



**OFFICER REPORT TO COUNCIL**  
19 March 2019

**SURREY PAY POLICY STATEMENT 2019/2020**

**KEY ISSUE / DECISION:**

The approval of the Pay Policy Statement for the period 2019/2020.

**BACKGROUND:**

1. To comply with Section 38(1) of the Localism Act 2011 and related guidance under Section 40 provided by the Secretary of State, all local authorities are required to publish a Pay Policy Statement, approved through decision by County Council with effect from 1 April each year.
2. The Statement has been produced to reflect the requirements of the Local Government Transparency Code 2014 as well as guidance published by the Department for Communities and Local Government on Openness and Accountability in Local Pay 2012. Account has also been taken of the final report and the recommendations made in the Hutton Review of Fair Pay in the Public Sector 2011.
3. The main points that must be covered in the Statement include:
  - the remuneration of Chief Officers;
  - the responsibilities of Surrey County Council's (SCC) remuneration committee (the People, Performance and Development Committee) for determining the terms on which Chief Officers are employed; and
  - the Council's current policies on equal pay, redundancy and severance.
4. A copy of the Pay Policy Statement which reflects the 2019/2020 Surrey Pay settlement effective from 1 April 2019 is attached as Annex 1.

5. Please note that this has been written as though it has already been agreed by County Council.

### **Governance**

6. 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 terms and conditions are determined by the PPDC, including the remuneration of Chief Officers.

<b>Surrey Pay Review 2019/20</b>
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7. This Pay Policy Statement reflects the outcome of collective bargaining with the Council's recognised Trade Unions for bargaining purposes (UNISON and GMB) following a review of Surrey Pay terms and conditions. This incorporated a fundamental review of Surrey Pay following introduction of the current pay model in 2016 as well as a number of changes to the overall reward package.
8. Following formal consultation, agreement was reached with the Trade Unions on a new pay model, with both UNISON and GMB members voting in favour of the pay settlement; (94% and 73% respectively).
9. The Council's PPDC subsequently approved a new Surrey Pay Collective Agreement to be implemented with effect from 1 April 2019.
10. The new pay model applies to to all staff on Surrey Pay terms and conditions, both in schools and non-schools.

### **Pay Multiple**

11. The Hutton Review of Fair Pay in the Public Sector 2011 recommended that all organisations delivering public services should be required to 'track, publish and explain their pay multiples over time'. This approach aims to hold public sector organisations to account for their remuneration policy and in particular, how that policy applies to the highest paid employee, and to be able to demonstrate a fair and effective reward strategy.

### **SCC Pay Multiple**

12. As a result of the Hutton review, every public body is required to publish in its Pay Policy Statement (and monitor) the multiple of top to median pay.

13. Table 1 demonstrates SCC's pay multiple over the last few years, with a current ratio of approximately 8.1:1.

**Table 1: SCC Pay Multiple: median to highest salaries**

<b>Year</b>	<b>Median Salary</b>	<b>Highest Salary</b>	<b>Ratio</b>
2019/2020	£27,099	£220,000	8.1:1
2018/2019	£25,821	£220,000	8.5:1
2017/2018	£22,872	£232,683	10:1
2016/2017	£25,328	£232,683	9.19:1

### **Publication of the Pay Policy Statement**

14. Following approval by County Council, the Pay Policy Statement 2019/20 will be published on the Council's website.

15. The published Pay Policy Statement will include hyperlinks to:

- (i) documents already published on the councils website:
  - Councillors and committees (which sets out the role of the PPDC as the Council's remuneration committee);
  - Statement of Accounts.
- (ii) Additional documents on the Council's website including:
  - Equal Pay Statement;
  - Gender Pay Gap report; and
  - Surrey Pay rates.

### **RECOMMENDATION:**

16. That Council agrees the Pay Policy Statement for 2019/2020

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**Sources / Background papers:**

Surrey County Council Pay Policy Statement 2019/2020.

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