

## **Surrey Pay**

# **Formal Offer for Pay Award 2025/26**

### **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**

1. Mirroring the National Pay Awards as agreed by the:
  - NJC for Local Government Services for posts graded PS1/2 – PS15 inclusive
  - JNC for Chief Officers for posts graded PS16 – PS18 inclusive
  - JNC for Chief Executives for the Chief Executive and;
  - JNC for Coroners for those Coroners currently on Surrey Pay
2. Increasing annual leave for longer serving employees to reward loyalty.
3. Bringing forward the effective date of the pay award for tutors from 1<sup>st</sup> September to 1<sup>st</sup> April each year

In addition, subject to agreement on a new pay and grading structure, a move onto national pay and terms and conditions for staff on Surrey Pay as appropriate (ie NJC for Local Government Services, and JNC for Chief Officers, Chief Executives and Coroners as above) with effect from 1<sup>st</sup> April 2026.

### **Details**

### Pay Increase

For 2025/26, the national pay increases would be applied to staff on Surrey Pay. Given the fact that the NJC and Surrey Pay spines are different, the Council would aim to mirror the awards as closely as possible. For example, if a percentage or cash increase is agreed on all national pay points then the same increase will be applied to all Surrey Pay points. If, however a differential increase is agreed for different pay points then the increase will be applied to the pay points nearest to the national pay spine in value.

### Tutors

Currently Tutors are subject to Surrey Pay increases, but they are paid on 1st September of each year. It is proposed to bring these employees into line with other staff and the effective date for their pay award be brought forward to 1st April of each year.

### Annual leave increase

An increase of one annual leave day for those staff that have 5 or more years of continuous Local Government service. This will come into effect from 1<sup>st</sup> January 2025.

### National Living Wage (NLW)

Because grade PS1/2 and some Apprentice rates of pay will fall below the NLW on 1<sup>st</sup> April 2025, the current hourly rate of £12.04 will be increased to the NLW hourly rate of £12.21 with effect from 1<sup>st</sup> April 2025 with increases made in April's pay. Once the NJC pay award has been agreed then the hourly rate will be increased by the appropriate NJC increase minus the NLW uplift.

### Future Years

Subject to reaching a collective agreement on a new pay and grading structure arising from the job evaluation activity within the Pay and Reward programme, the Council would wish to move onto national pay and terms and conditions of service for all staff on Surrey Pay. This would include using the NJC national pay spine and an agreed local pay spine in respect of more senior roles.

With regards to terms and conditions of service, it is proposed that a joint working group be established to identify terms and conditions of service differences.

The intention is to move staff onto national pay and terms and conditions of service on 1<sup>st</sup> April 2026. The move onto national terms and conditions would be without detriment; there would be no worsening of current Surrey Pay terms and conditions of service with the exception of the sick pay scheme (see below).

It is recognised that currently the sick pay scheme under Surrey Pay terms and conditions of service is more beneficial for staff initially but then worse than the NJC scheme after 2 years Local Government service. Negotiations will take place by the aforementioned working group with a view to reaching agreement on moving onto the NJC sick pay scheme on 1<sup>st</sup> April 2026.

## **Background**

Employees in most councils in England & Wales are subject to national pay and terms and conditions of service. There are a multitude of national arrangements to cover different groups of staff but the majority of employees are covered by the National Joint Council for Local Government Services (also known as the Green Book). Of the 317 Local Authorities, 273 subscribe to NJC pay and conditions of service.

Councils that subscribe to NJC pay and terms and conditions also apply the national JNC agreements for Coroners, Chief Officers and Chief Executives. The terms and conditions for the JNC staff mostly mirror the NJC agreements.

Surrey County Council has had local pay bargaining (Surrey Pay) since 1997 when a collective agreement was reached with recognised Trade Unions to leave national pay. The basis for this at the time was that the Council wanted the flexibility to pay higher pay awards and offer improved terms and conditions recognising the cost of living in Surrey.

Since then, the position regarding national NJC pay has changed. Most nationally prescribed terms and conditions of employment have been delegated to councils for local agreement/variation which has meant that in many cases, councils have caught up with SCC terms; annual leave being an example. The financial landscape has also meant that SCC is no longer able to pay more than the NJC every year.

In addition, the Government has confirmed that it intends to reintroduce national pay bargaining in respect of support staff in schools with a statutory Schools Support Staff Negotiating Body which will, by law, apply to non-teaching staff in all schools.

The Council is currently undertaking a review of its pay and grading arrangements for staff subject to Surrey Pay. This involves job evaluation and assimilation onto a new pay and grading structure. The job evaluation scheme being used is the NJC scheme. This work will be completed by 1<sup>st</sup> April 2026. This would be an opportune time to move onto the national pay spine in place of the current Surrey pay structure. Adopting the national pay spine is an essential requirement for councils in the NJC pay agreement.

## **Implementation**

The offer for 2025/26 is contingent upon Trade Unions agreeing to follow national trade union policy in respect of responding to the National Pay offers as well as following national union consultation and balloting advice and timelines. This would be reflected in any collective agreement.

Subject to the outcome of negotiations and consultative ballots with union members, the proposal will be presented to the Council's People, Performance & Development Committee for final approval.