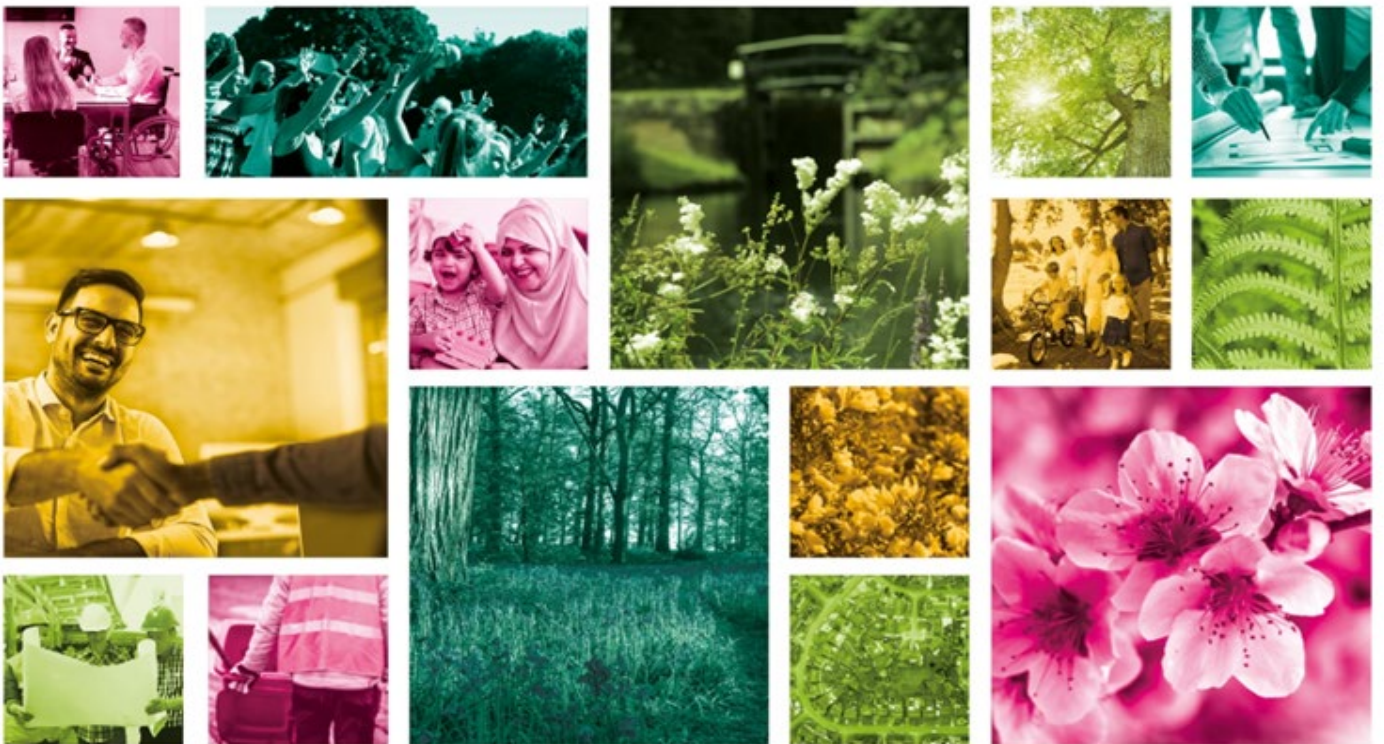




DRAFT PAY POLICY STATEMENT

HUMAN RESOURCES



Financial Year 2026-2027



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 2026-27.

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 which 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 when it sets the budget, but this is completed by way of consultation with the Joint Staff Consultative Group and on the recommendation of the Employment Committee¹.

The Joint Staff Consultative Group comprises elected Members 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.

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 13 grades (SH1 – SH10 and SH31 – SH33), grade SH1 being the lowest and grade SH33 the highest (see Appendix 1). Each employee will be on one of the 13 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.

Grades SH1 and SH2 are only to be used in the circumstances that an apprentice is appointed. This is in accordance with the 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 3.5% pay increment for all grades was awarded for 2026/2027 (see Appendix 1).

5. CMT Officers Remuneration

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

Statutory responsibilities	SHBC posts
Head of Paid Service	Chief Executive
Section 151	Director of Finance



Statutory responsibilities	SHBC posts
Monitoring Officer	Director of Law & Governance
N/A	Director of Housing, Community and Recreation
N/A	Director of Transformation
N/A	Director of Property and Economic Development
N/A	Director of Built Environment and Regulation

Surrey Heath publishes the salaries of the Chief Executive and Directors of Service, this means that all our senior salaries (including all those of £50,000 and above).

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. There is the provision within the Managing Workflow (Exceptional Payments) Policy, to pay employees a Special Recognition Payment in exceptional circumstances, for example, completing a temporary piece of work completely outside their job description or as a retention payment.

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 they work and must be in accordance with the Council's policies which include



Recruitment and Retention Allowances, Market Supplements, Statutory Officer allowances (S151 and Monitoring Officer) and Exceptional Payments Policy.

Surrey Heath pays the Real Living Wage to employees and ensures pay rises over the course of apprenticeships. Organisations submitting tender responses to Surrey Heath for higher value contracts are required to provide further information regarding whether or not they pay the real UK living wage to their staff.

Overtime is paid in accordance with policy and is agreed in advance by the employee's line manager and their Director of Service. Flexible working hours (flexitime) should minimise the need for overtime working, as urgent matters or peak loads will normally be dealt with by the adjustment of hours within the flexitime arrangements.

Overtime, when permitted, is generally paid at the following rates:

Full time Staff

- Additional hours worked on a normal working day or Saturday paid at time-and-a-half.
- Additional hours worked on a Sunday or Bank/Public Holiday paid at double time.

Part Time Staff

- Additional hours worked on a normal working day (provided total hours worked in any one week are under 37 hours) paid at single time.
- Additional hours worked on a normal working day (that bring total hours worked in the week over 37 hours) paid at time-and-a-half.
- Additional hours worked on a Saturday paid at time-and-a-half.
- Additional hours worked on a Sunday or Public Holiday paid at double time.



Market Supplements may be considered as a way of attracting and retaining talent into the organisation when a role has been assessed as business critical, pay has through a pay benchmarking exercise undertaken by the HR team and identified as being below average market rates. Market supplements can only be agreed by the Head of Paid Service with the advice and support of the Director of Transformation or the HR Manager.

In these circumstances a market supplement may be agreed, and this may be temporary and reviewable, or represent a permanent contractual allowance.

Retention Allowances may also be paid in exceptional circumstances for business-critical roles, and only with the oversight and pre-agreement of the Employment Committee. They must be supported by a clear business case and may also be temporary and reviewable with associated terms and conditions of payment.

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 Organisational Change 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 and agreement with the HR Manager or Director of Transformation to keep a consistent and fair approach. 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 1st April 2026):



Salary	Amount per annum	Ratio with highest salary
Highest Basic Salary on standard pay scales to which an employee can be appointed (Chief Executive)	£148,738	N/A
Mean (average) Basic Salary	£58,979	2.52 : 1
Lowest point on standard pay scales to which an employee can be appointed	£16,370	9.09: 1



Appendix I: Surrey Heath Borough Council Pay Scales

Increase of 3.5% on all pay scale points effective from 01 April 2026

Grade	SCP	Salary (£)
SH1	1.2	16370
SH1	1.3	17358
SH1	1.4	18344
SH1	1.5	19338
SH1	1.6	20008
SH2	2.7	20701
SH2	2.8	21855
SH2	2.9	23073
SH2	2.10	24414
SH2	2.11	25083
SH3	3.11	25422
SH3	3.12	26410
SH3	3.13	27382
SH3	3.14	28351
SH3	3.15	29017
SH4	4.15	29529
SH4	4.16	31022
SH4	4.17	32498



Grade	SCP	Salary (£)
SH4	4.18	33917
SH4	4.19	34586
SH5	5.19	35408
SH5	5.20	36885
SH5	5.21	38340
SH5	5.22	39813
SH5	5.23	40480
SH6	6.23	41306
SH6	6.24	42781
SH6	6.25	44218
SH6	6.26	45713
SH6	6.27	46378
SH7	7.28	48343
SH7	7.29	50023
SH7	7.30	51698
SH7	7.31	53344
SH7	7.32	54010
SH8	8.33	55526
SH8	8.34	57470
SH8	8.35	59427
SH8	8.36	61403
SH8	8.37	62074



Grade	SCP	Salary (£)
SH9	9.37	63547
SH9	9.38	65592
SH9	9.39	67638
SH9	9.40	69680
SH9	9.41	70347
SH10	30.101	73395
SH10	30.102	76153
SH10	30.103	78667
SH10	30.104	81016
SH10	30.105	83364
SH31	31.106	85125
SH31	31.107	87473
SH31	31.108	89821
SH31	31.109	92170
SH31	31.110	94518
SH32	32.111	107434
SH32	32.112	109781
SH32	32.113	112130
SH32	32.114	114478
SH32	32.115	116827
SH33	33.301	134346
SH33	33.302	139142



Grade	SCP	Salary (£)
SH33	33.303	143943
SH33	33.304	148738

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