

Pay Policy Statement 2019/20

SUMMARY

To recommend the adoption of the Surrey Heath Borough Council's Pay Policy Statement 2019/20.

Portfolio – Leader (Non-Executive Function)

Date Portfolio Holder signed off report: 31 January 2019

Wards Affected - All

RECOMMENDATION

The Executive is advised to RECOMMEND that the Surrey Heath Borough Council Pay Policy Statement 2019/20, as attached at Annex A to this report, be agreed.

1. Resource Implications

1.1 There are no resource issues arising from this report.

2. Key Issues

2.1 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011.

2.2 The Council is required to update this on an annual basis and the requirement is for it to be approved by Full Council.

2.3 The Policy Pay Statement 2019/20 is attached at Annex A.

3. Options

3.1 There are no options for the Executive to consider as the Council is required to publish its Pay Policy Statement as detailed in the Localism Act 2011.

4. Equalities Impact

4.1 An Equalities Impact Assessment has been completed.

Annexes	Annex A – Pay Policy Statement 2019/20
Background Papers	None
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Executive Head	Louise Livingston – Executive Head of Transformation

CONSULTATIONS, IMPLICATIONS AND ISSUES ADDRESSED

	Required	Consulted
Resources		
Revenue	✓	✓
Capital		
Human Resources	✓	✓
Asset Management		
IT		
Other Issues		
Corporate Objectives & Key Priorities	✓	✓
Policy Framework	✓	✓
Legal	✓	✓
Governance	✓	
Sustainability		
Risk Management		
Equalities Impact Assessment	✓	✓
Community Safety		
Human Rights		
Consultation	✓	✓
P R & Marketing		

Surrey Heath Borough Council Pay Policy Statement Financial year 2019-20

1 Purpose

This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and this will be updated annually from April each year.

This pay policy statement sets out Surrey Heath Borough Council's policies relating to the pay of its workforce for the financial year 2019-20.

2 Background

Remuneration at all levels needs to be adequate to secure and retain high-quality employees dedicated to fulfilling the council's business objectives and delivering services to the public. This has to be balanced by ensuring remuneration is not, nor is seen to be, unnecessarily excessive. Each council has responsibility for balancing these factors and each council faces its own unique challenges and opportunities in doing so and retains flexibility to cope with various circumstances that may arise that might necessitate the use of recruitment and retention allowances or other such mechanisms for individual categories of posts where appropriate.

3 Responsibility for decisions on remuneration

Pay for all employees including Chief Officers is agreed by Full Council in consultation with the Joint Staff Consultative Group. The Joint Staff Consultative Group comprises elected Councillors from the main political parties and staff representatives and has responsibility for local terms and conditions of employment for staff within Surrey Heath Borough Council's pay framework.

The Surrey Heath Borough Council's pay framework was implemented in April 1988 and is based on Local Pay Conditions.

All new appointments to the Council's service since April 1988 have been made on the basis of locally devised and negotiated conditions of service, with the facility that all existing members of staff had the opportunity to enter voluntarily into a fresh contract of employment based on these conditions. Contracts of employment are entirely local and do not incorporate the provisions of the National Conditions. The aims of local conditions are:-

- a) To offer a competitive salary and benefits package;
- b) To link progression to personal performance;
- c) To take account of skills shortages by the use of recruitment and retention allowances (if required);

- d) That all salary and conditions of service matters are negotiated internally by the Joint Staff Consultative Group.

4 Salary grades and grading framework

Each post within the establishment has a salary scale determined by job evaluation using the Local Government Management Board Scheme. The starting salary on appointment is subject to negotiation within the evaluated grade and will be dependent upon the appointee's level of experience, attained qualifications and the salary being paid to others undertaking the same work.

As part of this, Surrey Heath Borough Council determined a local pay framework, dividing established posts into 12 grades (SH1 – SH9 and SH20 – SH22), grade SH1 being the lowest and grade SH22 the highest (see Appendix 1). Each employee will be on one of the 12 grades based on the job evaluation of their role. Employees can progress to the salary range maximum of their grade subject to assessment of their performance in the annual performance appraisal process.

Pay awards are considered annually for staff, the year running from 1st April until 31st March. Local pay negotiation is used but consideration is given to the national award in negotiation with the Joint Staff Consultative Group and Trades Unions locally.

The Annual Pay Settlement procedure is to determine the value of the annual pay settlement that will be paid to all staff when determined on/or backdated to 1st April each year. The pay award for all grades is determined in the same way.

An award of 2 % was awarded for 2018/2019 (see Appendix 1). If an award is made for 2019/2020 this document will be updated to reflect this.

5 Chief Officers Remuneration

The Council has a group of nine Chief Officers (including three statutory roles) which currently consists of the following:

Post
Chief Executive (Statutory role)
Executive Head Business
Executive Head Community
Executive Head Corporate
Executive Head Finance (Statutory role)
Executive Head Regulatory
Executive Head Transformation
Head of Legal (Statutory role)
Head of Property and Development

Surrey Heath publishes the salaries of the Chief Executive, Executive Heads and Heads of Service, this means that all our senior salaries (including all those of £50,000 and above) are easily accessible:

<http://www.surreyheath.gov.uk/council/information-governance/publication-scheme/what-we-spend-and-how-we-spend-it>

6 The level and elements of employee remuneration, including performance related pay and bonuses

There is no provision for bonus payments pay for all employees (including Chief Officers) comprises payments by way of salary, pensions and other standard elements of contractual remuneration required in law. Employees have the opportunity to join the private medical scheme after a number of years' service.

All employees (including Chief Officers) are subject to an annual assessment of performance, and where performance meets the appropriate standard, contractual increments will be given, until the maximum of the pay scale is reached.

Any allowance or other payments will only be made to staff in connection with their role or the patterns of hours they work and must be in accordance with the Council's policies which include Recruitment & Retention Allowances, Exceptional Payments Policy and Anti-Social Hours Allowance.

7 Exceptional increases and additions to remuneration for Chief Officers

One or more Chief Officers will be eligible for payments for election duties (e.g. as Returning Officer or Deputy Returning Officer/s). Some of these payments will be made direct by Government or other Authorities e.g. Surrey County Council.

8 The approach to the payment of Chief Officers on their ceasing to hold office under or to be employed by the Authority

Chief Officers who leave the Council's employment, where appropriate, will receive compensation in line with the Council's Employment Stability Policy or through a negotiated settlement.

9 New starters joining the Council

Employees new to the Council will normally be appointed to the first point of the salary range for their grade. Where the candidate's current employment package would make the first point of the salary range unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a higher salary may be considered by the recruiting manager subject to negotiation. This will be within the

salary range for the grade. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary range.

As with the recruitment of employees across the Council, Chief Officers are generally appointed at the minimum point on their pay scale or at a market level of pay negotiated on appointment, account will be taken of other relevant available information, including the salaries of Chief Officers in other similar sized organisations. Decisions to approve these negotiations are made by the Head of Paid Service or in the case of the Head of Paid Service, by the Council.

10 Relationship between remuneration of Chief Officers and all other employees

The difference between the highest paid salary and the average full time equivalent salary of the workforce (as at 30th November 2018):

Salary	Amount per annum	Ratio with highest salary
Highest Basic Salary (Chief Executive)	£120, 687	n/a
Mean (average) Basic Salary	£34, 038.79	3.55:1
Lowest point on standard payscales to which an employee is appointed	£13, 423	8.99:1

Appendix 1

SURREY HEATH BOROUGH COUNCIL**SALARY SCALES****WITH EFFECT FROM 01 APRIL 2018****(increase of 2% from last award)**

SH1		SH2		SH3		SH4	
SCP	£	SCP	£	SCP	£	SCP	£
1.2	12618	2.7	16146	3.11	19991	4.15	23577
1.3	13423	2.8	17087	3.12	20797	4.16	24793
1.4	14226	2.9	18061	3.13	21588	4.17	25995
1.5	15036	2.10	19171	3.14	22378	4.18	27151
1.6	15581	2.11	19716	3.15	22921	4.19	27696

SH5		SH6		SH7		SH8	
SCP	£	SCP	£	SCP	£	SCP	£
5.19	28366	6.23	33171	7.28	38902	8.33	44755
5.20	29570	6.24	34372	7.29	40271	8.34	46339
5.21	30754	6.25	35542	7.30	41636	8.35	47932
5.22	31955	6.26	36760	7.31	42977	8.36	49542
5.23	32498	6.27	37302	7.32	43520	8.37	50089

SH9	
SCP	£
9.37	51289
9.38	52954
9.39	54621
9.40	56285
9.41	56828

SH20 HEAD of SERVICE	
SCP	£
20.101	59311
20.102	61558
20.103	64537
20.104	67520
20.105	70516

SH21 EXECUTIVE HEAD	
SCP	£
21.106	73517
21.107	76517
21.108	79519
21.109	82733
21.110	85949

SH22 CHIEF EXECUTIVE	
SCP	£
22.201	108963
22.202	112870
22.203	116780
22.204	120687

