



Llywodraeth Cymru
Welsh Government

Welsh Government Pay Policy Statement 2023

This is the Welsh Government's eighth annual pay policy statement.

This Pay Policy Statement provides the framework for decision making on pay and in particular decision making on senior manager pay. It complements other information published on our website which is linked below. If you cannot find the information you are looking for, please contact customerhelp@gov.wales

gov.wales



Andrew Goodall

Permanent Secretary

Introduction

I am pleased to present the 2023 Pay Policy Statement. The Welsh Government recognises the importance of a pay and reward system that allows us to recruit and retain talented staff who are committed to delivering for the people of Wales particularly in these continued challenging times.

I believe our pay system should be equal to all, appropriate, transparent, provide value for money and reward staff fairly for the work they perform. In addition to an employee's salary, the Welsh Government offers a comprehensive range of both financial and non-financial workplace benefits. These include membership of the Civil Service Pension Scheme, access to advance of salary and salary sacrifice arrangements, exceptional learning and development opportunities and employee wellbeing schemes as well as ways of working that build on recent advances in technology and smart working.

This statement sets out our approach to pay and the relationship between the employee's pay and the remuneration of senior management.

It has been prepared in accordance with the principles contained in the Welsh Government's 'transparency of senior remuneration in the devolved Welsh public sector' published in December 2016 – <https://gov.wales/sites/default/files/publications/2019-03/transparency-senior-pay-in-devolved-welsh-public-sector.pdf> and subsequent guidance produced by the Public Services Staff Commission – <https://gov.wales/sites/default/files/publications/2019-02/transparency-of-senior-salaries-in-the-devolved-public-sector.pdf>

A handwritten signature in black ink, appearing to read 'Andrew Goodall', written in a cursive style.

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Principles

Pay Principles

- The pay system will be affordable and represent good value for money for taxpayers.
- It will focus on ensuring equal pay for employees and action will be taken to address gender, ethnicity and disability pay gaps.
- Pay arrangements will be open, transparent and simple. Unnecessary complexity will be removed.
- Simple salary progression with incremental pay scales will enable employees to quickly reach the rate of pay for their role.
- The real Living Wage (as defined by the Living Wage Foundation) will underpin salary rates and we will remain a real Living Wage accredited employer.

Legislative Framework

The Welsh Government has the power to appoint staff under section 52 of the Government of Wales Act 2006; and complies with all relevant employment legislation in determining the pay and remuneration of its staff. The Permanent Secretary has delegated responsibility from the First Minister under the Civil Service (Management Functions) Act 1992 for personnel functions, including pay matters.

Decision making including consideration of value for money

The Permanent Secretary is head of the Civil Service in Wales and acts as the Principal Accounting Officer for the Welsh Government. The HR Director is responsible for recommending to Ministers appropriate pay arrangements for delegated staff. Delegated staff are employees at Team Support, Executive Officer, Higher Executive Officer, Senior Executive Officer, Grade 7 and Grade 6 levels. Underpinning these arrangements, the HR Director is responsible for providing expert advice and guidance on all HR and pay related matters, and for ensuring Trade Unions are fully engaged in pay negotiations in the spirit of social partnership and through a Collective Bargaining Agreement.

The vast majority of employees have terms and conditions of service, including pay, set by the Welsh Government. However, in line with TUPE regulations some staff from merged organisations may have opted to retain their former employer's terms and conditions of service. Such arrangements are not covered under the Welsh Government's collective bargaining arrangements.

The Welsh Government is proud of our strong social partnership working arrangements with Trade Union colleagues and work closely with them on pay related matters. Arrangements for the consultation and negotiation of pay are set out within a Collective Bargaining Agreement.

Pay awards for delegated staff are normally negotiated on an annual basis but alternative arrangements may be agreed, for example, where existing agreements cover an extended period.

Pay Arrangements

The Welsh Government's pay bands are shown at Annex 1. New appointments are normally recruited at the minimum of the relevant pay band. Under some circumstances, for example where there is clear market evidence, a new employee may be appointed to a higher rate within the scale. Salaries are then subject to an incremental increase each year until the maximum rate is reached (normally within 2-3 years). Individuals who are assessed as underperforming are not eligible for incremental progression. On promotion, starting pay is to the minimum of the pay band for the new grade. Staff numbers at all grades can be found at Annex 2.

The SCS salary range (which is determined by the UK Government) is also shown at Annex 1.

Additional Payments and Allowances

Depending on business requirements, employees may be eligible for the following additional payments during the course of delivering their role – temporary promotion allowance, professional allowances, and travel and subsistence. The Welsh Government also employs a small number of staff based in London who receive an allowance to reflect the additional cost of living and working in London.

Senior Pay

Role of the Permanent Secretary

Andrew Goodall took up post as Permanent Secretary in November 2021. The Permanent Secretary is the head of the Welsh Government Civil Service. The Welsh Government had a budget of £22.887 billion for 2022-23 and is responsible for a wide range of public services employing around 5,700 (full time equivalent) staff at 31 March 2023.

The Permanent Secretary is appointed on merit, following public advertisement of the post, by a panel usually including the Head of the Civil Service, a Civil Service Commissioner and an independent person from outside the Civil Service. Once appointed, the Permanent Secretary looks exclusively to the First Minister for direction, for their personal priorities and for the priorities of the Welsh Government civil service.

Permanent Secretary's pay

The Permanent Secretary's salary on appointment is decided by the Cabinet Office and approved by the Chief Secretary to the Treasury. The Permanent Secretary's salary range is £215,000-£220,000. Andrew Goodall was appointed Permanent Secretary from 1 November 2021 and he is seconded from Aneurin Bevan University Health Board. As a substantive NHS employee Andrew remains on NHS terms and conditions and is eligible for any NHS Wales pay awards made to the pay scale that he is part of. These will vary from pay awards made to staff on Welsh Government terms and conditions.

Details of the Permanent Secretary's pay are published in the annual remuneration report. This is contained within the Welsh Government's annual accounts and can be accessed here:

<https://gov.wales/welsh-government-consolidated-annual-accounts>.

Senior staff

Senior management roles are covered by Senior Civil Service (SCS) employees at Deputy Director, Director, Director General and Permanent Secretary levels. SCS pay is not delegated which means the Welsh Government implements SCS pay awards in accordance with the guidance produced by the UK Government, following recommendations from the Senior Salaries Review Body (SSRB). Further information on the SSRB can be found here – <https://www.gov.uk/government/organisations/review-body-on-senior-salaries>.

The Welsh Government’s SCS Remuneration Committee is responsible for recommending senior pay decisions and overseeing the management of performance, potential and talent of senior staff. The Committee ensures remuneration is handled in a fair and appropriate way and in line with Cabinet Office guidance. The Committee has some flexibility to operate within the guidance set by Cabinet Office, for example, the Welsh Government has not made any performance related variable (or bonus) payments to Welsh Government SCS employees since 2013. The Committee is chaired by a Non-Executive Director. A copy of the Remuneration Committee’s annual report for 2022-23 is attached at Annex 7. This contains further information on the Committee, its terms of reference and its membership.

A disclosure report for staff earning over £100,000 is attached at Annex 4.

The Welsh Government Board includes senior staff within the organisation and Non-Executive Directors. The Board is chaired by the Permanent Secretary and meets regularly. Its purpose is to advise the Permanent Secretary on key strategic decisions about the development of the organisation in order to support the Cabinet and deliver Ministerial objectives. The Board’s terms of reference can be found here – <https://gov.wales/sites/default/files/publications/2019-06/mb-terms-of-ref.pdf>

Details of the Board and Executive Committee members pay are published in the annual remuneration report contained in the Welsh Government’s consolidated annual accounts – <https://gov.wales/welsh-government-consolidated-annual-accounts>.

Talent management

The Welsh Government’s talent management approach ensures that we provide equality of opportunity for everyone to demonstrate their potential and progress and, when we identify high potential individuals, we may differentiate in how we manage and develop them so that they are in more challenging and stretching roles. This allows talented staff to be placed in the correct posts to ensure a lasting, high level of sustainable performance.

A number of talent development schemes are available to Welsh Government staff at all levels, including participation in a number of Civil Service wide opportunities such as the Fast Stream; Future Leaders Scheme; and Senior Leaders Scheme. A range of targeted internal development schemes are also available in support of the organisation’s objective to be an exemplar in equality, diversity and inclusion.

Performance related pay

The Welsh Government does not offer performance related pay for delegated staff.

For senior staff, the SCS Remuneration Committee has some flexibility to offer performance related variable (or bonus) payments to SCS employees. However the Committee has not made any of these payments since 2013.

Equal pay and equality pay gap reporting

The Welsh Government undertakes regular equal pay audits designed to highlight areas of equal pay risk within the pay system. Our gender pay gap is published in our Annual Employer Equality Report. The reports can be found here [Welsh Government annual equality reports | GOV.WALES](#)

Equal pay analysis is undertaken by Welsh Government Knowledge and Analytical Services to ensure that data is statistically robust and comparable.

The staff numbers noted below will not match the FTE figure cited earlier in this report, as the data is reported for staff not FTE and will be affected by whether certain data has been declared allowing for analysis.

Gender Pay Gap

Figures below are based on a total of 5,900 staff: made up of 3,543 women (60%) and 2,357 men (40%).

	Female average (mean) pay	Male average (mean) pay	Mean gender pay gap	Female median pay	Male median pay	Median gender pay gap
Salary	£42,660	£45,272	5.77%	£39,690	£39,690	0.00%
Hourly pay	£22.17	£23.53		£20.63	£20.63	

Welsh Government Gender Pay Gap: Mean and Median, March 2023

- Welsh Government's gender pay gap has narrowed from 6.40% in March 2022 to 5.77% in March 2023. It has generally seen a trend of decreasing over time, with the exception of March 2021, when it saw an increase.
- One contributor to the gender pay gap is likely to be the lower proportions of females at higher grades.

Ethnicity Pay Gap

- Figures below are based on a total of 5,521 staff: 188 Black, Asian and Minority Ethnic (3%) and 5,333 White staff (97%). 379 staff who have not declared their ethnicity on the HR system were excluded.

	Ethnic minority average (mean) pay	White average (mean) pay	Mean ethnicity pay gap	Ethnic minority median pay	White median pay	Median ethnicity pay gap
Salary	£42,004	£43,814	4.13%	£39,690	£39,690	0.00%
Hourly pay	£22.17	£23.53		£20.63	£20.63	

Welsh Government Ethnicity Pay Gap: Mean and Median, March 2023

- Welsh Government's ethnicity pay gap has narrowed from 5.38% in March 2022 to 4.13% in March 2023. The ethnicity pay gap increased between March 2019 and March 2021, and has fallen since then.
- Small changes in the grade mix may have a large effect given the small numbers, so increases in staff at higher grades and the recruitment of staff at lower grades may have had an impact. Therefore, we might expect the ethnicity pay gap to be somewhat volatile over time and so changes over time should be interpreted with caution.

Disability Pay Gap

Figures below are based on a total of 5,387 staff: 388 reported being disabled (7%) and 4,999 reported not being disabled (93%). 513 staff who have not declared whether they are disabled on the HR system were excluded.

	Disabled average (mean) pay	Not disabled average (mean) pay	Mean disability pay gap	Disabled median pay	Not disabled median pay	Median disability pay gap
Salary	£41,534	£44,107	5.83%	£39,690	£39,690	0.00%
Hourly pay	£21.59	£22.92		£20.63	£20.63	

Welsh Government Disability Pay Gap: Mean and Median, March 2023

- Welsh Government's disability pay gap has seen little change between March 2022 and March 2023, with a very slight narrowing from 5.85% to 5.83%. It has generally seen a trend of decreasing over time, with the exception of a small rise in March 2021.
- The narrowing pay gap over the years could be driven by the increase in disabled staff at higher grades.

Support for lower paid staff

One of the Welsh Government's key principles is a focus on addressing low pay and supporting the Living Wage.

The Welsh Government is an accredited Living Wage employer and all directly employed staff (including apprentices) are paid a Living Wage, as defined by the Living Wage Foundation. Action is taken each year to ensure that salaries remain compliant with any rate changes defined by the Living Wage Foundation.

Our Living Wage arrangements go further than directly employed staff. In all new Welsh Government procurements the opportunity for our contractors to pay staff a Living Wage is considered.

Highest and lowest pay point

The lowest pay within the Welsh Government is the starting rate within the Team Support salary range. The highest paid member of staff is currently the Permanent Secretary. The pay comparisons (provided at Annex 3) therefore relate to the Permanent Secretary and delegated staff salaries.

Exit policy

To support organisational development the Welsh Government may from time to time elect to run voluntary severance exercises. In such circumstances employees will be offered compensation within the framework set out in the Civil Service Compensation Scheme. All severance activity is supported by a business case which includes cost benefit analysis.

Off-payroll engagements

Details of the Welsh Government's off-payroll arrangements are at Annexes 5 and 6.

Appendices

This statement is accompanied by the following annexes (information as at 31 March 2023):

- Annex 1 – Welsh Government pay bands (Delegated Staff and Senior Civil Service)
- Annex 2 – Staffing grade breakdown
- Annex 3 – Pay relativities within the Welsh Government
- Annex 4 – Welsh Government senior salary report
- Annex 5 – Off-payroll engagements lasting longer than six months
- Annex 6 – Off-payroll engagements of Board members/senior officials with financial responsibility
- Annex 7 – Welsh Government SCS Remuneration Committee Annual Report 2022-23.

Annex 1

Welsh Government Pay Bands (Delegated Staff and Senior Civil Service) – 1 April 2022 – 31 March 2023

Pay Bands – Senior Civil Service ¹	Pay Point	Salary
Permanent Secretary (Tier 1, 2 and 3)	Maximum	£200,000 ¹
	Minimum	£150,000
Director Generals (SCS Pay Band 3)	Maximum	£208,100
	Minimum	£125,000
Director (SCS Pay Band 2)	Maximum	£162,500
	Minimum	£95,000
Deputy Director (SCS Pay Band 1)	Maximum	£117,800
	Minimum	£73,000

Pay Bands – Delegated Staff	Pay Point	Salary
Grade 6	4	£76,990
	3	£71,800
	2	£69,580
	1	£67,100
Grade 7	4	£63,900
	3	£59,480
	2	£56,450
	1	£53,440
Senior Executive Officer	4	£49,370
	3	£45,970
	2	£43,660
	1	£41,700
Higher Executive Officer	4	£39,690
	3	£36,590
	2	£34,520
	1	£32,460
Executive Officer	3	£30,610
	2	£27,890
	1	£26,900
Team Support	3	£25,620
	2	£23,880
	1	£22,150

¹ Senior Civil Service pay bands are set by the UK Government Cabinet Office.

Annex 2

Staffing grade breakdown – as at 31 March 2023

Substantive pay band	FTE
SCS1	142.0
SCS2	37.8
SCS3	4.0
Grade 6	252.3
Grade 7	972.8
Senior Executive Officer	1,299.2
Higher Executive Officer	1,345.2
Executive Officer	980.5
Team Support	666.2

Annex 3

Pay Relativities within the Welsh Government – as at 31 March 2023

The lowest pay within the Welsh Government is the starting rate in the Team Support salary range. The highest paid member of staff is currently a Permanent Secretary level role. The pay comparisons therefore relate to the Permanent Secretary and the highest and lowest range of Director Generals' salaries. The ratios in the table below are calculated by using the actual salary of the lowest paid employee and the actual median salary, divided by the mid-point of the salary banding for the highest paid employee and Director Generals.

Multiple of Salary		Ratio
Ratio Low to High	The multiple between the annual salary of the lowest (£20,000-£25,000) and highest (£215,000-£220,000) paid employee	1 to 9.82
Ratio Low to Director General	The multiple between the annual salary of the lowest paid employee (£20,000-£25,000) and the Director Generals (Highest paid – £125,000-£130,000) (Lowest paid – £120,000-£125,000)	Highest – 1 to 5.76 Lowest – 1 to 5.53
Ratio Median to High	The multiple between the median salary (£39,690) of the Welsh Government and the highest paid employee (£215,000-£220,000)	1 to 5.48
Ratio Median to Director General	The multiple between the median salary (£38,160) of the Welsh Government and the Director Generals (Highest paid £125,000-£130,000) (Lowest paid £120,000-£125,000)	Highest – 1 to 3.21 Lowest – 1 to 3.09

The relationship between the highest paid director remuneration and the lower, median and upper quartiles are shown below:

Year		25th Percentile	Median	75th Percentile
2022-23	Pay Ratio (:1)	7.1	5.5	4.4
	Quartile remuneration (£)	30,610	39,690	49,370
2021-22	Pay Ratio (:1)	7.4	5.7	4.6
	Quartile remuneration (£)	29,430	38,160	47,470

In 2022-23 and 2021-22 no employees received remuneration in excess of the highest paid director.

Reporting bodies now required to set out the percentage remuneration change from the previous financial year for the highest paid director; and the average percentage change from the previous financial year in respect of the employees of the entity taken as a whole.

	Remuneration percentage change – highest paid director	Remuneration average percentage change – employees as a whole
2022-23	0.0%	5.43 %
2021-22	4.80%	2.30%

The Welsh Government's pay award in 2022-23 was 4% for all staff from Team Support to Grade 6 point 2. Staff at Grade 6 points 3 and 4 got a 2% consolidated pay increase and a one-off non-consolidated payment of 2%. The headline Senior Civil Service pay award was 2% with a further 1% available for tackling pay anomalies. As explained above, the Permanent Secretary is on NHS Wales terms and conditions and receives NHS Wales pay awards as appropriate, rather than Welsh Government SCS pay awards.

The required calculation for the highest paid director percentage compares the mid-point of the remuneration banding 2022-23 £215,000-£220,000 (2021-22: £215,000-£220,000), rather than the percentage change in actual salary. Using the mid-point of the band for calculation can distort the calculation compared to the actual award received, if the actual change is to move an individual from the upper end of a band in one year to the lower end of a band in the next.

Annex 4

Welsh Government Senior Staff Salaries as at 31 March 2023 – Welsh Government earning £100,000 or over in bands of £5,000

Employee	Salary Range £000	Description	Sex	Actual Salary range if part time £000
Atherton, F	200-205	Directorate Of Health Policy	M	N/A
Baranski, GE	130-135	Care Insp. Wales (CIW)	F	N/A
Bennett, CJ	100-105	European Programmes Group	F	N/A
Bisson, PJ	100-105	European Transition	M	N/A
Brindle, SJ	100-105	Recovery & Restart Director	M	N/A
Brown, N	105-110	Business Development Dept	M	N/A
Burke, TM	125-130	Economic Development Grp G3	F	N/A
Clifford, DP	100-105	Special Advisers	M	N/A
Coyne, JF	110-115	Commercial Procurement	M	N/A
Currado, GM	100-105	European Programmes Group	M	N/A
Daniels, J	100-105	Director - Dfes	F	N/A
Davies, HG	100-105	Office Of The Legislative Coun	M	N/A
Davies, MW	100-105	Office Of The Legislative Coun	F	N/A
Dickenson, AJ	110-115	Primary Care	M	N/A
Evans, DG	100-105	Finance & Commercial	M	N/A
Evans, S	105-110	Business & Regions	F	N/A
Gwatkin, AP	100-105	International Engagement	M	N/A
Heaney, AL	135-140	Social Services & Intergration	M	N/A

Employee	Salary Range £000	Description	Sex	Actual Salary range if part time £000
Hughes, DM	110-115	Office Of The Legislative Coun	M	N/A
Jeffreys, A	100-105	Treasury L07	M	N/A
Jones, CJ	115-120	Healthcare Quality	M	N/A
Jones, GD	100-105	Office Of Chief Dig. Officer	M	N/A
Jones, PL	100-105	Public Health	M	N/A
Kennedy, PD	100-105	HR Director	M	N/A
Lentle, HA	100-105	Office Of Counsel General Grp	F	N/A
Lloyd, OR	100-105	Education Directorate	M	N/A
Macnamara, CA	100-105	Office Of The Legislative Coun	F	N/A
Martin, N	100-105	Office Of The Legislative Coun	M	N/A
Medcraft, DJ	100-105	Corporate Finance & Performanc	M	N/A
Mitchell-Kilpatrick, RT	100-105	Local Government	M	N/A
Morris, HJ	125-130	Group Director	M	N/A
Ryland, PW	100-105	Welsh European Funding Office	M	N/A
Salway, JE	100-105	Social P'ship Employ& Fair Wk	F	N/A
Slade, A	125-130	Economic Development Grp G3	M	N/A
Thomas, JD	100-105	D.O Cult Sport Tourism	M	N/A

FT Salaries over £100k but paid less than £100k

Employee	Salary Range £000	Description	Sex	Actual Salary range if part time £000
Howells, JR	110-115	Energy Water And Flood	M	65-70
Jordan, J	100-105	M.Health, Vuln. Grps& NHS Gov.	F	55-60
Lyne, C	100-105	ESJWL Operations Division	F	40-45
Richards, DT	110-115	Governance & Performance	M	55-60
Stephens, DJ	115-120	Fire Services Branch	M	75-80

Annex 5

For all off-payroll engagements as of 31 March 2023 and for more than £245 per day

	Total	CC	CRLG	CSA	ESJWL	ETC	HSSG	RA
No. of existing engagements as of 31 March 2023.	90	14	0	13	18	4	11	30
Of which...								
No. that have existed for less than one year at time of reporting.	50	11	0	5	9	0	6	19
No. that have existed for between one and two years at time of reporting.	21	1	0	4	8	0	5	3
No. that have existed for between two and three years at time of reporting.	9	2	0	0	1	0	0	6
No. that have existed for between three and four years at time of reporting.	0	0	0	0	0	0	0	0
No. that have existed for four or more years at time of reporting.	10	0	0	4	0	4	0	2

All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, assurance has been sought.

Annex 6

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023

	Total	CC	CRLG	CSA	ESJWL	ETC	HSSG	RA
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0	0	0	0	0	0	0	0

Annex 7

Title of paper:	Senior Civil Service (SCS) Remuneration Committee: Annual Report 2022-2023
Purpose of paper:	This report summarises the issues considered by the SCS Remuneration Committee for the period 1 April 2022 to 31 March 2023.
Action required by the Board:	No decision needed. The Board is invited to discuss the report.
Official presenting the paper:	Gareth Lynn, Non-Executive Director, and Chair of the SCS Remuneration Committee.
Paper prepared by:	Pay and Reward Team.
Publication:	This paper should be published.
Date submitted to Secretariat:	

1. Background

1.1 This report covers the period 1 April 2022 to 31 March 2023. The Committee met 7 times during the reporting period on the following dates:

- 29 April 2022
- 29 July 2022
- 2 September 2022
- 21 October 2022
- 2 December 2022
- 13 January 2023
- 3 March 2023

1.2 The attendance of Committee members at the meetings covered by this report was as follows:

Name	Number of Meetings Attended
Ellen Donovan - Non-Executive Director (Chair)*	7
Andrew Goodall – Permanent Secretary	7
Judith Paget – DG Health/NHS Chief Executive	2 / 4
Tracey Burke – DG Climate Change and Rural Affairs	6
Andrew Slade - DG Economy, Treasury and Constitution	6
Jo-Anne Daniels – Interim DG Education and Social Justice	4
Reg Kilpatrick – DG Covid Recovery and Local Government	4 / 4
Tim Moss – DG Chief Operating Officer***	5 / 5
Peter Kennedy – HR Director	7
Meena Upadhyaya - Non-Executive Director	7
Gareth Lynn – Non-Executive Director**	7
Aled Edwards – Non-Executive Director***	4 / 5

* Final meeting as Chair - 3rd March 2023

** Became Chair post - 3rd March 2023

*** Joined first meeting 2nd September 2022

1.3 The Committee's Terms of Reference and Membership are at Annex A.

1.4 The Committee considered the following issues during the course of the year:

- Continuing implications of Covid 19 on SCS staffing to include the Covid Inquiry.
- Regularisation of SCS staff still working under the old TDA arrangements and any future out of grade arrangements for SCS to fall within the TPA policy.
- Consideration of the SCS Annualised Hours Pilot Policy.
- The Senior Salaries Review Board report and recommendations on SCS pay, pay anomalies within the SCS pay bands and Cabinet Office proposals on capability-based pay for SCS to be further considered into 2024.
- Director Succession Planning.
- SCS partial retirement arrangements.
- Future Shape of the organisation to include the Delegation Framework.
- SCS Development opportunities (core learning and talent schemes) within an SCS Strategy as part of WG2025 workforce strategy.
- Governance Improvements and reviewing Remuneration Committee Terms of Reference (ToR).
- SCS performance management, including moderation and, new performance management system for 22/23.
- Welsh Government candidates for state honours.
- The recruitment processes for all SCS posts which had either become vacant or were new posts, including agreement on whether to advertise the posts internally or externally, setting the salary range and whether executive search should be used. This included the consideration of all TDA/TPA requests into the SCS and, if a TDA/TPA was approved, the route for filling that.
- Simplifying and standardising the approval arrangements and resourcing routes for SCS roles.

2. Chair's Summary

2.1 The Committee's primary focus continues to be the oversight of the pay strategy for the SCS, with particular regard to the use of the flexibilities built into the system and pay equality.

2.2 The other main focus is SCS recruitment and headcount, including challenge on location of posts, budgets and structures, to include an annual review of statistics.

2.3 Chair's Aims - the aims for the year ahead include:

- supporting the Permanent Secretary with his Programme for Government WG 2025, Improving Efficiency, Smart Working initiatives and Priority Resourcing.
- Commitment to the Anti-racist Wales Action plan, increasing diversity in the SCS and developing the Equality Diversity and Inclusion Strategy 2021-2026.
- Continued commitment to the organisational use of social model of disability.
- To hold four strategic meetings a year to tie in with wider decision-making timetable.
- The role of Non-Executive Directors in Talent.
- Continuing to establish that there are successors for all key SCS posts and, monitoring management information and trends for SCS staffing and posts.
- The role and potential implementation of capability-based pay for SCS.

2.4 I am grateful to the members of the Committee for their contribution to all the issues and decisions we have made; their careful consideration and the balanced views they bring, help us to ensure that we handle the matters before us sensitively, fairly, consistently and at pace to meet the needs of the organisation. I am also grateful to Peter Kennedy, Sonia Morgan Evelyn Edwards, Peta Davies and her team for their work in support of the Committee and the effective discharge of its duties.

3. Resource implications

3.1 This is an update report and all the areas and issues raised are covered by existing financial and staffing resources.

4. Risks

4.1 Any risks are appropriately recorded and monitored in a separate risk register.

5. Communication

5.1 This report is to be published on the intranet as well as the internet.

6. General Compliance Issues

6.1 None.

SENIOR CIVIL SERVICE REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. The Senior Civil Service Remuneration Committee is a Sub-Committee of the Board. It was established to:

- Determine and publish the Welsh Government's SCS Pay Strategy, report on the operation of the pay round and on any lessons for the future, ensure that the average increase to the SCS pay bill is within the centrally determined budget, monitor pay outcomes to ensure that any difference are justifiable.
- Formally advise the First Minister to allow him to discharge his responsibilities as the Minister for the Civil Service in Wales.
- Oversee the process of assessment and moderation for SCS members.
- Determine if, and by how much, individual salaries should increase following JESP score increases (subject to Cabinet Office guidelines).
- Agree the recruitment processes for all SCS posts and agree on a case-by-case basis to the setting of starting salaries above the minimum of the SCS pay ranges.

Membership

2. The current membership of the Committee is as follows:

- The Permanent Secretary
- Three Non-Executive Directors including Chair
- DG Health/NHS Chief Executive
- DG Education & Public Services
- DG Economy Skills & Natural Resources
- DG Office of the First Minister
- HR Director
- HR Secretariat.

Senior Civil Service Remuneration Committee

Terms of Reference

Please note that these are the current terms of reference but they are being reviewed and updated as part of work to improve governance arrangements to address recommendations made by Audit Wales.

1. The Senior Civil Service Remuneration Committee is a Sub-Committee of the Board. It was established to:
 - Determine and publish the Welsh Government's SCS Pay Strategy, report on the operation of the pay round and on any lessons for the future, ensure that the average increase to the SCS pay bill is within the centrally determined budget, monitor pay outcomes to ensure that any difference are justifiable.
 - Formally advise the First Minister to allow him to discharge his responsibilities as the Minister for the Civil Service in Wales.
 - Oversee the process of assessment and moderation for SCS members.
 - Determine if, and by how much, individual salaries should increase following JESP score increases (subject to Cabinet Office guidelines).
 - Agree the recruitment processes for all SCS posts and agree on a case-by-case basis to the setting of starting salaries above the minimum of the SCS pay ranges.

Membership

2. The current membership of the Committee is as follows:
 - The Permanent Secretary
 - Three Non-Executive Directors including Chair
 - DG Health/NHS Chief Executive
 - DG Education & Public Services
 - DG Economy Skills & Natural Resources
 - DG Office of the First Minister
 - HR Director
 - HR Secretariat.