Staff Pay and Grading Review Phase One Board Response and Consultation

May 2024

As part of its strategic work programme to develop a Determination on Members' Pay and Allowances for the Seventh Senedd the Independent Remuneration Board is undertaking a review of the pay and grading framework for Senedd Support Staff.

Phase One of this review, delivered by Beamans, concluded in March 2024. The Board have considered the report provided by Beamans and are pleased to publish the <u>report</u> alongside our initial response, which is included below.

Before taking a final decision on the route forward, the Board are inviting responses to a consultation on proposed next steps. Details of this consultation are also included below.

Background

The main objectives of the review of Member's staff pay and grading are to gather evidence and perspectives to ensure the framework:

- Enables Members and Groups to provide fair pay for Senedd Member Support and Group Staff;
- Takes into account the roles and responsibilities of Members' Staff and Group Staff in the context of similar roles in UK Parliaments, the Senedd Commission and suitable public and private sector comparators in the wider employment market in Wales;
- Considers the skills required and range of roles that may be required to support Senedd Members and Political Groups in the Seventh Senedd, given changes in ways of working and the possible reform of the Senedd;
- Supports Members and Groups to encourage diversity amongst Senedd Member Support and Group Staff;
- Enables Members to recruit and retain staff with the necessary experience, knowledge and skills; and

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 Considers opportunities to simplify the current framework in order to develop a simpler Determination, providing an appropriate balance between achieving value for money for taxpayers and flexibility for Members.

Phase One of the review was an independent evaluation of the current pay and grading framework commissioned by the Remuneration Board. Following a competitive tendering exercise one of the UK's leading job evaluation and training consultancies, Beamans, were commissioned to gather evidence on the existing pay and grading framework and make recommendations on any changes required.

Beamans conducted the review during October 2023-March 2024 and submitted its final <u>report</u> at the end of March. The report has been published to the Board's website.

The Board would like to thank Members, Members' staff, political group staff and trade union representatives for engaging constructively and extensively with Beamans during the course of its work. Their input and contributions have been essential in shaping the conclusions. Interviews were held with 12 Members and 13 staff representatives, including Chiefs of Staff and trade union representatives. Staff focus groups were held with 23 staff. Survey responses were received from 15 Members and 86 members of staff. The Board received positive feedback from Representative Groups to this evidence gathering work undertaken by Beamans, in terms of the level of understanding demonstrated by Beamans of the nature of the work undertaken by Members' staff and the wider parliamentary context.

A revised pay and grading framework

The report from Beamans provides a thorough analysis of the strengths and weaknesses of the existing pay and grading framework. The report concludes, on the basis of the evidence gathered, that changes are required to the existing pay and grading framework for the Seventh Senedd and outlines options for a new framework for the Seventh Senedd.

The report identifies three options for a revised pay and grading framework for the Seventh Senedd to address the Board's objectives set out above and to meet the needs of Members and staff, as reflected in the evidence gathered by Beamans. The options are summarised in <u>Annex</u> <u>One</u> to this response and are explored in more detail in the body of the main report.

Option One

A modified version of the existing framework with balanced pay ranges which do not overlap, and incremental pay progression subject to satisfactory performance (as is currently the

case) underpinned by grade descriptors, template job descriptions, job evaluation and pay benchmarking (these are set out in paragraph 21 of the Report).

Option Two

A **job-families model** with balanced pay ranges which do not overlap, and **incremental pay progression** subject to satisfactory performance (as is currently the case), with most job roles grouped into the following four families – caseworker, policy and research, management and administration, communications. The existing, distinct grades of 'Chief of Staff' and 'Band 3' would be retained. Similar to Option One, the framework will be underpinned by grade descriptors, template job descriptions, job evaluation and pay benchmarking (these are set out in paragraph 21 of the Report).

Option Three

A **job families framework**, but with the introduction of **competence based pay progression** which would mean Support Staff progression through pay points would be subject to a positive assessment of their competencies by the employing Member, rather than time spent in post only.

The Board's View

The Board has accepted the report's analysis and conclusions and agrees that changes should be made to the pay and grading framework, to be introduced from the start of the Seventh Senedd. Changing the pay and grading framework provides an opportunity to address the concerns raised by Members and staff during Phase One of the review by building on the framework currently in place and developing resources to guide Members' decisions on the grading of the roles required to support their work.

Whilst each of the three options proposed in the report have merit **the Board's initial view is that a pay and grading framework based on the job families model with annual pay increments (option 2) would best achieve the <u>objectives</u> set out above and address the issues raised by stakeholders as part of Beamans' work**. Each of the three proposed options have been assessed against the Board's objectives for this work. The job families framework coupled with annual pay increments is the option which appears to best meets those objectives, including the objectives of enabling Members as employers to provide fair pay for their staff, and to recruit and retain staff with the necessary experience, knowledge and skills. This assessment is included in <u>Annex Two</u>. Pay and grading frameworks based on the job families model were adopted by the Scottish and UK Parliaments some years ago and continue to be used today as the basis for grading the staffing support roles of MPs and MSPs.

Option Three is not favoured as it would introduce competence based pay progression, rather than annual incremental progressions which is an established feature of the current framework and other public sector pay frameworks in Wales.

The Board is aware that a move to a revised pay and grading framework will have implications for Members as employers and of course for staff themselves. Whichever framework is introduced, Members will be required to undertake a job evaluation of the roles required to support their work in the Seventh Senedd, including existing roles within which staff are currently employed, in order to determine the grade and salary for each role. Beamans' report also noted that periodic review is important to ensure that any framework is consistently maintained. These implications have been considered as part of the Board's discussions on its preferred model for a revised framework and the advice, guidance and support that will be needed by Members are being considered by the Board and Senedd Commission.

Next Steps to implement a revised framework for the Seventh Senedd

Before embarking on this change, the Board is keen to hear the views of Members, staff and unions, and are therefore **consulting on proposed next steps** (details below).

Following this consultation, the Board intends to confirm the final option in July and will be seeking external expertise to help design and develop the new pay and grading framework for the Seventh Senedd.

Input from Members, support staff and trade union representatives will be invaluable as part of this work over the coming months.

The revised pay and grading framework will be underpinned by template job descriptions and grade descriptors that describe the characteristics of the work carried out at each pay band/job family and a definition of key differences between roles at different pay bands. Roles would need to be assessed through a job evaluation exercise and salary ranges would be informed through pay benchmarking in due course.

Members and staff will be engaged and consulted during the design and development of a revised framework during the remainder of 2024 and guided and supported through the implementation in the Seventh Senedd. The process will include an equality impact assessment and, the Board will seek advice regarding proportionate transitional arrangements and any pay

protection for any existing staff members whose pay is adversely affected by this process will be considered by the Board as part of this consultation and engagement.

Alongside this work of developing a new pay and grading framework and supporting materials the Board will be undertaking Phase Three of the review focused on the Staffing Allowance for Members of the Seventh Senedd. The Board's consideration of the Staffing Allowance to be provided in the Seventh Senedd will take account of the roles, skills and experience needed by Members to support their work in a multi-member constituency context and reflect the salaries set out in the new pay and grading framework.

Timetable

Change will take time and a revised framework will need to be designed and developed with input from Members and Staff during the next 12 months, to be ready for implementation at the start of the Seventh Senedd. An indicative timeline for this work noting opportunities for Members, staff and unions to input into this work is set out below.

- 23 May 27 June 2024: initial consultation on intention to revise the pay and grading framework based on the job families model coupled with annual pay increments.
- **4 July 2024**: Decision by the Remuneration Board on whether to progress to the development of a job families framework.
- Autumn 2024: engagement and input from Members, staff and unions on the development of a draft revised framework and supporting materials.
- March / May 2025: Formal consultation on a revised pay and grading framework as part of a draft Determination for the Seventh Senedd.
- July 2025 publication of the Determination for the Seventh Senedd, including the pay and grading framework.
- May 2026 Revised pay and grading framework introduced.

Consultation on the development of a job families pay and grading framework

Before embarking on this change, the Board is keen to hear the views of Members, staff and unions.

The Board would welcome written responses from individuals and representative groups on the following:

- The practicability and suitability of the Board's preferred model for a revised pay and grading framework or alternative models set out in Beamans' report.
- The extent to which this would achieve the <u>objectives</u> set out above
- Any equalities issues that should be considered as part of this work

As noted above engagement and consultation will be undertaken on the details of the revised framework including the specific job families and salary following the development of a revised framework and supporting materials. This consultation seeks views only on the Board's intention to move to a pay and grading framework based on the job families model.

Responses can be submitted to **remuneration@Senedd.Wales**

The deadline for responses is the **27th June 2024**.

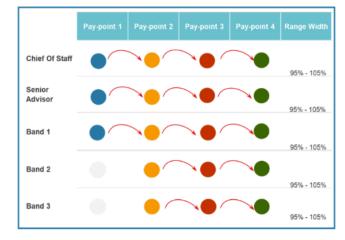
The Board's <u>Privacy Policy</u> sets out how the information provided in your response to this consultation will be used by the Board and where it will be saved.

Annex One: Summary of proposed options for a revised pay and grading framework

Option 1: A modified version of the existing framework

Option 1: Features

- A market-reference point for each pay-band would need to be determined and 95% to 105% salary ranges for each pay-band established from that point. Pay ranges would be butt-ended with no overlap. Actual ranges would need to be determined by market-referencing and subject to overall affordability.
- The number of points per salary range have also been reduced so staff will progress to the pay maxima for their salary range in a shorter period of time. Pay progression would remain incremental subject to satisfactory performance. However, the pace of progression could be a matter of judgement for the employer subject to affordability and agreement by MBS that individual roleholders have demonstrated the knowledge, skills and experience to move to the next pay-point.
- Staff in Bands 2 & 3 have fewer pay-points to reflect the fact that the time period to reach a fully competent level of performance is shorter at these levels.



Each band or grade would be underpinned by a grade descriptor that describe the characteristics of the work carried out at
each grade level together with a definition of key differences between roles at the illustrated grade and the grade below. This
would be linked to a more appropriate and concise factor plan. An illustrative grade descriptor and linked factor definition is
shown overleaf.

Option 1: Shortened pay-ranges - no overlap, balanced range widths

Advantages	Disadvantages			
 Familiar and very straightforward and proportionate framework 	Potential Affordability.			
 Shorter more balanced pay-ranges offers quicker pay progression. 	How far each band reflects market-reference points is unknown			
 Better grade descriptors (see example, overleaf) and articulation of grade thresholds offers more transparency 	 Pay-progression is still based on annual increments (which may also be viewed as an advantage). 			
 Emphasis on pay fairness for lowest paid staff e.g. Bands 2 & 3 – less increments, faster progression 	 Protocols to support increased pace of progression i.e. not just on an annual incremental basis, would need to be established (which may also be viewed as an advantage) 			
	 No obvious mechanism for reflecting market rates for hard to recruit (or retain) roles. 			

Option 2: Job family framework with annual pay increments

Option 2: Job Family Framework linked to shortened pay-ranges for each Job Family

Option 2: Features

- Salary ranges would reflect market-rated reference ranges for <u>each job family</u>. As with Option 1pay ranges would be buttended with no overlap.
- The number of pay-points per job family level would be reduced so staff will progress to the pay maxima for their job family salary range in a shorter period of time. Pay progression would remain incremental subject to satisfactory performance.
 However, the pace of progression could be a matter of judgement for the employer subject to affordability and agreement by MBS that individual role-holders have demonstrated the knowledge, skills and experience to move to the next pay-point.
- Staff in Bands 2 & 3 have fewer pay-points to reflect the fact that the time period to reach a fully competent level of performance is shorter.

		Pay-Point 1	Pay-Point 2	Pay-Point 3	Pay-Point 4	Pay Range
Chief of Staff	Single Range	•				To be determined
Senior Advisor	JF 1 = Communications				,	·
	JF2 = Policy & Research				,	
	JF3 = Casework				,	
	JF4 = M'gmt & Administration				,	
Band 1	JF1= Communications				,	
	JF2 = Policy & Research				,	
	JF3 = Casework				,	
	JF4 = M'gmt & Administration				,	
Band 2	JF1= Communications				,	
	JF2 = Policy & Research				,	
	JF3 = Casework				,	
	JF4 = M'gmt & Administration				,	+
Band 3	Single Range		•			

 Each job family level would be underpinned by a job family grade descriptor that describes the characteristics of the work carried out at each job family level together with a definition of key differences between roles at the illustrated job family level and the job family level below. This would be linked to a more appropriate and concise factor plan for each job family. An illustrative grade descriptor and linked factor definition is shown overleaf.

Option 2: Job Family Framework linked to shortened pay-ranges for each Job Family

Advantages	Disadvantages			
 Framework better reflects the different type and level of contribution of roles in each job family. 	Would mark a significant departure from the current 'one size fits all' grading and pay framework.			
 Pay ranges can be established which better reflect market reference points for different roles. More flexibility to vary pay for hard to recruit and retain roles. 	Culturally different. Varying pay ranges for different job families potentially seen as divisive.			
 Better grade descriptors (see example, overleaf) and articulation of grade thresholds for each job family offers more transparency. 	 Potential Affordability. How far each salary range may need to vary for each job family is unknown. 			
Better framework to support wider role development.	 Pay-progression is still based on annual increments (which may also be viewed as an advantage). Protocols as to which pay-point individuals are appointed to beyond the minimum pay-point for the range need to be established. 			
	 Requires work to define the JFF: Job families (how many); levels in each job family and thresholds between them; and salary levels for each job family and level 			

Option 3: Job family framework with competence based pay increments

Option 3:

3: Job Family Framework linked to Competence Based Progression Points

Option 3: Features

- As with Option 2 each band would be segmented according to job family levels. Each job family level would represent a specified range of job weight underpinned by a level descriptor which sets out the key job demands characteristic of that job (weight) family level (see page 53).
- Salary ranges would reflect market-rated reference ranges for each job family. As with Options 1 & 2 pay ranges would be butt-ended with no overlap.
 However, progression through the salary range would be linked to the development of skills and competence. Role-holders would move to the next pay-point once they have demonstrated that they have the knowledge, skills and experience to operate competently at what would be a higher level for the job family level encompassing a broader range of tasks and activities.

		Pay-Point 1	Pay-Point 2	Pay-Point 3	Pay-Point 4	Pay Range
Chief of Staff	Single Range					To be determined
Senior Advisor	JF 1 = Communications					•
	JF2 = Policy & Research					•
	JF3 = Casework					•
	JF4 = M'gmt & Administration					•
Band 1	JF1= Communications					•
	JF2 = Policy & Research					•
	JF3 = Casework					•
	JF4 = M'gmt & Administration					•
Band 2	JF1= Communications					•
	JF2 = Policy & Research					•
	JF3 = Casework					•
	JF4 = M'gmt & Administration					
Band 3	Single Range		•			

- The pace of progression, although guided by a timeline indicated the typical period of work experience a role-holder would
 require to achieve the knowledge, skills and experience to move to the next pay-point, would be a matter of judgment for
 the employer. This would be subject to both progression guidance and available funding.
- Staff would still typically be recruited to the Developing pay-point for their grade but with flexibility to recruit to the Competent paypoint depending on previous experience.
- Staff in Bands 2 & 3 have fewer pay-points to reflect the fact that the time period to reach a fully competent level of performance is shorter.

Option 3: Advantages/Disadvantages

		Advantages	Disadvantages			
Option 3		Framework better reflects the different type and level of contribution of roles in each job family	 Radical departure from existing framework. Cultural shock. Could be viewed a too complicated and ambitious. 			
	•	Pay ranges can be established which better reflect market reference points for different roles. More flexibility to vary pay for hard to recruit and retain roles	 Will require work both to define the JFF (job families, levels and thresholds between them) and the competency framework 			
	•	Better grade descriptors (see example, overleaf) and articulation of grade thresholds for each job family offers more transparency	 More sophisticated model will require a higher degree of management skill (an will) and judgement 			
	·	Potentially a faster pace of progression with more ability to reflect the performance of an individual in role (retention)	 To move from automatic progression to contribution based progression there needs to be a shift in the pay ranges (incentivised) which may not be affordable i.e. potential to earn more subject to appropriate levels of contribution 			
		Progression linked to defined competence/capability				
	•	Framework better reflects the different type and level of contribution of roles in each job family				

Annex Two: Assessment of options against the Board's objectives

Reward Principles – Option Alignment

Reward Principles	Option 1	Option 2	Option 3	Notes
Provides fair pay for Senedd Member Support and Group Staff				Options 2 & 3 more closely aligned to the Market.
 Takes into account the roles and responsibilities of Support and Group Staff in the context of similar roles in UK Parliaments, the Senedd Commission and suitable public and private sector comparators in the 				 As above. Options 2 & 3 are more closely aligned to the Market and would where necessary, recognise differences in external pay relativities.
wider employment market in Wales;				 The extent that other UK parliaments are a relevant pay market comparator is moot.
 Considers the skills required and range of roles that may be required to support Senedd Members and Political Groups in the Seventh Senedd, given changes in ways of working and the possible reform of the Senedd. 				 Options 2 & 3 are designed (JFF) to recognise the skill-sets of roles operating in different organisational or functional contexts.
Encourages and supports diversity amongst Senedd Member Support and Group Staff				 In, and of themselves, no options would impact diversity.
				 A JFF would create a more objective framework of levels.
 Enables Members to recruit and retain staff with the necessary experience, knowledge and skills. 			٠	 As above. Options 2 & 3 are more closely aligned to the Market and would better support recruitment and retention for those with key skill-sets.
 Considers opportunities to simplify the current framework in order to develop a simpler Determination, providing an appropriate balance between achieving value for money and flexibility for Members. 				Option 1 provides a simpler model, transition to options 2 & 3 more complicated