

SURREY COUNTY COUNCIL
PAY POLICY STATEMENT
1 July 2016 – 30 June 2017

This Pay Policy Statement was approved by a meeting of the full County Council on 6 December 2016 and is effective from 1 April 2016. It is published to comply with the requirements of Section 38(1) of the Localism Act, 2011 and related guidance under Section 40 provided by the Secretary of State.

This pay policy statement sets out Surrey County Council’s policies relating to the pay of its workforce for the year 2016-17.

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 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](#)]

Surrey County Council is committed to openness and transparency in order 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 its website since 31 March 2016. 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 appointed at a spot salary which provides a competitive market salary for the individual role within the appropriate pay band range.

Annual salary reviews for chief officers will take into account any generally agreed market adjustments to senior management pay rates (if any) as determined by PPDC. A decision to award a market adjustment to individual base pay will be subject to achieving a minimum performance rating of ‘Successful’.

If an employee receives an ‘Exceptional’ performance rating then they will receive an additional monthly non-consolidated payment which recognises that their performance has exceeded standards.

For 2016/17 the following percentage changes in pay will be applied to eligible staff in the leadership pay model effective from 1 July 2016:

- Market adjustment: 1%;
- Non-consolidated performance payment: 3%; and
- No increase to pay band maxima 16G and CEX.

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, any expenditure on business travel is also reimbursed at the same rates for all grades.

Like other chief officers, the Chief Executive is on a Surrey pay contract. 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.

Surrey Pay Salary Ratios

The minimum Surrey Pay rate paid on grade S1/2 is currently set at £8.25 per hour as at 1 July 2016, this compares with the statutory National Living Wage of £7.20 per hour for those aged 25 years and over (October 2016) and the "UK Living Wage", of £8.45 per hour for those living outside London, which is advocated by the Living Wage Foundation (October 2016).

Based on salaries paid with effect from 1 July 2016 it is estimated that the Council will have the following ratios, between the lowest and highest paid staff on Surrey Pay for the 2016/2017 financial year.

Surrey Pay Salary Ratios 2016 – 2017		
Salary	Amount per annum £'s	Ratio to the highest salary
Highest Basic Salary	232,683	n/a
Median Basic Salary	22,872	15:1
Lowest Basic Salary	15,487	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 Surrey Pay terms and conditions of service. Pay, including terms and conditions, are reviewed annually with any changes agreed by PPDC. The Council recognises two trade unions, the GMB and UNISON, for the purposes of negotiating Surrey Pay.

The majority of staff are on locally determined terms and conditions of service, except for teachers, educational psychologists, youth workers and fire fighters who are all on national terms and conditions.

In 2015/2016 the Council commenced a review of Surrey Pay, to achieve a pay structure that:

- Aligns pay bands with '*Public and Not for Profit Sector Organisations in the South East of England*'.
- Replaces the annual pay award with a market adjustment.
- Introduces performance related pay progression based on an annual appraisal
- Removes overlaps between pay grades
- Delivers an even pay range for all pay bands
- Achieves the Government's requirement of a new minimum living wage by 2020.
- Streamlines and renames existing Senior Pay Grades 14A and above
- Provides flexibility in pay through the introduction of job families linked to market pay
- Has defined pay models;
 - a) Career Pay Model
 - b) Job Family Pay Model
 - c) Leadership Pay Model

The outcome of the 2015/2016 pay and reward review resulted in new pay arrangements for non-school's based Surrey Pay staff effective from 1 July 2016 and an interim pay arrangement for 2016/2017 for the following groups;

- schools based Surrey Pay support staff, effective from 1 April 2016; and
- tutors within Surrey Arts and Community Learning and Skills, effective from 1 September 2016.

In addition, a number of 'other' locally agreed pay arrangements continued.

This policy statement will set out the pay arrangements for schools and non-school's based Surrey Pay staff and 'other' pay groups separately.

1 Schools Based Surrey Pay Staff

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.

The pay year for school’s based Surrey Pay staff commences on 1 April each year, see table 1. 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 and will be included as part of the school’s reward strategy review during 2016 to 2017.

With effect from 1 April 2016 a one per cent pay award was applied to school’s Surrey Pay points, with the following exceptions;

- the minimum pay point for grade S9 was lowered to £32,839
- the minimum pay point for grade S10 was increased to £38,313
- There was no increase to the minimum pay point for grades S13 and CEX
- There was no increase to the pay band maxima for grades S9, S10, S13, 14A, 14B, 15B, 16E and CEX.
- The one per cent pay award was applied automatically to all pensionable salaries, except for staff on the maximum pay points of grades S9, S10, S13, 14A, 14B, 15B, 16E and CEX.

With effect from 1 April 2016 all staff with ‘personal headroom’ within grades up to and including CEX received a one per cent personal pay progression increase in their pensionable salaries.

Recognition Awards

There are **no** provisions under standard Surrey Pay schools 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.

2 Non-School's Based staff

Pay Progression Arrangements

For the majority of non-schools based Surrey Pay staff from 1 July 2016 the Council introduced performance related pay progression; market based pay, a grading structure framework based on job families, underpinned by Hay job evaluation with three new pay models to support different skills supply and development.

The pay year for this group will commence from 1 July each year and this new pay arrangement will enable the Council to:

- support career development, map career paths;
- achieve greater flexibility in pay;
- identify groups of employees that can be linked to market pay rates, and
- provide rewards based on personal contribution and behaviours.

With effect from 1 July 2016, Surrey Pay non-schools comprises 12 pay bands that replaced grades S1/2 to S13, together with seven pay bands for senior managers that replaced grades 14A to CEX.

Pay progression has been linked to the Council's performance managing process which assesses 'what' has been achieved and 'how' it was achieved, giving an overall annual rating linked to pay.

The Performance Related Surrey Pay scheme provides the opportunity for an additional non-consolidated lump sum payment on achieving a performance rating of 'Exceptional'.

Job Family Pay Model

The job family pay model comprises 14 pay bands, PS1/2 to PS15, (previously grades S1/2 to 14B/15B). The job family pay band structure comprises 14 'baseline' salary ranges with no defined incremental points and employees are appointed at a spot salary. Any salaries for new starters above the bottom pay point are subject to approval.

Where the job family pay model applies pay progression is accelerated at the lower end of the pay band. This means staff whose pay falls in pay zone one receive a higher value progression increase than those in pay zone two. This reflects the higher potential for increased contribution and skills gain within pay zone one and to enable people to move quickly to higher market rates.

From 1 July 2016, the following percentage changes in pay have been applied to eligible staff in the job family pay model, see table 2.

- pay zone 1 pay progression: 3%;
- pay zone 2 pay progression: 2%;
- non-consolidated payments: 3%;
- market adjustment: 1%; and
- no increase to pay band maxima for S9, S10, S13, 14A, 14B and 15B.

Appointments and promotions that commence between 1 April and 30 June each year will be made on the Surrey Pay rates applicable at that point in time and will fall outside the appraisal year being assessed. Individual salaries will then move in-line with changes to the pay ranges (if any) due on 1 July.

Career Pay Model

The Career Pay Model may be applied to any roles where there is a suitable business case for adopting this Pay Model, this should include evidence of recruitment and retention difficulties as well as stating the necessity to grow talent. This is then approved by elected members. It is expected that the Career Pay Model will be used mostly where there is a need for a professional qualification.

The Career Pay Model shows staff how their pay will increase as they grow their experience and skills. Each grade level will have defined pay points which employees can earn as their skills and experience grow.

From 1 July 2016 the Career Pay Model applies to occupational therapists and social workers in both Adult Social Care and Children's Services and social care practitioners in Adult Social Care. This Career Pay Model consists of four fixed salary points at each grade level.

From 1 July 2016, the following percentage changes in pay applied to eligible staff in the Career Pay Model, see table 3:

- Progression based on defined pay points;
- non-consolidated performance payment: 3%; and
- no increase to pay band maximum for pay band aligned to S10.

Pay for employees appointed after the end of the appraisal year, but before the start of the new pay year (i.e. 1 April – 30 June), who are on track with their probation will have their pay moved in line with the market adjustment applied to their pay point, if any, to ensure that their salary does not fall behind the market rate.

Leadership Pay Model

The leadership pay model applies to managers on grades PS16 and above, (previously grades 15C to CEX). Appointments are made at a spot salary which provides a competitive market salary for the individual role within the appropriate pay band range.

From 1 July 2016 the following percentage changes applied to eligible staff in the leadership pay model:

- market adjustment: 1%;
- non-consolidated performance payment: 3%; and
- no increase to pay band maxima 16G and CEX.

A decision to award a market adjustment to individual base pay is subject to achieving a minimum performance rating of 'Successful'.

3 Other Locally Determined Pay Groups

In addition to the main schools and non-schools Surrey Pay staff groups there are a small number of staff outside the Surrey Pay main pay arrangements and whose annual pay settlement is determined locally, these groups include;

- former Buckinghamshire County Council Trading Standards staff on contribution based pay;
- apprentices and interns;
- Surrey County Council staff on Regional Surrey Pay;
- South East England Council's staff.

Former Buckinghamshire County Council Trading Standards staff on Contribution Based Pay.

The Council is required to review the Contribution Based Pay (CBP) scheme annually and determine what increase, if any, should take effect from 1 July each year. The review consists of two elements:

- i pay range uplift; and
- ii Contribution Based Pay percentage (the additional award for an exceeding or outstanding contribution).

From 1 July 2016 the following pay arrangements applied, see tables 4 and 5;

- for an "exceeding" performance rating the CBP increase was based on 35% of the difference between the top two pay points, and
- for an "outstanding" performance rating the CBP increase was based on 70% of the difference between the top two pay points.

Apprentices and Interns.

The council has a standalone apprenticeship grade that is separate from Surrey Pay main grades. This enables apprenticeship pay grades to be applied across all services including those that have a different pay structure.

From 1 April 2016 pay bands increased by 1%. In addition, the second year apprentice rate increased to £13,515.21 per annum for apprentice's aged 25 years and above, see table 6:

Regional Surrey Pay;

In February 2013 PPDC agreed that a Regional Surrey Pay Band should be established for Surrey County Council staff based in Lewes in East Sussex. The pay arrangements reflect the local wage market and provide for a performance related progression (PRP) arrangement.

From 1 April 2016 the value of the PRP payment was based on the Council's job family pay model of three per cent for the entry pay level (lower pay band) and two per cent for the established pay level (upper pay band) as set out below.

2016-17 Regional Surrey Pay Arrangements

Pay Zone	Appraisal Rating		
	Developing	Successful	Exceptional
Entry	0	3%	3% plus an honorarium
Established	0	2%	2% plus an honorarium

In addition there was no adjustment to the minimum of the pay bands for 2016-17, see table 7.

Full migration to the SCC pay model and new regional pay bands including any changes to terms and conditions of employment will be included as part of the next phase of the Pay and Reward review in 2017.

Tutors Surrey Arts and Tutors Community Learning and Skills

Tutors within Surrey Arts and Community Learning and Skills are paid a spot salary. Rates of pay are reviewed on an annual basis and are effective from September each year.

For September 2016 a one per cent pay award was applied to the annual pay rate, see tables 8 and 9.

South East England Council's

Surrey County Council employ staff on behalf of South East England Councils (SEEC) on Surrey Pay contracts.

From 1 April 2016 a one per cent pay award and one per cent pay progression payment was agreed, subject to available headroom within the grade, see table 8. This is an interim arrangement pending the outcome of the next phase of the pay and reward review in 2017.

Political Assistants

SCC employs political assistants on Surrey Pay contracts to support political groups. These assistants work directly for the political groups rather than as mainstream officers within the officer structure of the Council. These are unique posts and have a set maximum salary determined by The Local Government (Assistants for Political Groups) (Remuneration) (England) Order 2006. The maximum salary applicable from 1 April 2016 has not changed since 2006 and is £34,986.

4 Orbis Pay Strategy

On the 24 February 2015 and 10 March 2015, the Cabinets of Surrey County Council (SCC) and East Sussex County Council (ESCC) agreed to the creation of a new business services partnership arrangement effective from 15 April 2015 (known as Orbis). The agreed governance structure was for a joint committee, it should be noted that the Joint Committee is not a legal entity separate from its constituent authorities. It cannot enter into a contract, own land or employ staff in its own right.

PPDC agreed a pay strategy to be applied for staff working as part of Orbis comprising a 'blended' approach to pay, based on the following three principles:

- i **Identification of 'true partnership' roles** – these are roles that are contractually required to operate in and across both councils. They need to have a physical presence in both headquarter locations in order to create the necessary professional networks and to gain business intelligence and insight.

As Orbis becomes increasingly integrated, it will be necessary for many roles to undertake work for both councils. Unless individual positions require a physical presence in both locations, however, they will not be deemed as meeting the criteria for being a 'true partnership' role.

- ii **Identification of salary** – once identified as a 'true partnership' role the time spent at each council will be determined although the presumption is for a 50/50 split as to do otherwise will move the role away from being a 'true partnership' one.

To preserve the integrity of the two separate pay and grading structures, the salary package is created as 50% of the respective SCC grade plus 50% of the respective ESCC grade. So that partnership roles have just one employer, a secondment arrangement is then applied to the position. For example, an ESCC employee seconded to SCC for half their time on the appropriate SCC grade/salary, with ESCC remaining as the substantive employer.

There will be no salary detriment for an SCC employee where undertaking a 'true partnership' role. Likewise, in support of the Council's recruitment and retention strategies, the principle of no detriment applies where an individual is applying for or being considered for a post on a promotion basis.

- iii **Identification of market position** – once the blended salary has been determined, consideration can then be given to the market position and, where appropriate, subject to the necessary approvals, a market supplement can be paid. Both councils have in place policies and procedures for the paying of market supplements.

[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 receive equal pay for work of equal value.

i **Grading Structure**

The allocation of Surrey Pay grades to jobs is determined by (HAY) job evaluation or in accordance with a job family underpinned by (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.

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.

ii **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 PPDC, in the case of chief officers, or by the Head of HR & Organisational Development under delegated powers.

[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 as well as 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.

This Pay Policy Statement will be updated annually.

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.

Table 1: Schools – Surrey Pay Bands 2016/2017

Surrey pay grade	Minimum pay point	Maximum pay point
S1/2	15,189	15,856
S3	15,308	17,316
S4	16,571	19,386
S5	18,410	21,474
S6	20,628	23,669
S7	23,573	27,814
S8	27,066	32,175
S9	32,839	38,312
S10	38,313	42,992
S11	42,928	48,091
S12	47,746	55,851
S13	55,485	66,644
14A	62,208	77,297
14B	77,147	90,469
15B	77,147	90,469
15C	88,871	105,310
15D	102,738	121,784
16E	117,901	141,151
16F	128,995	153,765
16G	151,183	180,650
CEX	209,984	232,683
	Key:	Frozen maximum

Pay Bands non-school's based Surrey Pay staff

Table 2: Job Family Surrey Pay Bands – 1 July 2016

Job Family Pay Bands - 1 July 2016					
Job Family	Pay Model	Grade Name	Minimum Pay Point	Pay Break Point	Maximum Pay Point
			Pay Zone 1	Pay Zone 2	
(1) Business Functions (2) Public Engagement (3) Regulation & Technical (4) Operational Services (5) Personal Care & Support	Job Family Pay Model	PS1/2	£15,487	£15,850	£16,092
		PS3	£16,093	£16,999	£17,602
		PS4	£17,632	£18,684	£19,386
		PS5	£19,387	£20,639	£21,474
		PS6	£21,475	£23,407	£24,696
		PS7	£24,697	£27,033	£28,590
		PS8	£28,591	£31,139	£32,838
		PS9	£32,839	£36,123	£38,312
		PS10	£38,313	£41,120	£42,992
		PS11	£42,993	£46,234	£48,395
		PS12	£48,396	£52,745	£55,644
		PS13	£55,485	£62,180	£66,644
		Leadership Job family	Leadership Pay Model	PS14	£63,439
PS15	£77,298			£85,201	£90,469
PS16	£90,470			Not Applicable	£112,161
PS17	£112,162				£134,594
PS18	£134,595				£161,514
PS19	£161,515	£178,861			
CEX	£209,984	£232,683			

Table 3: Career Surrey Pay Bands – 1 July 2016

i) Social Workers & Occupational Therapists in Adult Social Care and Children’s Services

Career Pay Bands* - 1 July 2016				
Job Family	Pay Model	Grade Name	Pay Point	Salary
Social Wellbeing	Career Pay Model	PS8SC		£30,714
		PS9SC	Point 1	£32,839
			Point 2	£33,839
			Point 3	£35,339

		Point 4	£38,312
	PS10SC	Point 1	£39,270
		Point 2	£40,270
		Point 3	£41,770
		Point 4	£43,150
	PS11SC	Point 1	£44,229
		Point 2	£45,729
		Point 3	£47,229
		Point 4	£48,395
	PS12SC	Point 1	£49,605
		Point 2	£51,605
		Point 3	£53,605
		Point 4	£55,644

Table 4: Former Bucks Trading Standards Pay Grades 1 July 2016

Grade	Entry Point	Competent Point	Advanced Point
R1A CBP	£ 13,207	£ 13,934	£ 14,660
R1B CBP	£ 16,276	£ 17,171	£ 18,066
R2 CBP	£ 19,053	£ 20,102	£ 21,149
R3 CBP	£ 20,957	£ 22,110	£ 23,262
R4 CBP	£ 22,853	£ 24,110	£ 25,367
R5 CBP	£ 25,275	£ 26,665	£ 28,055
R6 CBP	£ 28,468	£ 30,034	£ 31,599
R7 CBP	£ 32,501	£ 34,289	£ 36,076
R8 CBP	£ 37,151	£ 39,194	£ 41,237
R9 CBP	£ 42,552	£ 44,892	£ 47,232
R10 CBP	£ 48,977	£ 51,671	£ 54,364
R11 CBP	£ 55,414	£ 58,462	£ 61,509
R12 CBP	£ 61,391	£ 64,767	£ 68,143

Table 5: Former Bucks Former Trading Standards Staff CBP Award 1 July 2016

Pay Band Points		Difference	Award for Exceeding	Award for Outstanding
Competent	Advanced			
£ 6,665	£ 28,055	£ ,390	£ 486	£ 972
£ 30,034	£ 31,599	£ 1,565	£ 548	£ 1,096
£ 58,462	£ 61,509	£ 3,047	£ 1,066	£ 2,132

Table 6: Apprenticeship and Internship Pay Bands – April 2016

Apprenticeship	Level	Annual Salary
Intermediate and Advanced	Level 2 and Level 3 (Year 1)	£11,117.60
	Level 2 and Level 3 (Year 2)	£12,670.65
Higher	Level 4	£14,443.00
	Level 5	£15,522.69
	Level 6	£16,311.50
Internship		£16,311.50

Note: There is a new second year rate linked to the National Living Wage of £13,515.21 per annum for apprentices aged 25 years and above with effect from 1 April 2016, payable from the date of their 25th Birthday.

Table 7: Uckfield (Regional) Pay Bands – April 2016

Last updated: November 2016

Grade	Title	Minimum	Midpoint	Maximum
5/6	Administrator	£15,250	£18,250	£21,250
7	Senior Administrator	£19,250	£22,250	£25,250
8	Hub Leader	£23,250	£26,250	£29,250
9/10	Team Leader or Manager	£27,250	£30,250	£33,250
11	Manager	£31,250	£34,250	£37,250
12/13	Senior Manager	£36,250	£39,250	£42,250

Table 8: Surrey Arts Music Tutors Pay Rates – 1 September 2016

Annualised Hours Contracts Salary (Sep 16 - Aug 17) including 1% cost of living increase	Annual Salary	Hourly Pay Rates (for ad hoc claims)
Trainee	£17,804.28	£18.26
Pt. 1	£22,875.49	£23.46
Pt. 2	£24,069.31	£24.69
Pt. 3	£25,164.15	£25.81
Pt. 4	£26,654.91	£27.34
Pt. 5	£28,445.64	£29.18
Pt. 6	£31,429.18	£32.24

Table 9: Surrey Adult Learning Tutors - Pay Rates 1 September 2016

Role and Period of Service	Annual Rate	Hourly Rate
Tutors Non-accredited programme Under 5 years' Service	£22,493	£23.07
Tutors Non-accredited programme Over 5 years' Service	£22,893	£23.48
Tutor Observers / Accredited Tutors Under 5 years' Service	£26,988	£27.68
Tutor Observers / Accredited Tutors Over 5 years' Service	£27,465	£28.17