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Your ref:

Ask for:

Our ref: MAM/mm



Date: 11 December 2023



Peredur Owen Griffiths
Chair, Finance Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

By email only
seneddfinance@senedd.wales

Dear Peredur

I refer to the Finance Committee's recent report following your consideration of our Annual Report & Accounts and our Estimate for 2024/25. I welcome the positive comments in the report and the Committee's support for the Estimate for 2024/25, and I confirm that I will respond formally to each of the Committee's recommendations in the New Year.

In the meantime, I wanted to provide a brief update on the Wales and England local government pay award. Although one of the Trade Unions did not agree the award, the other Trade unions did, and the local government pay award was settled in November. It has now been paid to our staff. The pay award provided a variable increase, depending on grade. At our lowest grade the award was 8.6%, whilst for more senior staff the increase was 3.9%. When applying the agreed pay award to all staff, the overall increase in pay cost is around 5.4%.

As you will recall, our Supplementary Budget submission earlier in the year anticipated that the cost increase could be 7.9% and we sought resources to meet that cost. Our submission undertook to treat part of this as a contingency. We will no longer need the full amount previously agreed and we will not therefore drawdown the full amount. We will also be submitting supplementary budgets for the current year, and for next financial year, to reduce our budgets accordingly. We will include an explanation in our Supplementary Budget submissions.

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We are happy to accept and respond
to correspondence in Welsh.

As indicated above, I will respond fully to all the Committee's recommendations, but I wanted to keep you updated on the settlement of the April 2023 pay award.

Your sincerely

MM Morris

Michelle Morris
Public Services Ombudsman