

Rt Hon Sajid Javid MP  
Secretary of State for Business, Innovation and Skills  
House of Commons  
LONDON  
SW1A 0AA

Your ref:  
Our ref: PO/RB/CW

1 March 2016

*Dear Sajid*

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

I am writing 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 you, by way of Regulations, to introduce a statutory ceiling of up to £95,000 on public sector exit payments.

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). Assuming the Enterprise Bill receives Royal Assent, I understand that you propose to make Regulations imposing a statutory ceiling of £95,000.

Under the Government of Wales Act 2006, the National Assembly for Wales is constitutionally separate from the Welsh Ministers and has a role (among other things) in scrutinising the functions of the Welsh Ministers. As the National Assembly is an unincorporated association and is not able to employ staff, the National Assembly for Wales Commission (“the Commission”) was established under the 2006 Act as a corporate body to provide staff, services and property for the purposes of the Assembly.

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

The reference to devolved functions in the Enterprise Bill is likely to capture the Commission. Given the constitutional separation described above, it would not be constitutionally appropriate for the Welsh Ministers to exercise functions relating to Commission staff. The Commission currently regulates its own employment practices in accordance with the 2006 Act.

I appreciate that the Enterprise Bill is nearing the end of its passage through Parliament. However, in the light of the constitutional principle I have outlined above, I would ask that you consider amending the Bill so that Regulations may confer power on the Assembly Commissioners to allow exit payments for their staff. As the Commissioners are Assembly Members (chosen by their peers) it may also be desirable to provide that the function may not be delegated to an official.

I am copying this letter to the Secretary of State for Wales. I will also send a copy of this letter to the Welsh Government Minister for Public Services, Leighton Andrews AM and to Christine Chapman AM, Chair of the Assembly's Communities, Equality and Local Government Committee.

Best wishes,



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

cc Rt Hon Stephen Crabb MP  
Leighton Andrews AM  
Christine Chapman AM