

Dame Gill Morgan DBE
Ysgrifennydd Parhaol • Permanent Secretary



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Darren Millar AM
National Assembly for Wales
Cardiff Bay
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30 March 2011

Dear Mr Millar,

You recently tabled WAQ57340 in which you asked the Minister for the Economy and Transport to provide figures for the total amount paid in variable staff pay (i.e. bonuses/performance related pay other than overtime payments) in the Department for the Economy and Transport (DE&T) in each year of the Third Assembly. The Minister has asked me to respond.

The pay structure for members of the Senior Civil Service (SCS) is managed by the Cabinet Office and overall pay bill increases for members of the SCS are determined each year by HM Treasury and the Cabinet Office. SCS pay is made up of base salary and variable pay and a specified proportion of the SCS pay bill is required to be paid in the form of variable pay awards. Variable pay awards are non-consolidated awards paid in addition to any base pay increases. They are paid as a lump sum and do not count towards pension entitlements.

The table below details the variable pay for members of the SCS within DE&T for each of the last three years. The performance of individual members of staff is assessed at the end of each reporting year, with payments for eligible staff usually being made mid-way through the following financial year. Variable pay for 2010-2011 will not, therefore, be awarded until July 2011.

Year	Variable Pay Total
2007-2008	£116,000
2008-2009	£114,000
2009-2010	£37,500

The number of staff receiving variable pay awards in DE&T, and across the wider Assembly Government, decreased substantially for the performance year 2009-10. This was a direct result of the decision of the Welsh Assembly Government's SCS



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Remuneration Committee to bring forward, by 12 months, the Prime Minister's recommendation to limit performance related pay. The recommendation, that performance related pay would only be awarded to the top 25% of performers, was intended to be introduced for the 2010-11 performance year. In view of the current economic climate we decided to introduce the change for 2009/10 and also reduce the size of individual awards.

Yours sincerely



GILL MORGAN



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