

**Dr Andrew Goodall**  
Ysgrifennydd Parhaol  
Permanent Secretary



Llywodraeth Cymru  
Welsh Government

**Mark Isherwood MS**

Chair, Public Accounts and Public Administration Committee  
Welsh Parliament  
Cardiff Bay  
CF99 1SN

20 February 2023

Dear Chair,

**Public Accounts and Public Administration Committee, 2<sup>nd</sup> February 2023**

I am writing in response to your e mail of 6<sup>th</sup> February outlining my response to the follow up action and questions not reached during the meeting. Please find below the information requested.

***A summary in relation to the approach to salaries within the Welsh Government***

The Welsh Government (WG) operates two pay systems, one for the Senior Civil Service (SCS) and one for staff below the SCS. Overall control over SCS pay is retained by the Cabinet Office but responsibility for pay below the SCS is delegated to the Welsh Government.

**SCS colleagues** are at Deputy Director, Director, Director General and Permanent Secretary grades. There are broad pay ranges for each grade, set by the Cabinet Office. The majority of Welsh Government SCS colleagues are paid salaries towards the lower end of these pay ranges. The current pay ranges are detailed in **Annexe A**.

There are separate and specific arrangements in place for Permanent Secretary pay. Unlike UK Government departments there is no performance-related pay for SCS colleagues in the WG. We do not offer in-year or end-year bonuses or a corporate recognition scheme of any type.

**Colleagues below the SCS** are at grades Team Support, Executive Officer, Higher Executive Officer, Senior Executive Officer, Grade 7 and Grade 6. We operate incremental pay at each of these grades. Staff generally start at the bottom of the pay band and progress from the minimum to the maximum rate for their grade in annual



**BUDDSODDWYR | INVESTORS**  
**MEWN POBL | IN PEOPLE**

Parc Cathays • Cathays Park Ffôn • Tel 0300 025 6935  
Caerdydd • Cardiff PS.PermanentSecretary@gov.wales  
CF10 3NQ Gwefan • Website: [www.gov.wales](http://www.gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi. Dilynwch y ddolen i gael arweiniad ar sut fyddwn yn trin a defnyddio'ch data, yn unol â'r Rheoliadau Diogelu Data Cyffredinol. <https://gov.wales/about/welsh-government-privacy-notice/?skip=1&lang=cy>

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding. Please follow the link for guidance on how we will handle & use your data, in accordance with the General Data Protection Regulations. <https://gov.wales/about/welsh-government-privacy-notice/?lang=en>

increments subject to satisfactory performance. All colleagues will reach the maximum rate of pay for their grade within two or three years dependant on grade. The current rates (2022-23) for each grade are as detailed in **Annexe A**

Pay below the SCS is negotiated (normally annually) with colleagues from our three recognised trade unions - FDA, PCS and Prospect. Awards agreed through pay negotiation apply equally to all colleagues on Welsh Government terms and conditions, regardless of union membership. We have a small number of colleagues who have retained terms and conditions of former employers following a transfer into our organisation. Welsh Government pay awards do not apply to them unless they choose to move over to WG terms and conditions. We do not negotiate pay for the SCS and instead make pay awards within the parameters set out annually by the Cabinet Office, meaning that SCS staff often have a different pay award to colleagues below the SCS.

Our Pay Policy Statement sets out the following principles for the WG pay system:

- 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 pay gaps.
- Pay arrangements will be open, transparent, and simple. Unneeded 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.

It is important that **jobs are appropriately graded** to ensure equal pay for equal value work and that value for money is achieved. All posts and structures at the Welsh Government are modelled against a standard set of expectations as set out by the Civil Service with a robust Job Evaluation methodology.

Job Evaluation for all Welsh Government roles (up to and including SCS3/Director General) is undertaken centrally by the Organisational Design, Structural Review and Job Evaluation Unit.

The Unit consists of a small team of trained and experienced Job Evaluation Practitioners, with responsibility for providing assurance and appropriate challenge on the design of organisational structures and grade-mix. Job Evaluation is undertaken centrally to ensure consistent and fair weighting of job roles with a focus on the principles of value for money and 'equal pay for equal value work'.

In the SCS, the creation and design of roles is led by the Welsh Government with engagement and scrutiny from Civil Service HR as appropriate. We operate a formal Job Evaluation process (Job Evaluation Senior Posts - JESP) that is the common



Parc Cathays • Cathays Park Ffôn • Tel 0300 025 3289  
Caerdydd • Cardiff PS.PermanentSecretary@gov.wales  
CF10 3NQ Gwefan • Website: [www.gov.wales](http://www.gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi. Dilynwch y ddolen i gael arweiniad ar sut fyddwn yn trin a defnyddio'ch data, yn unol â'r Rheoliadau Diogelu Data Cyffredinol. <https://gov.wales/about/welsh-government-privacy-notice/?skip=1&lang=cy>

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding. Please follow the link for guidance on how we will handle & use your data, in accordance with the General Data Protection Regulations. <https://gov.wales/about/welsh-government-privacy-notice/?lang=en>

methodology applied across the civil service – this ensures parity and consistency across our SCS and the wider Civil Service.

Below the SCS, we operate a formal Job Evaluation and Grading Support (JEGS) process. JEGS is an analytical, points-based system/methodology that breaks jobs down into identifiable components/factors and measures them against a set of common criteria. It has been developed to recognise the core value of Civil Service roles and grading expectations below the SCS.

### ***Some examples of the criteria used when establishing external bodies.***

On occasion it is appropriate for the Welsh Government to set up a new Arms Length Body (ALB) to deliver functions on its behalf, but only after all other alternatives have been thoroughly explored. A number of criteria are applied when considering this:

- Is this a technical function which needs external expertise to deliver?
- Is this a function which needs to be, and be seen to be, delivered with absolute political impartiality?
- Is this a function that needs to be delivered independently of Ministers to establish facts and/or figures with integrity?
- Has there been Primary/Additional Accounting Officer and Ministerial approval?
- Has advice been sought from the relevant teams in Welsh Government?

If, having considered all relevant criteria, the decision is made to establish a new ALB, the Welsh Government will establish robust programme management arrangements including the development of a Remit Letter and Framework Document, setting out what the body aims to achieve and how the relationship between the body and the Welsh Government will function effectively. The relevant Partnership Team takes formal responsibility for the establishment of the new body working with the Corporate Governance Centre of Excellence, Public Bodies Unit, Central Finance, Human Resources, Digital Services and Internal Audit.

### ***Will groups now have the autonomy to recruit externally, and will it become easier for professions to recruit externally for specialist posts?***

This is a core part of the work to operationalise the Workforce Delegations and Accountability Framework. One of my priorities when taking on this role was to recalibrate our approach to workforce decisions and return the accountability and responsibility to senior leaders. We will need to approach this in a controlled and incremental way to ensure that we're collectively making choices that are aligned to our strategic priorities and affordable for future years.

Groups can make decisions about workforce realignment and external recruitment now, with Director General oversight. This includes Heads of Profession who attract those with the required professional expertise by being able to recruit direct to the external market – this has continued for statutory functions such as CAF/CASS, Healthcare



**BUDDSODDWYR | INVESTORS  
MEWN POBL | IN PEOPLE**

Parc Cathays • Cathays Park Ffôn • Tel 0300 025 3289  
Caerdydd • Cardiff PS.PermanentSecretary@gov.wales  
CF10 3NQ Gwefan • Website: [www.gov.wales](http://www.gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi. Dilynwch y ddolen i gael arweiniad ar sut fyddwn yn trin a defnyddio'ch data, yn unol â'r Rheoliadau Diogelu Data Cyffredinol. <https://gov.wales/about/welsh-government-privacy-notice/?skip=1&lang=cy>

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding. Please follow the link for guidance on how we will handle & use your data, in accordance with the General Data Protection Regulations. <https://gov.wales/about/welsh-government-privacy-notice/?lang=en>

Inspectorate Wales and Care Inspectorate Wales where access to health and care professionals is critical.

Throughout the pandemic, when tighter controls have been in operation, we have continued to recruit externally for specialist posts – this was an essential part of our resourcing strategy for the pandemic response to bring in the specific expertise required and decisions on where to prioritise external recruitment were taken collectively by the Permanent Secretary and Director General.

Our professions and specialist areas also have flexibility to adopt a recruitment and resourcing framework that meets their needs, this includes the option, where affordable, to recruit externally via the most appropriate route – some have annual external recruitment exercises for example.

Our HR team continue to provide advice and guidance on how to approach assessment methodology and advert creation to better attract a diverse pool of skilled candidates. Exploratory work and improvements relating to outreach, marketing and employer branding are also expected to support successful recruitment by better identification and attraction of candidates with the right skills.

WG recognises the distinct challenges faced by some professions in attracting and retaining appropriately experienced candidates. We are committed to working closely with recruiting managers and professions to look at the whole package of attraction as well as the logistical elements to mitigate potential barriers and reach wider pools of candidates.

### ***Improving our HR systems***

I would also like to take the opportunity to provide additional information for committee members regarding the ***delay in our HR Systems implementation***; this was raised during the meeting.

The new HR systems are currently planned to launch in early summer. HR systems upgrade projects have detailed plans which are subject to regular review. All delivery dates shared with Audit Wales previously and more recently with PAPAC, remain indicative in nature and represent the best estimate based on details held at that point in time. Whilst we implement the new systems, we continue to use our existing systems for continuity of service.

Several factors are affecting accurate planning. Delays have occurred due to resourcing and the delivery of essential pandemic work, which has impacted on priority activities across the Welsh Government. Upgrade projects were established at the earliest opportunity when appropriate resources and expertise could be made available; but work remains subject to competing priorities. System changes are also complex and multifaceted, needing to align with emerging policy changes. And upgrades are ushering in new technologies, ones requiring extensive and time-consuming knowledge



**BUDDSODDWYR** | **INVESTORS**  
**MEWN POBL** | **IN PEOPLE**

Parc Cathays • Cathays Park Ffôn • Tel 0300 025 3289  
Caerdydd • Cardiff PS.PermanentSecretary@gov.wales  
CF10 3NQ Gwefan • Website: [www.gov.wales](http://www.gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi. Dilynwch y ddolen i gael arweiniad ar sut fyddwn yn trin a defnyddio'ch data, yn unol â'r Rheoliadau Diogelu Data Cyffredinol. <https://gov.wales/about/welsh-government-privacy-notice/?skip=1&lang=cy>

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding. Please follow the link for guidance on how we will handle & use your data, in accordance with the General Data Protection Regulations. <https://gov.wales/about/welsh-government-privacy-notice/?lang=en>

transfer and upskilling, and implementation needs to be undertaken in a safe and secure manner.

I hope this information is sufficient, but please do not hesitate to let me know if there is anything additional you might need.

Yours,  
*Andrew Goodall*

**Dr Andrew Goodall**  
Ysgrifennydd Parhaol/ Permanent Secretary  
Llywodraeth Cymru/ Welsh Government



**BUDDSODDWYR | INVESTORS**  
**MEWN POBL | IN PEOPLE**

Parc Cathays • Cathays Park Ffôn • Tel 0300 025 3289  
Caerdydd • Cardiff PS.PermanentSecretary@gov.wales  
CF10 3NQ Gwefan • Website: [www.gov.wales](http://www.gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi. Dilynwch y ddolen i gael arweiniad ar sut fyddwn yn trin a defnyddio'ch data, yn unol â'r Rheoliadau Diogelu Data Cyffredinol. <https://gov.wales/about/welsh-government-privacy-notice/?skip=1&lang=cy>

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding. Please follow the link for guidance on how we will handle & use your data, in accordance with the General Data Protection Regulations. <https://gov.wales/about/welsh-government-privacy-notice/?lang=en>

## Annexe A

### SCS Pay Ranges

Grade	Minima	Maxima
Deputy Director (SCS 1)	£73,000	£117,800
Director (SCS 2)	£95,000	£162,500
Director General (SCS 3)	£125,000	£208,100

### Below SCS Pay Ranges

Grade	Scale points
Team Support point 1	£22,150
Team Support point 2	£23,880
Team Support point 3	£25,620
EO point 1	£26,900
EO point 2	£27,890
EO point 3	£30,610
HEO point 1	£32,460
HEO point 2	£34,520
HEO point 3	£36,590
HEO point 4	£39,690
SEO point 1	£41,700
SEO point 2	£43,660
SEO point 3	£45,970
SEO point 4	£49,370
Grade 7 point 1	£53,440
Grade 7 point 2	£56,450
Grade 7 point 3	£59,480
Grade 7 point 4	£63,900
Grade 6 point 1	£67,100
Grade 6 point 2	£69,580
Grade 6 point 3	£71,800
Grade 6 point 4	£76,990



**BUDDSODDWYR** | **INVESTORS**  
**MEWN POBL** | **IN PEOPLE**

Parc Cathays • Cathays Park Ffôn • Tel 0300 025 3289  
Caerdydd • Cardiff PS.PermanentSecretary@gov.wales  
CF10 3NQ Gwefan • Website: [www.gov.wales](http://www.gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi. Dilynwch y ddolen i gael arweiniad ar sut fyddwn yn trin a defnyddio'ch data, yn unol â'r Rheoliadau Diogelu Data Cyffredinol. <https://gov.wales/about/welsh-government-privacy-notice/?skip=1&lang=cy>

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding. Please follow the link for guidance on how we will handle & use your data, in accordance with the General Data Protection Regulations. <https://gov.wales/about/welsh-government-privacy-notice/?lang=en>