

SURREY COUNTY COUNCIL

PAY POLICY STATEMENT 2015 - 2016

This Pay Policy Statement, which was approved by a meeting of the full County Council on 17 March 2015, is published to comply with the requirements of Section 40 of the Localism Act, 2011.

Governance [[Link to Councillors and Committees](#)]

The People, Performance and Development Committee (PPDC) acts as the County Council's Remuneration Committee under delegated powers, in accordance with the constitution of the County Council. All Surrey Pay and terms and conditions are determined by the PPDC, including the remuneration of Senior Officers and specific appointments to posts with salaries of £100,000 or more.

Salary Transparency [[Links to Salary Transparency](#)]

The County Council is committed to being at the forefront of openness and transparency to demonstrate to its residents and local taxpayers that it delivers value for money. As part of the national and local government transparency agenda, it already publishes information on its external website detailing Surrey Pay ranges, expenditure over £500 and contracts with a value of £50,000 or more.

To continue that progress and in line with the Local Government Transparency Code 2014, the Council has published details of salaries paid to senior staff on-line, with effect from 31 March 2012. This information is updated on an annual basis and covers senior positions with annual salaries of £50,000 and above.

Chief Officers' Remuneration [[Link to Statement of Accounts](#)]

Chief Officers are on all-inclusive single status Surrey Pay contracts i.e. there are no variable pay salaries or bonuses paid. The council has not provided any grade related benefits in kind, such as Annual Leave, Private Medical Insurance or Lease Cars since 2007. Chief Officers receive the same allowances as other members of staff and access to the same voluntary benefits scheme, while any expenditure on business travel is reimbursed at the same rates for all grades.

The Chief Executive is on a contract which is like Chief Officers i.e. he is on an all-inclusive single status Surrey Pay contract and there is no variable pay or bonuses made. He is however paid a specific additional allowance for duties carried out in support of the Lord Lieutenant of the County.

For details of the remuneration paid to all members of the Council Leadership Team, in a particular financial year, please refer to the council's annual Statement of Accounts. In the case of the report for 2013/2014 this can be found under Note 27 and Note 28, between pages 62 and 64.

Surrey Pay Salary Ratios

The minimum Surrey Pay rate paid on grade S1/2 is currently set at £8.01 per hour as at 1 April 2015, this compares with the statutory National Minimum Wage of £6.50 per hour and the "UK Living Wage", of £7.85 per hour, which is advocated by the Living Wage Foundation.

Based on salaries to be paid with effect from 1 April 2015 it is estimated that the council will have the following ratios, between the lowest and highest paid staff on Surrey Pay, for the 2015 / 2016 financial year.

Surrey Pay Salary Ratios 2015 – 2016		
Salary	Amount per annum £'s	Ratio to the highest salary
Highest Basic Salary	211,900	n/a
Median Basic Salary	24,340	8.72:1
Lowest Basic Salary	15,039	14.10:1

Notes:

- (i) The ratios have been calculated in accordance with guidance published in The Code of Recommended Practice for Local Authorities on Data Transparency 2011 and in light of recommendations contained in the Hutton Review of Fair Pay in the Public Sector 2011.
- (ii) The median is defined as the mid-point of the total number of staff employed.

[Surrey Pay](#) [[Link to Reward Policy](#)]

The council's reward strategy is based on the local negotiation of "single status" Surrey Pay terms and conditions of service. This means that the majority of staff are on consistent terms and conditions of service, except for teachers and fire fighters who are on national terms and conditions. Pay including terms and conditions are reviewed annually, with any changes agreed by the PPDC normally made with effect from 1 April. The council recognises two trades unions, the GMB and UNISON, for the purposes of negotiating Surrey Pay.

(i) [Equal Pay](#) [[Link to Equal Pay Statement](#)]

The council is committed to ensuring that its employment policies and practices comply with the requirements of the Equal Pay Act 1970. This includes the application of a robust job evaluation process to ensure that all staff will receive equal pay for work of equal value.

(ii) **Grading Structure**

The allocation of Surrey Pay grades to jobs is determined by (HAY) job evaluation, or in accordance with a career guide scheme related to (HAY) job evaluation. The Surrey Pay grading structure covers all jobs from Cleaners and Catering Assistants on the lowest grade to Chief Officers, including the Chief Executive, on the highest grades. Please see appended table that shows the salary ranges agreed by PPDC for the 2015 / 2016 financial year.

The differentials between these grades and jobs have been established objectively by application of a HAY based job evaluation scheme. For example the job of a cleaner is evaluated at the bottom because the level of skill, knowledge, problem solving and accountability are low compared with jobs at the top level.

Conversely, Chief Officers are at the top of the pay scales because the level of skills, knowledge, problem solving and accountability are considerably greater than those at the bottom of the pay scales. Newly appointed, or promoted, staff are normally appointed to the minimum salary on a grade unless a robust business case has been approved to start them at a higher salary within the grade range.

(iii) Market Supplements

Managers may make a business case for a market supplement to be paid above the maximum for the particular grade if it proves exceptionally difficult to recruit at the rate advertised. Such supplements must be approved and reviewed on a regular basis by either the PPDC, in the case of Chief Officers, or by the Director of People & Development under delegated powers.

(iv) Pay Progression Arrangements

Before April 2010 the majority of staff were on “incremental” Surrey Pay grades, S1/2 – S7, or their equivalent. Personal pay progression within grade is normally dependent upon “added value” in terms of duties, responsibilities and job performance following an annual appraisal.

Middle Pay Grades and Senior Pay Zones (S8 – CEX) contracts currently provide for an annual review of contribution. These reviews normally determine any subsequent personal progression through these pay zones subject to personal headroom being available.

Note: The “normal” arrangements for determining pay progression were suspended with effect from 1 April 2010. The suspension is part of the council’s current pay restraint package that will be reviewed by the end of the 2015 / 2016 financial year.

(v) Recognition Awards

There are **no** provisions under standard Surrey Pay contracts for council employees to be awarded performance related bonuses. However the Recognition Award Scheme provides a mechanism through which managers can recognise exceptional achievement by an individual or team, subject to approval by the appropriate Head of Service.

[Early Retirement and Severance Terms](#) [Link to Early Retirement & Severance Policy]

The council’s terms for granting redundancy or severance, including access to benefits under the Local Government and Teachers’ Pension Schemes, are the same for all staff on Surrey Pay contracts including Chief Officers and also for Teachers working in maintained schools across Surrey. The approval process to be followed when payments are to be funded by the Council is explained in the Policy, see link above.

In cases of redundancy, an employee will not be entitled to a redundancy payment or a severance payment if, before leaving the council, they accept an offer of employment with another local authority or associated employer contained in the Redundancy Payments (Modification) Order 1999 and commence the new employment within four weeks of their last day of service as the employment would be deemed to be continuous.

Further Details

Specific details may be accessed via the links indicated above, or by clicking on the buttons that are included on the landing page.

Surrey Pay Main Grades & Pay Ranges: 2015 / 2016

£'s

Job Evaluation Scores		Grades	Salary Ranges	
			Minimum	Maximum
0	119	S 1/2	15,039	15,699
120	142	S 3	15,156	17,145
143	165	S 4	16,407	19,194
166	194	S 5	18,228	21,261
195	231	S 6	20,424	23,435
232	313	S 7	23,340	27,539
314	437	S 8	26,798	31,856
438	477	S 9	33,569	38,312
478	518	S 10	38,015	42,992
519	611	S 11	42,503	47,615
612	660	S 12	47,273	55,298

Senior Managers & Directors' Grades and Pay Ranges: 2015 / 2016

£'s

Job Evaluation Scores		Grades	Salary Ranges	
			Minimum	Maximum
661	734	13	55,485	66,644
735	880	14 A	61,592	77,297
881	1055	14 B & 15 B	76,383	90,469
1056	1260	15 C	87,991	104,267
1261	1312	15 D	101,721	120,578
1358	1450	16 E	116,734	141,151
1451	1688	16 F	127,718	152,243
1689	2000	16 G	149,686	178,861
2001	2328	CEX	209,984	232,683