develop other mechanisms to regularly gather feedback from all those who participate in meetings.	The Chair will also work with the Secretariat to identify a mechanism or mechanisms for collating feedback to the Board. Such a mechanism(s) will ensure a private/out-of-meeting route to encourage officials to feel comfortable in providing feedback for consideration by the Board e.g. by allowing for feedback to be provided anonymously.
Recommendation 5	Details	The Board's response
Issue	The Board has recognised the fact that it does not have tax expertise and has commissioned the Commission's Head of Procurement to help the Board with this next year. The Chair has written to the Chief Executive and Clerk to tell her the Board are doing this and has asked for updates from the Commission on progress on tax negotiations with His Majesty's Revenue and Customs (HMRC). There are potentially other areas where sufficient information or expertise isn't available to the Board.	The Board requires a broad range of skills and expertise to fully support its work. Some such skills and expertise are required all of the time (e.g. research and policy development skills) whilst expertise in some specific areas are needed at certain times only.
Recommendation	The Board undertakes further gap analysis to determine whether there are other areas it lacks in terms of expertise or capacity to make informed decisions with complete information.	The Commission takes account of the Board's skills requirements and gaps when recruiting staff to support its work. Recruitment of a full-time qualified researcher is currently underway and the Board is able to commission external expertise where required, when this is more cost-effective. In 2022 the Board commissioned a facilities management company to

		<p>undertake expert research into office rental costs in Wales, and plans to commission further expert support for its planned thematic reviews.</p> <p>As the Board reviews its work programme, it will continue to engage with the Commission to ensure it has a reasonable level of resource within its ring-fenced budget. The Board will also review its expertise and capacity needs as part of its end of term effectiveness review to help identify any changes in the staffing support needed by the Board in the Seventh Senedd.</p>
<b>Recommendation 6</b>	<b>Details</b>	<b>The Board's response</b>
<b>Issue</b>	There is sometimes a lack of clarity with respect to the relationship between the Board and the Commission and the respective roles and responsibilities within this relationship.	The Chair of the Board meets regularly with the Commission's Chief Executive. The staffing support provided to the Board by the Commission is reviewed as part of these discussions.
<b>Recommendations</b>	<p>a) The Board should enter into discussions with the Commission to review their relationship in respect of the services the Commission provides to the Board and consider how this may operate going forward.</p> <p>b) The Board should also work with Commission staff to ensure clarity for Members and their staff to understand the respective roles of the Board, MBS, and the Chief Executive.</p>	<p>The Board and Commission have their respective responsibilities for ensuring Members are adequately resourced and supported through Commission services to undertake their work effectively. The Board's discussions and engagement with Members has clearly demonstrated a lack of clarity on the respective roles of the Board and Commission in regulating Members' expenditure and resourcing and supporting Members.</p> <p>a) The Board has recently written to the Llywydd, as Chair of the Commission, to request that a mechanism is established for regular dialogue between the Board</p>

		and Commission on Senedd reform. Such a mechanism will allow for discussions on the respective roles of the two bodies in supporting Members in future.
<b>Recommendation 7</b>	<b>Details</b>	<b>The Board's response</b>
<b>Issue</b>	Concerns have been expressed about the way the Board sometimes communicates with its political stakeholders. Criticisms include unnecessary duplication and some concerns around the timings and notice given in respect of some consultations.	The Board recently worked with the Senedd Commission to undertake a joint engagement exercise with Members on their ways of working, instead of undertaking separate consultation exercises, thereby reducing the demand on Members' time. Moving forward the Board will continue to seek opportunities to engage Members jointly with the Commission on shared areas of interest, where appropriate.
<b>Recommendation</b>	The Board should look to address the concerns identified in relation to the way in which it communicates with its political stakeholders. One route may be to engage communication expertise to help and support the Board. The Board should also involve Members and their staff in finalising and agreeing any new ways or principles adopted in respect of future communications to ensure a shared understanding.	<p>b) The Board recently commenced a simplification review with the aim that the framework in place to regulate Members' expenditure through the Determination is clear and as simple as possible to navigate for Members and their staff. Working with the Commission in the context of this review should help ensure greater clarity on the respective roles of the Board and Commission.</p> <p>The Board will continue to seek opportunities to raise awareness of its work programme, and when engagement with political stakeholders is planned, for example via update letters issued following each Board meeting, regular meetings with the Chiefs of Staff of</p>

		political groups in the Senedd and via Representative Groups and the Political Contact Group.
<b>Recommendation 8</b>	<b>Detail</b>	<b>The Board's response</b>
<b>Issue</b>	Some political stakeholders were of the view that they would be better able to understand decisions made by the Board if all the information provided to the Board is available to them.	The Board appreciates the need to operate with as much transparency as possible, to ensure credibility and trust in its work.
<b>Recommendation</b>	Transparency is an important principle which underpins the work of the Board. The Board should re-review in which circumstances it would be appropriate to share the information it receives by way of research to ensure that those affected by its decision have a clear understanding of the evidence which led to the decisions being made.	<p>Subsection 2(3) of the National Assembly for Wales (Remuneration) Measure 2010 acknowledges the potentially sensitive nature of the Board's work by allowing the Board to conduct its business in private. Notwithstanding the sensitive nature of its discussions at times, the Board publishes various information on its work both directly to Members and on its website.</p> <p>The Board will consider on a case-by-case basis what level of information could usefully be published to explain the key evidence which has informed its decisions.</p> <p>The Board is conscious that the timescale for its annual review of the Determination, in particular the timing of the publication of the Determination for the next financial year, does not provide Members and their staff with much time to plan budgets in advance of the beginning of a new financial year. The Board is considering if and how the timing of this process could be changed to provide more time for budget planning in advance of the commencement of each financial year.</p>



		In the meantime, it has already put in place an advance verbal briefing of Chiefs of Staff on 2023-24 budgets to help with any immediate concerns.
<b>Recommendation 9</b>	<b>Detail</b>	<b>The Board's response</b>
<b>Issue</b>	During the review a number of comments were made to me about difficulties which users sometimes experience when trying to navigate their way around and understand the Determination. There are regular updates and, as cited in the main report, are sometimes provisions available to Members which aren't explicitly referred to in the Determination document itself.	The Board has commenced a review aimed at simplifying the Determination. As part of this review the Board will engage with Members and their staff to explore any difficulties faced in navigating the current Determination, to help inform decisions by the Board on how to develop and improve the Determination in future.
<b>Recommendation</b>	The Board should ensure that the work it takes forward on simplification addresses the issues noted in respect of the Determination. In taking forward this work it should also include Commission staff (including MBS), Members and Support Staff in its discussions and deliberations to helping to shape the way forward for the Determination.	The Board is committed to working with the Commission as well in order to ensure any changes made to the Determination do not create unnecessary complexities for MBS in its administration and achieves as much clarity as possible on the allowances available to Members and what is required to enable Members' business costs to be claimed.

Recommendation 10	Detail	The Board's response
Issue	There is some on-going debate about the future of the Board, its relationship with the Senedd and the Commission and what its remit may look like in a reformed and enlarged Senedd.	The Board's remit is set out in the National Assembly for Wales (Remuneration) Measure 2010. Any changes to the Board's remit are a matter for the Senedd.
Recommendation	The responsibility for any change in remit or reform of the Board would be the responsibility of the Senedd. However, the Board should enter into discussions with the Commission to raise the themes around its ongoing relationship with the Commission and any potential impact on its future remit, resulting from Senedd reform.	The Board would be happy to contribute to discussions on any changes the Senedd considers necessary to the Board's remit. The Board recently wrote to the Llywydd (see response to recommendation 6 above) to seek to establish a mechanism for regular dialogue between the Board and the Senedd Commission and confirmed its willingness to bring its experience to bear on any discussions about the Board's future remit.
Recommendation 11	Detail	The Board's response
Issue	There are no formal performance management arrangements in place for the Board at present.	As noted in response to recommendation 4 above the Board agrees that the Chair should undertake annual appraisals with each Board member individually, as a means of gathering feedback on the Board's work. This will be informed by feedback from officials who support the work of the Board. This process of self-reflection should help to identify any improvements to be made to the way in which the Board operates.
Recommendation	The Board (under the direction of the Chair) and working with the secretariat should consider looking to introduce some form of annual performance management arrangements with Board members in line with good practice.	

		or in response to the Board's consultations, as a means of ensuring continuous development and improvement.
<b>Recommendation 12</b>	<b>Detail</b>	<b>The Board's response</b>
<b>Issue</b>	The Board needs to ensure that it can adequately track progress against its strategy, and indeed these recommendations and ensure that it communicates such progress with its stakeholders.	The Board agrees that it should measure its progress in achieving its <u>strategic objectives</u> and communicate progress to its stakeholders. Section 11 of the National Assembly for Wales (Remuneration) Measure 2010 requires the Board to "...as soon as possible after the end of each financial year, lay before the Senedd an annual report on its activities, including its use of resources, during that financial year." The Board will use this process to reflect on the achievement of its strategic objectives and implementation of the Effectiveness Review recommendations, and to communicate progress to its stakeholders.
<b>Recommendation</b>	The Board should work with its secretariat to develop a means of tracking its progress and puts in place a communication plan to ensure it can demonstrate the progress being made to its stakeholders.	

# Annex A – Background to the review

Historically the Board has commissioned independent reviews of its effectiveness as part of its ongoing commitment to continuous improvement and development.

In early 2020, at the end of its term in office, the previous Board commissioned a review of its effectiveness over its five-year term to help inform the work of the next (current) Board. The report on that review is available in Annex D to the Board's [annual report 2019-2020](#). Issues for the incoming Board to consider identified in that report included, for example, improving some of the Board's administrative arrangements. The recommendations in that report were considered by the current Board at the beginning of its term in office.

This paper sets out the Board's response to a further effectiveness review commissioned in May 2022, approximately midway through the current Board's term in office.