



People, Performance and Development Committee  
17 February 2017

## **Pay Exceptions Analysis 2016/17 Quarters 1 and 2**

### **Purpose of the report:**

The People, Performance and Development Committee (PPDC) acts as the Council's Remuneration Committee under delegated powers, in accordance with the Constitution of the County Council. This report provides the bi-annual pay exceptions analysis for consideration by the Committee.

### **Recommendations:**

It is recommended that Members of the People, Performance Development Committee review and comment on the analysis of pay exceptions for the period April 2016 to September 2016.

### **Introduction:**

Member agreed that the People, Performance and Development Committee would receive a report providing analysis of exceptions to Surrey County Council's Pay Policy.

This report covers the following areas:

- all pay exceptions for staff on grades above and below PS13 for each directorate;
- for 2016/17 data only for Quarter 1 and Quarter 2;
- starting salary where an employee commences employment above the minimum of the pay band;
- permanent pay progression where an employee receives a permanent increase in pay within the pay band or to another pay band through a promotion;
- temporary pay progression including honoraria payments, extensions to honoraria payments and recognition awards above the amounts stated in the Reward Policy.

### **Pay Exceptions Analysis for Starting Salary**

1. This section includes details of pay exceptions above the pay band minimum.

**Table 1 – Summary trend Starting Salary by Directorate – PS12 and below**

Directorate	PS12 and below							
	2013/14		2014/15		2015/16		2016/17 (Q1 & Q2)	
	No. Starting Salary Pay Exceptions	Average Pay Exception	No. Starting Salary Pay Exceptions	Average Pay Exception	No. Starting Salary Pay Exceptions	Average Pay Exception	No. Starting Salary Pay Exceptions	Average Pay Exception
ASC	23	£2,302.84	22	£2,899.37	6	£3,856.33	3	£2,011.67
BUS	2	£2,264.00	26	£2,598.88	39	£2,940.95	3	£1,954.33
C&C	0	£0.00	4	£2,637.75	1	£1,185.00	1	£2,687.00
CEO	0	£0.00	14	£1,521.07	18	£3,109.00	0	£0.00
CSF	24	£3,063.75	21	£2,378.45	75	£3,636.17	50	£3,207.02
E&I	1	£1,210.00	7	£1,172.93	23	£1,886.98	0	£0.00
LDC	0	£0.00	0	£0.00	0	£0.00	5	£3,679.40
<b>Total</b>	<b>50</b>	<b>£2,210.15</b>	<b>94</b>	<b>£3,302.11</b>	<b>162</b>	<b>£4,153.61</b>	<b>62</b>	<b>£3,384.86</b>

2. Table 1 shows the number of pay exceptions that are being paid above the pay band minimum for PS12 and below, along with the average pay increase for each financial year beginning from 2013/14. The data shows an overall increase per financial year for starting salary pay exceptions. It is to be noted that the number of starting salary pay exceptions in the Children Schools and Families Directorate (CSF) is quite high and this is because they are mostly social workers.

**Table 2 – Summary trend Starting Salary by Directorate – PS13 and above**

Directorate	PS13 and above							
	2013/14		2014/15		2015/16		2016/17 (Q1 & Q2)	
	No. Starting Salary Pay Exceptions	Average Pay Exception	No. Starting Salary Pay Exceptions	Average Pay Exception	No. Starting Salary Pay Exceptions	Average Pay Exception	No. Starting Salary Pay Exceptions	Average Pay Exception
ASC	3	£663.67	1	£1,405.00	1	£3,082.00	1	£500.00
BUS	4	£10,043.75	3	£4,569.67	0	£0.00	2	£8,634.50
C&C	0	£0.00	0	£0.00	1	£3,002.00	1	£4,515.00
CEO	4	£6,704.75	0	£0.00	2	£7,578.50	0	£0.00
CSF	0	£0.00	0	£0.00	2	£4,611.50	1	£2,479.00
E&I	0	£0.00	0	£0.00	1	£8,107.00	0	£0.00
LDC	0	£0.00	0	£0.00	0	£0.00	0	£0.00
<b>Total</b>	<b>11</b>	<b>£4,353.04</b>	<b>4</b>	<b>£1,493.67</b>	<b>7</b>	<b>£6,595.25</b>	<b>5</b>	<b>£4,032.13</b>

3. Table 2 shows the number of pay exceptions that are being paid above the pay band minimum for PS13 and above along with the average pay increase for each financial year beginning 2013/14. The data shows that in 2013/14, 11 starting salary pay exceptions were approved and in 2015/16, seven starting salary pay exceptions were improved. In Quarter 1 and Quarter 2 of the current financial year five have been approved so far.

#### **Pay Exceptions Analysis for Permanent Pay Progression**

4. This section includes details of pay exceptions for permanent movement within pay band or into another pay band.

**Table 3 – Summary trend Permanent Pay Progression by Directorate – PS12 and below**

Directorate	PS12 and below							
	2013/14		2014/15		2015/16		2016/17 (Q1 & Q2)	
	No. Perm Pay Progression Pay Exceptions	Average Pay Exception	No. Perm Pay Progression Pay Exceptions	Average Pay Exception	No. Perm Pay Progression Pay Exceptions	Average Pay Exception	No. Perm Pay Progression Pay Exceptions	Average Pay Exception
ASC	2	£604.00	2	£972.00	0	£0.00	0	£0.00
BUS	4	£866.00	6	£3,858.12	9	£1,505.54	0	£0.00
C&C	3	£2,554.00	1	£800.00	2	£643.00	0	£0.00
CEO	1	£2,599.00	4	£975.00	0	£0.00	1	£9,204.00
CSF	10	£1,617.70	7	£1,610.86	5	£1,646.81	3	£1,812.67
E&I	1	£1,325.00	0	£0.00	4	£2,547.70	0	£0.00
LDC	0	£0.00	0	£0.00	0	£0.00	1	£1,555.00
<b>Total</b>	<b>21</b>	<b>£2,391.43</b>	<b>20</b>	<b>£2,053.99</b>	<b>20</b>	<b>£1,585.76</b>	<b>5</b>	<b>£3,142.92</b>

5. Table 3 shows the number of pay exceptions that are being moved within the pay band or to another pay band for PS12 and below along with the average pay increase for each financial year beginning from 2013/14. The data shows that the total number of permanent pay progressions has been 21 in 2013/14 and then 20 in 2014/15 and 2015/16. It shows that currently in 2016/17(Q1&Q2), there has only been five permanent pay progressions.

**Table 4 – Summary trend Permanent Pay Progression by Directorate – PS13 and above**

Directorate	PS13 and above							
	2013/14		2014/15		2015/16		2016/17 (Q1 & Q2)	
	No. Perm Pay Progression Pay Exceptions	Average Pay Exception	No. Perm Pay Progression Pay Exceptions	Average Pay Exception	No. Perm Pay Progression Pay Exceptions	Average Pay Exception	No. Perm Pay Progression Pay Exceptions	Average Pay Exception
ASC	3	£9,030.35	1	£10,250.00	1	£22,423.00	0	£0.00
BUS	4	£3,213.00	9	£5,315.10	1	£9,065.00	1	£6,597.00
C&C	3	£7,230.00	1	£7,067.00	0	£0.00	0	£0.00
CEO	2	£6,861.50	2	£7,708.00	4	£7,594.00	0	£0.00
CSF	5	£3,303.60	1	£3,401.00	0	£0.00	3	£3,620.00
E&I	1	£4,390.00	4	£6,240.75	1	£5,000.00	0	£0.00
LDC	0	£0.00	0	£0.00	0	£0.00	0	£0.00
<b>Total</b>	<b>18</b>	<b>£8,507.11</b>	<b>18</b>	<b>£9,995.46</b>	<b>7</b>	<b>£11,020.50</b>	<b>4</b>	<b>£2,554.25</b>

6. Table 4 shows the number of pay exceptions that are being moved within the pay band or to another pay band for PS13 and above, along with the average pay increase for each financial year beginning from 2013/14. The data shows that the total number of permanent pay progressions has stayed steady at 18 and decreased in 2015/16 to seven. This financial year currently has four permanent pay progressions and the average pay exception is at its lowest.

#### Pay Exceptions Analysis for Temporary Pay Progression

7. This section includes details of pay exceptions for temporary pay progressions like honoraria, extensions to honoraria and recognition awards.

**Table 5 – Summary trend Temporary Pay Progression by Directorate – PS12 and below**

Directorate	PS12 and below							
	2013/14		2014/15		2015/16		2016/17 (Q1 & Q2)	
	No. Temp Pay Progression Pay Exceptions	Average Pay Exception	No. Temp Pay Progression Pay Exceptions	Average Pay Exception	No. Temp Pay Progression Pay Exceptions	Average Pay Exception	No. Temp Pay Progression Pay Exceptions	Average Pay Exception
ASC	1	£550.00	4	£836.05	0	£0.00	1	£4,200.00
BUS	0	£0.00	5	£1,762.07	4	£1,635.50	1	£2,458.00
C&C	1	£2,600.00	0	£0.00	0	£0.00	0	£0.00
CEO	2	£2,400.00	5	£2,318.20	1	£1,495.50	0	£0.00
CSF	3	£1,666.67	3	£472.44	9	£1,560.11	1	£2,688.00
E&I	0	£0.00	0	£0.00	0	£0.00	4	£3,160.75
LDC	0	£0.00	0	£0.00	0	£0.00	0	£0.00
<b>Total</b>	<b>7</b>	<b>£1,804.17</b>	<b>17</b>	<b>£1,347.19</b>	<b>14</b>	<b>£1,172.78</b>	<b>7</b>	<b>£3,126.69</b>

8. Table 5 shows the number of pay exceptions that are receiving a temporary pay progressions, along with the average pay increase for each financial year beginning from 2013/14. The data shows that the total number of temporary pay progressions has been 7 in 2013/14 and then 17 in 2014/15 and 14 in 2015/16. It shows that currently in 2016/17(Q1&Q2), there has only been 7 temporary pay progressions. The average pay exception has been highest this year with £3,126 compared to other financial years.

**Table 6 – Summary trend Temporary Pay Progression by Directorate – PS13 and above**

Directorate	PS13 and above							
	2013/14		2014/15		2015/16		2016/17 (Q1 & Q2)	
	No. Temp Pay Progression Pay Exceptions	Average Pay Exception	No. Temp Pay Progression Pay Exceptions	Average Pay Exception	No. Temp Pay Progression Pay Exceptions	Average Pay Exception	No. Temp Pay Progression Pay Exceptions	Average Pay Exception
ASC	2	£5,000.00	2	£9,343.75	1	£9,750.00	2	£2,700.00
BUS	0	£0.00	1	£12,000.00	1	£1,398.00	0	£0.00
C&C	0	£0.00	0	£0.00	0	£0.00	0	£0.00
CEO	5	£1,596.24	2	£1,020.10	0	£0.00	0	£0.00
CSF	0	£0.00	0	£0.00	0	£0.00	0	£0.00
E&I	0	£0.00	0	£0.00	3	£3,591.67	0	£0.00
LDC	0	£0.00	0	£0.00	0	£0.00	0	£0.00
<b>Total</b>	<b>7</b>	<b>£1,649.06</b>	<b>5</b>	<b>£5,590.96</b>	<b>5</b>	<b>£3,684.92</b>	<b>2</b>	<b>£675.00</b>

9. Table 6 shows the number of temporary pay progressions for PS13 and above, along with the average pay increase for each financial year beginning from 2013/14. The data shows that the total number of temporary pay progressions in 2013/14 is 7 and in 2014/15 and 2015/16 have had 5 temporary pay progressions. This financial year currently has two temporary pay progressions and the average pay exception is at its lowest. The average increase this financial year is £675 compared to 2016/17 which was £3,684.

<b>Percentage of Pay Exceptions by Directorate</b>
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10. This section is the percentage of expenditure on pay exceptions according to the directorates in each financial year.

**Table 7 – Percentage Pay Exceptions by Directorate**

Directorate	2013/14	2014/15	2015/16	2016/17 - Q1 & Q2	Total Percentage
ASC	30%	20%	4%	8%	14%
BUS	12%	32%	25%	8%	22%
C&C	6%	4%	2%	2%	3%
CEO	12%	17%	12%	1%	12%
CSF	37%	20%	42%	68%	39%
E&I	3%	7%	15%	5%	9%
LDC	0%	0%	0%	7%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

11. Table 7 indicates that the CSF and Adult Social Care (ASC) directorates had the most pay exceptions in 2013/14 whilst Environment & Infrastructure (E&I) had 3%. In 2014/15, Business Services (BUS) had the most pay exceptions with 32%. 2015/16 had CSF with 42% and BUS with 25%. Customers & Communities (C&C) had the least that year with only 2% of pay exceptions. In the current year, CSF have had 68% of pay exceptions and Chief Executive's Office has the least with 1% so far. It is to be noted that the Legal Democratic and Cultural Services Directorate had its first pay exceptions in 2016/17. Overall, since the beginning of the financial year of 2013/14 to currently, it can be noted that CSF have had 39% and BUS have had 22%, ASC have had 14%, E&I with 9% and C&C with 3% along with LDC with 1%.

<b>Total Additional Pay Awarded – 2016/17 Q1 and Q2</b>
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12. This section is the total cost of the additional pay awarded in Quarter 1 and Quarter 2 of 2016/17, according to Directorate and pay exception type.

**Table 8 – Total additional pay awarded by Quarter and Directorate for 2016/17**

Directorate	Total Additional Pay Awarded							
	Starting Salary		Permanent Pay Progression		Temporary Pay Progression		Total per Directorate	
	2016/17 Q1	2016/17 Q2	2016/17 Q1	2016/17 Q2	2016/17 Q1	2016/17 Q2	2016/17 Q1	2016/17 Q2
ASC	£500.00	£6,035.00	£0.00	£0.00	£5,400.00	£4,200.00	£5,900.00	£10,235.00
BUS	£23,132.00	£0.00	£0.00	£6,597.00	£2,458.00	£0.00	£25,590.00	£6,597.00
C&C	£4,515.00	£2,687.00	£0.00	£0.00	£0.00	£0.00	£4,515.00	£2,687.00
CEO	£0.00	£0.00	£0.00	£9,204.00	£0.00	£0.00	£0.00	£9,204.00
CSF	£98,028.00	£64,802.00	£14,165.00	£2,133.00	£0.00	£2,688.00	£112,193.00	£69,623.00
E&I	£0.00	£0.00	£0.00	£0.00	£12,143.00	£500.00	£12,143.00	£500.00
LDC	£4,031.00	£14,366.00	£0.00	£1,555.00	£0.00	£0.00	£4,031.00	£15,921.00
<b>Total</b>	<b>£130,206.00</b>	<b>£87,890.00</b>	<b>£14,165.00</b>	<b>£19,489.00</b>	<b>£20,001.00</b>	<b>£7,388.00</b>	<b>£164,372.00</b>	<b>£114,767.00</b>

13. Table 8 shows that CSF has the highest total additional pay awarded and this is because of the recruitment of social workers as the demand to recruit these positions are high. The total for 2016/17 Q1 is £164K and in 2016/17 Q2 is £115K which represents a 30 percent decrease.

<b>Conclusion</b>
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14. The following conclusions have been made:
- CSF have the highest amount of pay exceptions, this is due to social workers being hard to recruit.

- b. Temporary pay progressions seem to be decreasing in number.
- c. Currently 2016/17 (Q1&Q2) has shown that pay exceptions could be decreasing and the next report will show whether a decline has occurred.

<b>Financial and value for money implications</b>
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- 15. Awaiting Section 151 Officer commentary.

<b>Equalities and Diversity Implications</b>
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- 16. There are no equality and diversity implications.

<b>Risk Management Implications</b>
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- 17. None

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**Annexes:** None

**Background Papers:** None