

Shan Morgan
Ysgrifennydd Parhaol
Permanent Secretary



Llywodraeth Cymru
Welsh Government

Nick Ramsay AM
Chair, Public Accounts Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

17 August 2017

Dear Nick,

The Welsh Government will be publishing a report on senior management pay in the Welsh public sector tomorrow.

The report is in response to a recommendation made by the Public Accounts Committee of the Fourth Assembly. A copy is attached for information.

Yours sincerely

Shan Morgan

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Ysgrifennydd Parhaol/ Permanent Secretary
Llywodraeth Cymru/ Welsh Government



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MEWN POBL | **IN PEOPLE**

Parc Cathays • Cathays Park
Caerdydd • Cardiff
CF10 3NQ

Ffôn • Tel 03000253289
PS.PermanentSecretary@gov.wales
Gwefan • Website: 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.

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

Senior management pay across the Welsh public sector 2015 – 2016

Introduction

1. This report has been prepared to help improve the transparency of senior management pay across the devolved public sector in Wales. This follows the recommendation by the Public Accounts Committee (PAC) of the National Assembly for Wales that the Welsh Government collate information on senior pay across the Welsh public sector.
2. The organisations included in the report are health bodies, local authorities, national park authorities, fire and rescue authorities, police, other organisations that are funded by the Welsh Consolidated Fund or sponsored by the Welsh Government and, where the information is available, institutes of higher education.
3. The information has been taken from the published annual accounts of the organisations, pay policy statements published by the organisations and a report on senior management pay compiled by the Wales Audit Office (WAO) for the PAC in February 2014. The organisations included mirror those included in the WAO's report, with the exception of Police and Crime Commissioners and the addition of institutes of higher education.
4. The intention of this report is to present senior management pay information in one place. The report does not seek to analyse or make conclusions or recommendations.

Senior management remuneration disclosure requirements

5. All public bodies are required to report within their annual financial statements or remuneration report the pay of their senior staff. The exact nature of the information required to be reported varies between different sectors according to the relevant statutory requirements and the associated accounting guidance.
6. National Health Service (NHS) bodies and the bodies within central government (e.g. the Welsh Government and its sponsored bodies) prepare their accounts in line with the guidance provided in the Government Financial Reporting Manual (FReM). The FReM requires the production of a directors' remuneration report alongside the annual financial statements.
7. The requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting apply to many public bodies, e.g. local authorities, police forces, national parks and fire and rescue authorities. These bodies are required to produce annual financial statements that contain certain information about the remuneration of senior managers but are not required to produce a remuneration report.

8. Disclosure requirements for institutes of higher education are set out in the Statement of Recommended Accounting Practice (SORP) supplemented by the annual Accounts Directions issued by the relevant funding body.
9. Many of the organisations included in the report also produce an annual pay policy statement. This has been a requirement for local authorities (county and county borough councils and fire and rescue authorities in Wales) under section 38 of the Localism Act 2011 since the financial year 2012-13. More recently (2015-16), the Welsh Government (as an employer) and other Welsh public sector bodies have produced pay policy statements in line with the Welsh Government's principles around the transparency of reporting senior remuneration.¹

Chief executive salary trend

10. This section of the report shows the salaries of chief executives (or their equivalent) across the Welsh public sector. Where the information is available, the chief executive salary in 2015-16 is compared to the chief executive salary in the previous two financial years.
11. The information provided is based on gross annual salary and excludes employer's pension contributions, expenses and benefits in kind. Where a post has only been filled for part of a year, this is shown and explained in a footnote. Where the post has been filled by more than one person the remuneration has been added together and is explained in a footnote. The information is presented in the same format as it is presented in the organisation's accounts, i.e. as a specific salary or a salary range.

Health body	2013-14	2014-15	2015-16
Abertawe Bro Morgannwg University Health Board	£190,000	£200,000	£210,000
Aneurin Bevan University Health Board	£185,000	£185,000	£195,000
Betsi Cadwaladr University Health Board	£200,000	£200,000	£200,000
Cardiff and Vale University Health Board	£185,000	£190,000	£210,000
Cwm Taf University Health Board	£170,000	£170,000	£170,000
Hywel Dda University Health Board	£170,000	£170,000	£170,000
Public Health Wales NHS Trust	£140,000	£155,000	£150,000
Powys Teaching Health Board	£130,000	£135,000	£155,000
Velindre NHS Trust	£130,000	£130,000	£130,000
Welsh Ambulance Services NHS Trust	£120,000	£120,000	£152,500

Local government body	2013-14	2014-15	2015-16
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¹ The Welsh Government's transparency principles were published in December 2015 - <http://gov.wales/topics/people-and-communities/publications/publications/transparency-of-senior-remuneration/?lang=en>.

Anglesey County Council (Isle of)	£141,000	£141,160	£116,000 ²
Blaenau Gwent County Borough Council	£109,625	£111,518	£95,630 ³
Bridgend County Borough Council	£125,246	£128,169	£125,841
Caerphilly County Borough Council	£137,000	£137,000	£137,000 ⁴
Cardiff County Council	£170,000	£166,937	£170,000
Carmarthenshire County Council	£163,470	£168,938	£169,025 ⁵
Ceredigion County Council	£108,226	£108,226	£108,226
Conwy County Borough Council	£108,713	£111,573	£114,435
Denbighshire County Council	£132,411	£132,144	£134,750
Flintshire County Council	£131,233	£131,233	£131,233
Gwynedd Council	£108,264	£101,984 ⁶	£103,805
Merthyr Tydfil County Borough Council	£111,100	£115,192	£114,227
Monmouthshire County Council	£110,000	£110,000	£110,000
Neath Port Talbot County Borough Council	£134,253	£133,738	£134,253
Newport City Council	£134,638	£134,638	£134,638
Pembrokeshire County Council	£174,579	£144,998	£131,013 ⁷
Powys County Council	£133,000	£133,000	£133,000
Rhondda Cynon Taf County Borough Council	£142,000	£142,000	£142,000 ⁸
Swansea (City and County of)	£140,000	£140,000	£140,000
Torfaen County Borough Council	£109,528	£111,278	£111,278
Vale of Glamorgan Council	£127,133	£126,950	£116,539
Wrexham County Borough Council	£113,000	£117,000	£121,000

National Park Authority	2013-14	2014-15	2015-16
Brecon Beacons	£75,000	£75,000	£77,000
Pembrokeshire	£76,000	£76,000	£77,000
Snowdonia	£79,000	£79,000	£77,000

Fire and Rescue Authority	2013-14	2014-15	2015-16
Mid and West Wales	£134,812	£131,917	£144,229
North Wales	£120,911	£119,835	£121,081
South Wales	£126,000	£126,000	£128,000

Police Force	2013-14	2014-15	2015-16
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² Includes salary of Chief Executive who left on 31/05/15 (£24,000) and Chief Executive who started on 01/06/15 (£92,000).

³ Chief Executive retired on 29/02/16 and the post was permanently deleted from the staffing structure.

⁴ Caerphilly – the Chief Executive was suspended in March 2013. The Deputy Chief Executive took over as Acting Chief Executive but was also suspended in July 2013. The Acting Chief Executive was paid £132,920 in 2015/16. The Interim Chief Executive was paid £142,524 in 2015/16.

⁵ Salary includes 'fees and allowances' but these are not specified so have not been removed as they have for the other figures.

⁶ Includes salary of Chief Executive who left on 31/09/14 and Chief Executive who started on 01/10/14.

⁷ Annualised figure. The Chief Executive took up post on 01/08/2015 – salary between then and 31/03/2016 was £87,342. The remuneration of the Acting Head of Paid Service was £134,998.

⁸ Includes salary of Chief Executive who left on 31/08/15 (£59,000) and Chief Executive who started on 01/09/15 (£83,000).

Dyfed Powys	£125,020	£126,237	£127,465
Gwent	£133,068	£135,202	£136,567
North Wales	£143,934	£138,885	£141,444
South Wales	£155,235	£156,725	£157,648

Body funded by the Welsh Consolidated Fund	2013-14	2014-15	2015-16
Auditor General for Wales	£151,500	£153,000	£153,000
National Assembly for Wales Commission	£140,000 - £145,000	£145,000 - £150,000	£145,000 - £150,000
Public Services Ombudsman for Wales	£120,000 - £130,000	£115,000 - £125,000 ⁹	£140,000 - £145,000
Welsh Government	£155,000 - £160,000	£160,000 - £165,000	£160,000 - £165,000

Welsh Government Sponsored Bodies	2013-14	2014-15	2015-16
Arts Council of Wales	£93,380	£93,380	£95,248
Care Council for Wales	£95,000	£95,000	£95,000
Higher Education Funding Council Wales	£120,000	£120,000	£120,000
Local Democracy and Boundary Commission for Wales	£46,550 - £56,900	£46,550 - £56,900	£46,550 - £56,900
National Library of Wales	£60,000 ¹⁰	£90,000	£74,750 ¹¹
National Museum Wales	£95,000	£95,000	£95,000
Natural Resources Wales	£140,000	£140,000	£145,000 - £150,000
Sport Wales	£79,170	£89,483	£92,500

Commissioners¹²	2013-14	2014-15	2015-16
Children's Commissioner for Wales	£90,000	£85,000	£85,000
Older People's Commissioner for Wales	£93,000	£90,000	£90,000
Welsh Language Commissioner	N/A	£95,000 - £100,000	£95,000 - £100,000

Inspectorates	2013-14	2014-15	2015-16
Estyn	£110,000	£110,000	£90,000

Higher Education Body¹³	2013-14	2014-15	2015-16
Aberystwyth University	£219,000	£224,000	£237,000 ¹⁴

⁹ The current Ombudsman has been in post since 01/08/14. The disclosure for 2014-15 includes the salary of the acting part time Ombudsman for the period of 01/04/14 to 31/07/14 (£25-30,000) and the Ombudsman for the period of 01/08/14 to 31/03/15 (£90-95,000). The disclosure for 2013-14 includes the salary of the previous Ombudsman for the period of 01/04/13 to 30/11/13 (£90-95,000) and the acting part time Ombudsman for the period of 02/12/13 to 31/03/14 (£30-35,000).

¹⁰ The post was vacant from 01/04/13 to 31/07/13.

¹¹ Includes salary of Librarian who left on 31/08/15 (£37,500) and Librarian who started on 02/11/15 (£37,250). Annual salary is £90,000.

¹² The Future Generations Commissioner was appointed in 2016 so is not included in this report.

¹³ Vice-Chancellor salary trend is presented by institutes of higher education as gross annual salary including bonuses, non-pensionable allowances, benefits in kind, payments in lieu of annual leave or notice but excluding pension contributions.

Bangor University	£223,000	£228,000	£245,000
Cardiff University	£240,000	£249,000	£253,000
Cardiff Metropolitan University	£229,058	£239,812	£276,950 ¹⁵
University of South Wales	£191,000	£222,000	£225,000
Swansea University	£244,000	£247,000	£251,000
University of Wales Trinity St David ¹⁶	£218,000	£226,000	£232,000
Wrexham Glyndwr University	£227,090	£301,548 ¹⁷	£61,667 ¹⁸

Gender

12. The table below shows the gender of the chief executives (or their equivalents) across the Welsh public sector. It also includes a comparison with the position in 2012-13 (as reported by the WAO for the PAC) where the bodies are comparable. Please note that the gender of university vice chancellors was not included in the WAO report so figures for 2012-13 are not included here.

Sector	2012-13		2015-16	
	Male	Female	Male	Female
NHS Bodies	8	2	5	5
Local Authorities	18	4	19	3
National Park Authorities	3	0	3	0
Fire and Rescue Authorities	3	0	3	0
Police Forces	4	0	4	0
Welsh Consolidated Fund Bodies	3	1	3	1
Welsh Government Sponsored Bodies, Commissioners and Inspectorates	10	4	7	6
Higher Education Bodies	Not available	Not available	5	3
Total	49	12	49	18
%	80.3	19.7	73	27

Pay ratios

13. Bodies that report under the FReM are required to include the ratio between the median staff pay (the salary of the person in the middle of a

¹⁴ In addition, the Acting Vice-Chancellor was paid a salary of £61,000 and non-pensionable allowance of £14,000 for the period from 01/02/16 to 31/07/16.

¹⁵ Includes £29,230 paid to the Vice-Chancellor on retirement in lieu of annual leave.

¹⁶ As the Vice-Chancellor of the University of Wales Trinity St David is also Vice-Chancellor of the University of Wales, the University's annual accounts note that 20% of the Vice-Chancellor's emoluments are recharged to the University of Wales.

¹⁷ The University's annual accounts show that an additional £189,435 was paid to an Interim Vice Chancellor, employed through an agency, between February 2015 and 31/07/2015.

¹⁸ Current Vice Chancellor in post from 01/04/16. University financial year ends on 31 July so this is the salary for four months from 01/04/16 to 31/07/16. The University's annual accounts show that an additional £1,414 in relocation expenses was paid. Additionally, £270,581 was paid to an Interim Vice Chancellor employed through an agency between 01/08/15 and 31/03/16.

list of all employees' pay) and the highest paid 'director' (based on the mid-point of the banded remuneration for that director). These are shown with the 'staff pay multiplier' being the ratio for 2015-16.

14. The Welsh Government's transparency principles recommend that pay policy statements should include the relationship between the remuneration of senior posts and that of the lowest paid employees.
15. The majority of the organisations listed below have used the Chief Executive's actual salary, or the mid point of the Chief Executive's salary band compared with the median salary. Exceptions are explained in footnotes. All information is taken from annual accounts for 2015-16.
16. Institutes of higher education do not publish this information so it has not been included here.

Health body	Highest paid director band (£000)	Median pay	Staff pay multiplier
Abertawe Bro Morgannwg University Health Board	£210,000	£28,180	7.45:1
Aneurin Bevan University Health Board	£195,000	£26,064	7.48:1
Betsi Cadwaladr University Health Board	£200,000	£27,760	7.20:1
Cardiff and Vale University Health Board	£210,000	£28,094	7.47:1
Cwm Taf University Health Board	£170,000	£27,369	6.21:1
Hywel Dda University Health Board	£170,000	£26,041	6.53:1
Public Health Wales NHS Trust	£175,000	£30,057	5.82:1
Powys Teaching Health Board	£155,000	£25,948	5.97:1
Velindre NHS Trust	£130,000	£26,929	4.83:1
Welsh Ambulance Services NHS Trust	£152,500	£30,214	5.05:1

Local government body¹⁹	Highest paid director band	Median pay	Staff pay multiplier
Anglesey County Council (Isle of)	£116,000	£17,929	6.47:1
Blaenau Gwent County Borough Council	£109,693	£20,465	5.36:1
Bridgend County Borough Council	£125,841	£19,742	6.37:1 ²⁰
Caerphilly County Borough Council	£142,524	£19,742	7.2:1
Cardiff County Council	£170,000	£20,849	8:1
Carmarthenshire County Council	£169,025	£20,944	8.07:1
Ceredigion County Council	£108,226	£16,054	6.8:1
Conwy County Borough Council	£114,435	£17,714	6.46:1
Denbighshire County Council	£134,750	£21,530	6.26:1
Flintshire County Council	£131,233	£16,969	7.73:1

¹⁹ Local authorities are not required to publish median pay, but the majority do. In the few instances where local authorities have not published median pay, the multiplier has been applied to the salary of the highest paid director to work out the median salary.

²⁰ The ratio reported in the annual accounts is 6.64:1 – this is because the Chief Executive's salary includes returning officer fees of £5250. These have been removed in the table above.

Gwynedd Council	£103,805	£19,622	5.29:1
Merthyr Tydfil County Borough Council	£142,669	£25,296	5.64:1 ²¹
Monmouthshire County Council	£110,000	£20,253	5.43:1
Neath Port Talbot County Borough Council	£134,253	£20,849	6.44:1
Newport City Council	£134,638	£20,713	6.5:1
Pembrokeshire County Council	£134,998 ²²	£17,372	7.77:1
Powys County Council	£133,000	£19,048	6.97:1
Rhondda Cynon Taf County Borough Council	£142,000	£19,742	7:1
Swansea (City and County of)	£140,000	£21,783	6.43:1
Torfaen County Borough Council	£111,278	£18,376	6.05:1
Vale of Glamorgan Council	£116,539	£19,423	6:1
Wrexham County Borough Council	£121,000	£19,055	6.35:1

National Park Authority	Highest paid director band	Median pay	Staff pay multiplier
Brecon Beacons	£77,000	£22,212	3.5:1
Pembrokeshire	£77,000	£18,376	4.16:1
Snowdonia	£77,000	£23,000	3.4

Fire and Rescue Authority	Highest paid director band	Median pay	Staff pay multiplier
Mid and West Wales	£144,229	£29,345	4.91:1
North Wales	£127,859	£29,345	4.36:1
South Wales	£128,000	£28,000	4.57:1

Police Forces	Highest paid director band	Median pay	Staff pay multiplier
Dyfed Powys	£132,171	£35,254	3.75:1
Gwent	£147,897	£34,779	4.25:1
North Wales	£144,721	£31,657	4.6:1
South Wales	£157,648	£31,921	5.2:1

Body funded by the Welsh Consolidated Fund	Highest paid director band	Median pay	Staff pay multiplier
Auditor General for Wales	£153,000	£43,850	3.49:1
National Assembly for Wales Commission	£145,000 - £150,000	£31,031	4.75:1
Public Services Ombudsman for Wales	£140,000 - £145,000	£40,218	3.5:1

²¹ Pension contributions appear to have been included in both the Chief Executive and median salary.

²² This is the salary of the Acting Head of Paid Service, in the absence of a Chief Executive for the full year.

Welsh Government	£195,000 - £200,000	£34,750	5.8:1
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Welsh Government Sponsored Bodies	Highest paid director band	Median pay	Staff pay multiplier
Arts Council of Wales	£95,428	£31,700	3:1
Care Council for Wales	£100,000	£30,036	3.32:1
Higher Education Funding Council Wales	£120,000	£40,411	2.97:1
Local Democracy and Boundary Commission for Wales	Not available	Not available	Not available
National Library of Wales	£90,000	£23,003	3.91:1
National Museum Wales	£95,000	£23,917	4.1:1
Natural Resources Wales	£145,000 - £150,000	£28,215	5.2:1
Sport Wales	£92,500	£24,620	3.8:1

Commissioners	Highest paid director band	Median pay	Staff pay multiplier
Children's Commissioner for Wales	£85,000	£34,750	2.46:1
Older People's Commissioner for Wales	£90,000	£35,500	2.53:1
Welsh Language Commissioner	£95,000 - £100,000	£34,750	2.81:1

Inspectorates	Highest paid director band	Median pay	Staff pay multiplier
Estyn	£90,000	£60,050	1.49:1

Comparisons – directors and senior managers

17. The WAO's report for the PAC showed the number of directors and senior managers who earn more than £60,000 (£50,000 for some sectors) across the Welsh public sector within £25,000 pay bands where this information was available. This information was not provided by all organisations and those organisations that did provide the information used several different formats. As such, the data has not been included in this report.

Welsh Government
July 2017