



## OFFICER REPORT TO COUNCIL

### AMENDMENT TO SURREY PAY POLICY STATEMENT 2015/2016

#### KEY ISSUE / DECISION:

The approval of an amendment to the 2015/16 Pay Policy Statement.

#### BACKGROUND:

1. To comply with Section 40 of the Localism Act 2011 all local authorities are required to agree and publish an annual Pay Policy Statement. The Council's current pay policy statement was approved by Council on 17 March 2015 and is published on the Council's website. Pay policy statements may be amended during the course of the financial year to reflect changes or developments in an authority's pay policy.
2. Pay exceptions are approved by the People, Performance and Development Committee (PPDC). PPDC approve all senior pay exceptions, grade S13 and above. Approval for decisions on pay exceptions for grades S12 and below is delegated by PPDC to the Director of People and Development and the relevant Head of Service.

#### RECENT DEVELOPMENTS

3. The 2015/2016 pay policy reflects the current period of pay restraint and does not include any pay progression arrangements for staff. During the course of this year the process for agreeing pay exceptions has been improved by introducing a standardised business case and ensuring that all services fall in line with PPDC's delegation.
4. The approach adopted is not sufficiently flexible to allow the Council to respond quickly to market forces and staff retention/recruitment in a competitive market. Our speed of response will be increased with local delegation of decisions at grade S12 and below.
5. In addition where it is necessary to expedite decisions on exceptional starting salaries for grades S13 and above in order to secure new staff, then the business case will be forwarded to the Director of People & Development for challenge, review and decision and will be reported to the next PPD committee for information.

6. The Chairman of PPDC has requested that Council considers an amendment to the Pay Policy Statement to reflect this recognised need for more flexibility and enable approval of individual salary arrangements within grade limits, where there are compelling management reasons for doing so.
7. It is recognised that the discretion would only be exercised on an exceptional basis in order to expedite decisions. With regard to senior pay grades member oversight would continue. Council is therefore asked to consider the proposed amendment to the Pay Policy Statement that is set out below.

<b>RECOMMENDATION:</b>
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That Council agree the following amendment to the Surrey Pay Policy Statement 2015-2016 (additional text in italics):

**Governance**

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 Chief Officers and specific appointments to posts with salaries of £150,000 or more.

*Approval for decisions on pay exceptions for grades S12 and below is delegated by PPDC to the Director of People and Development and the relevant Head of Service. PPDC approve all senior pay exceptions, grade S13 and above. However, where it is necessary to expedite decisions on exceptional starting salaries for grades S13 and above in order to secure new staff, then a business case will be forwarded to the Director of People & Development for challenge, review and decision, in consultation with the Leader on behalf of PPD committee, and will be reported to the next PPD committee for information.*

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**Lead / Contact Officer:**

Carmel Millar, Director of People and Development.  
Tel: 020 8541 9824

**Sources / Background papers:**

Surrey County Council Pay Policy Statement 2015/2016 (Annex 1)