

## **Surrey Heath Borough Council Pay Policy Statement Financial year 2021/22**

### **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 2021/22.

### **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 Corporate Management Team (CMT) Officers is agreed by Full Council in consultation with the Joint Staff Consultative Group on the recommendation of the Employment Committee<sup>1</sup>. 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 and agreed by the Employment Committee as set out in Part 3 of the Constitution.

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<sup>1</sup> The Employment Committee comprises of 9 members based on political proportionality.

#### **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. It is only Apprentices in their first year who will be appointed to grade SH1 and will be reviewed in year 2 in line with Government Apprenticeship guide on pay and conditions (<https://www.gov.uk/apprenticeships-guide/pay-and-conditions>)

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 and recommended to the Council by the Employment Committee.

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 £250 per annum (consolidated) for grades 1 – 3 only was awarded for 2021/2022 (see Appendix 1).

#### **5 CMT Officers Remuneration**

The Council has a group of 9 CMT Officers (including three statutory roles) which currently consists of the following:

<b>Statutory responsibilities</b>	<b>SHBC posts</b>
Head of Paid Service	Chief Executive
Section 151	Executive Head of Finance
Monitoring Officer	Head of Legal
N/A	Executive Head Business
N/A	Executive Head Community
N/A	Executive Head Corporate
N/A	Executive Head Regulatory
N/A	Executive Head Transformation
N/A	Head of Investment 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 CMT 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 three years' service at Surrey Heath Borough Council.

All employees (including CMT 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 and Exceptional Payments Policy.

**7 Exceptional increases and additions to remuneration for CMT Officers**

One or more CMT 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 CMT Officers on their ceasing to hold office under or to be employed by the Authority**

CMT 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. The Employment Committee will make recommendations to Full Council for any mutually agreed departures of Statutory Officers and CMT Officers.

**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, CMT 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 CMT Officers in other similar sized organisations. Decisions to approve these negotiations are made by the Head of Paid Service with the Employment Committee or in the case of the Head of Paid Service, by the Employment Committee who will recommend to Full Council.

**10 Relationship between remuneration of CMT Officers and all other employees**

The difference between the highest paid salary and the average full time equivalent salary of the workforce (as at 1<sup>st</sup> April 2021):

Salary	Amount per annum	Ratio with highest salary
Highest Basic Salary (Chief Executive)	£126,178	n/a
Mean (average) Basic Salary	£39,502	3.19:1
Lowest point on standard pay scales to which an employee is appointed	£14,284	8.83:1