

Leighton Andrews AM  
Minister for Public Services  
Welsh Government  
Ty Hywel  
Cardiff Bay  
CF99 1NA

Your ref:  
Our ref: PO/RB/CW

1 March 2016

*Dear Leighton*

### **Public Sector Exit Payments – Enterprise Bill**

I have today written to the UK Secretary of State for Business, Innovation and Skills in relation to the Enterprise Bill which is currently before Parliament. Section 35 of the Bill seeks to amend the Small Business, Enterprise and Employment Act 2015 to allow the UK Government, by way of Regulations, to introduce a statutory ceiling of up to £95,000 on public sector exit payments. I enclose a copy of my letter.

The Bill proposes that exit payments exceeding the statutory ceiling may be permitted in individual cases where a Minister of the Crown gives permission. This power may be conferred on the Welsh Ministers in relation to employees of bodies with devolved functions in Wales (proposed new section 153C (6) of the 2015 Act).

Notwithstanding your ongoing negotiations with the UK Government about these provisions in the context of the Legislative Consent Memorandum laid on 5 February, I believe it is important, even at this late stage in the UK Parliament's scrutiny of the Enterprise Bill, to highlight the need for the legislation to reflect the constitutional separation between the Welsh Ministers and the Assembly (and its corporate body, the Assembly Commission).

*Croesewir gohebiaeth yn y Gymraeg neu Saesneg/We welcome correspondence in Welsh or English*

I have asked the Secretary of State to consider amending the Bill so that Regulations may confer power on the Assembly Commissioners to allow exit payments for their staff. It would not be constitutionally appropriate for the Welsh Ministers to exercise functions relating to Commission staff. The Commission regulates its own employment practices in accordance with Government of Wales Act 2006.

My officials have consulted with yours about this approach, and while the Welsh Government was rightly not able to offer a definitive view at official level, I am grateful for the advice they were able to provide.

I am copying this letter to Christine Chapman AM, Chair of the Communities, Equality and Local Government Committee which has been considering the relevant Legislative Consent Memorandum.

Best wishes.



**Dame Rosemary Butler AM**  
**Presiding Officer**

Enc

cc Christine Chapman AM