

Surrey Pay

Formal Offer for Pay Award 2023/24



Scope

This offer is made in respect of staff on Surrey Pay Terms and Conditions of Service and who are subject to Surrey Pay rates of pay and any pay awards.

As previously agreed, staff are out of scope for this review where separate pay arrangements are in place. This includes staff who are subject to the following national terms and conditions of service:

- School Teachers Pay & Conditions Document & Conditions of Service for School Teachers in England & Wales (“Burgundy Book”)
- Soulbury Committee Terms & Conditions of Service
- National Joint Council for Local Authority Fire and Rescue Services.
- Joint Negotiating Committee for Youth & Community Workers
- Joint Negotiating Committee for Coroners

Principles of the Offer

- An increase of between 7.8% and 4.5% on all pay grades
- A Surrey minimum wage of £11.05 per hour – 15p per hour higher than the Real Living Wage
- The deletion of the minimum point in grades PS3 – PS14 inclusive.
- An increase in Apprentices pay

Details

1. Pay Increase

A percentage increase to Surrey Pay grades from 7.8% at PS1/2 to 4.5% at PS13 and above as follows:

Grade	Increase
PS1/2	7.8%
PS3	7.5%
PS4	6.5%
PS5	5.5%
PS6	5%
PS7-12inc	4.75%
PS13 and above	4.5%

The lowest hourly rate of pay will be £11.05, higher than both the Real Living Wage and Statutory Living Wage. This represents an increase of £1500 per annum on this grade.

2. Grade Shortening

Introducing a meaningful pay differential between grades by removing the first pay point on all grades.

This means that:

- The majority of grades, (PS4 to PS14) will have 5 pay points from minimum to maximum pay point,
- Surrey Pay grade PS3 will have 2 pay points, and
- Surrey Pay grade PS1/2 will remain as a 'spot' salary.

This has the following benefits:

- Enables staff to reach the top of their grade more quickly
- Increases gaps between grades to improve career progression opportunities
- Gives all jobs a higher starting salary

As a result of the removal of the first pay point, employees appointed on pay point 1 of Surrey Pay grades PS3 to PS14, between 1 October 2022 and 31 March 2023, will have their incremental progression to the next pay point brought forward and implemented alongside the pay award on 1 April 2023.

In addition to the pay award, employees appointed prior to 1 October 2022 on Surrey Pay grades PS3 to PS4 will progress to the next incremental point within their grade until the new grade maximum pay point is reached.

Therefore, the combination of the pay uplift and incremental progression, staff will see an actual increase in pay of between 6.5% and 9.5%.

Table 1 and the diagrams below show these proposed changes in more detail.

3. Apprentices pay

The current arrangements for apprentices are as follows:

	Levels 2-3	Level 4+
Year 1	£16,348 (£8.73 per hour) <i>Originally set as being equivalent to 80% of the PS1/2 starting salary.</i>	£19,313 (£10.32 per hour) Equivalent to the starting salary for PS3
Year 2	£19,233 (£10.27 per hour) Goes up to this in the second year of apprenticeship	No increase in year 2

It is proposed to increase these as follows:

	Levels 2-3	Level 4+
Year 1	£20,733 (£11.05 per hour) Equivalent to starting salary for PS1/2.	£21,285 Equivalent to the starting salary for PS3
Year 2	£21,285 (bottom of PS3) Goes up to this in the second year of apprenticeship	£21,757 Second point of PS3

Background

Cost of Living & Affordability

This year's pay offer is being made in the context of two highly challenging factors; the increases in inflation meaning that staff pay does not go as far as it did in 2021 and the ongoing financial constraints and pressures on Local Government. The Council is overspending this year in part due to the additional cost of the 2022/23 pay award (essentially £3m of £6m outstanding overspend). Budget provision for 2022/23 was 2% and the award cost 3%. The budget provision in the coming year is 5% (up from 2%) on top of funding the additional costs from both the car mileage lump sum and Real Living Wage payment this year. This offer adds 5% to the pay bill.

The offer again prioritises our lowest paid staff (no one left behind). The offer also continues our commitment to continue meeting the Real Living Wage. Furthermore in the light of recent small or nil pay awards for higher graded staff, we have sought to ensure that all staff receive a material pay award of at least 4.5%.

The Council believes that this is a strong offer and has the following benefits:

- The offer is simple and easy to understand and implement
- The offer provides for a greater percentage for lower earners who are inevitably struggling most with the costs of living increases, hence the graduated nature of the pay uplift.
- The offer exceeds both the Statutory and Real Living Wage
- The offer creates headroom between grades to make promotion opportunities more attractive

Other Issues

Over the next 2 years, both parties would work together and undertake meaningful and constructive negotiations on wider pay and reward reform.

These would include consideration of

- Review of grading structures and career progression
- Review of job families to include re-evaluation of benchmark roles and job matching
- Pay allowances including a review of how business mileage is claimed
- Pay inconsistencies.
- Time off including support for people with caring responsibilities

With a view to having a competitive, transparent, and fair pay and reward scheme in place and fully implemented by 1st April 2025.

Implementation

Subject to the outcome of negotiations and consultative ballots with union members, the proposal would go to the Council's People, Performance & Development Committee on 12th April 2023 for final approval. If approved, the award would be paid with May's salary backdated to 1st April 2023.

Table 1: Surrey Pay grades PS1/2 to PS14 w.e.f. 1 April 2023

Grade	Pay Point	2022 salary	Pay Point	2023 salary	2023 Cash Increase	2023 Percentage grade increase	2023 £ gap between grade
PS1/2	1	£ 19,233	1	£ 20,733	£ 1,500	7.80%	
PS03	1	£ 19,313					
	2	£ 19,785	1	£ 21,269	£ 1,484	7.50%	£ 536
	3	£ 20,257	2	£ 21,776	£ 1,519		
PS04	1	£ 20,722					
	2	£ 21,103	1	£ 22,475	£ 1,372	6.50%	£ 698
	3	£ 21,493	2	£ 22,890	£ 1,397		
	4	£ 21,889	3	£ 23,312	£ 1,423		
	5	£ 22,294	4	£ 23,743	£ 1,449		
	6	£ 22,716	5	£ 24,193	£ 1,477		
PS05	1	£ 23,243					
	2	£ 23,675	1	£ 24,977	£ 1,302	5.50%	£ 785
	3	£ 24,115	2	£ 25,441	£ 1,326		
	4	£ 24,564	3	£ 25,915	£ 1,351		
	5	£ 25,023	4	£ 26,399	£ 1,376		
	6	£ 25,484	5	£ 26,886	£ 1,402		
PS06	1	£ 26,080					
	2	£ 26,569	1	£ 27,897	£ 1,328	5.00%	£ 1,012
	3	£ 27,067	2	£ 28,420	£ 1,353		
	4	£ 27,576	3	£ 28,955	£ 1,379		
	5	£ 28,094	4	£ 29,499	£ 1,405		
	6	£ 28,617	5	£ 30,048	£ 1,431		
PS07	1	£ 29,291					
	2	£ 29,844	1	£ 31,262	£ 1,418	4.75%	£ 1,214
	3	£ 30,408	2	£ 31,852	£ 1,444		
	4	£ 30,983	3	£ 32,455	£ 1,472		
	5	£ 31,219	4	£ 32,702	£ 1,483		
	6	£ 31,810	5	£ 33,321	£ 1,511		
PS08	1	£ 32,173					
	2	£ 32,798	1	£ 34,356	£ 1,558	4.75%	£ 1,035
	3	£ 33,436	2	£ 35,024	£ 1,588		
	4	£ 34,087	3	£ 35,706	£ 1,619		
	5	£ 34,751	4	£ 36,402	£ 1,651		
	6	£ 35,419	5	£ 37,101	£ 1,682		
PS09	1	£ 36,282					
	2	£ 36,989	1	£ 38,746	£ 1,757	4.75%	£ 1,645
	3	£ 37,711	2	£ 39,502	£ 1,791		
	4	£ 38,447	3	£ 40,273	£ 1,826		
	5	£ 39,198	4	£ 41,060	£ 1,862		
	6	£ 40,146	5	£ 42,053	£ 1,907		

Grade	Pay Point	2022 salary	Pay Point	2023 salary	2023 Cash Increase	2023 Percentage grade increase	2023 £ gap between grade
PS10	1	£ 41,127					
	2	£ 41,931	1	£ 43,923	£ 1,992	4.75%	£ 1,870
	3	£ 42,752	2	£ 44,783	£ 2,031		
	4	£ 43,589	3	£ 45,659	£ 2,070		
	5	£ 44,443	4	£ 46,554	£ 2,111		
	6	£ 45,519	5	£ 47,681	£ 2,162		
PS11	1	£ 46,634					
	2	£ 47,778	1	£ 50,047	£ 2,269	4.75%	£ 2,366
	3	£ 48,950	2	£ 51,275	£ 2,325		
	4	£ 50,151	3	£ 52,533	£ 2,382		
	5	£ 51,382	4	£ 53,823	£ 2,441		
	6	£ 52,625	5	£ 55,125	£ 2,500		
PS12	1	£ 53,918					
	2	£ 55,244	1	£ 57,868	£ 2,624	4.75%	£ 2,743
	3	£ 56,602	2	£ 59,291	£ 2,689		
	4	£ 57,995	3	£ 60,750	£ 2,755		
	5	£ 59,422	4	£ 62,245	£ 2,823		
	6	£ 60,864	5	£ 63,755	£ 2,891		
PS13	1	£ 62,363					
	2	£ 63,899	1	£ 66,774	£ 2,875	4.50%	£ 3,019
	3	£ 65,474	2	£ 68,420	£ 2,946		
	4	£ 67,089	3	£ 70,108	£ 3,019		
	5	£ 68,743	4	£ 71,836	£ 3,093		
	6	£ 70,414	5	£ 73,583	£ 3,169		
PS14	1	£ 72,152					
	2	£ 73,933	1	£ 77,260	£ 3,327	4.50%	£ 3,677
	3	£ 75,759	2	£ 79,168	£ 3,409		
	4	£ 77,630	3	£ 81,123	£ 3,493		
	5	£ 79,549	4	£ 83,129	£ 3,580		
	6	£ 81,486	5	£ 85,153	£ 3,667		

Table 2: Leadership grades PS15 to CEX w.e.f. 1 April 2023

Grade	Pay Point	2022 salary	2023 salary	2023 Cash Increase	2023 percentage increase
PS15	Min	£ 81,877	£ 85,561	£ 3,684	4.50%
	Max	£ 92,278	£ 96,431	£ 4,153	
PS16	Min	£ 92,279	£ 96,432	£ 4,153	4.50%
	Max	£ 114,404	£ 119,552	£ 5,148	
PS17	Min	£ 114,405	£ 119,553	£ 5,148	4.50%
	Max	£ 137,286	£ 143,464	£ 6,178	
PS18	Min	£ 137,287	£ 143,465	£ 6,178	4.50%
	Max	£ 164,744	£ 172,157	£ 7,413	
CEX	Min	£ 214,184	£ 223,822	£ 9,638	4.50%
	Max	£ 237,337	£ 248,017	£ 10,680	

Moving onto the proposed Surrey Pay grade structure from 1 April 2023

Diagram 1

31.3.23		1.4.23	
PS4		Pay award 6.5%	
1 £	20,722	→	1 £ 22,475
2 £	21,103	→	2 £ 22,890
3 £	21,493	→	3 £ 23,312
4 £	21,889	→	4 £ 23,743
5 £	22,294	→	5 £ 24,193
6 £	22,716	→	Max

Using Surrey Pay grade PS4 as an example, diagram 1 shows the impact of removing the first pay point.

Employees appointed on pay point 1, (between 1 October 2022 and 31 March 2023) will move to the new PS4 grade, pay point 1 on 1 April 2023.

As well as benefitting from the pay award, this also has the effect of bringing forward their incremental progression.

This approach will apply across all grades PS3 to PS14.

Diagram 2

1.4.23		1.4.23	
Pay award 6.5%		Increment	
1 £	22,475	→	1 £ 22,475
2 £	22,890	→	2 £ 22,890
3 £	23,312	→	3 £ 23,312
4 £	23,743	→	4 £ 23,743
5 £	24,193	→	5 £ 24,193
			Max

Diagram 2 shows incremental progression once the pay award has been applied on 1 April 2023.

Staff appointed on Surrey Pay grades PS3 to PS14 prior to 1 October 2022 will be eligible for pay progression to the next incremental pay point within their grade until the maximum pay point is reached.

This approach will apply across all grades PS3 to PS14.