

Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

Stage 1

Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Emailed Cllr Sexton & Cllr Bateson	6/1/26
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	PR	23/12/25
Relevant Group Head review	SM	26/11/25
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Emailed g.groupheads	19/12/25
This item is on the Forward Plan for the relevant committee	Advised Committees	4/12/25
	Reviewed by	
Finance comments (circulate to Finance)	BH	8/12/25
Risk comments (circulate to Lee O'Neil)	LO	8/1/26
Legal comments (circulate to Legal team)	LH	11/12/25
HR comments (if applicable)	HR Report	

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

Stage 2

Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	L Heron	11/12/25
S151 Officer commentary – at least 5 working days before MAT	T.Collier	5/12/25
Confirm final report cleared by MAT		

Corporate Policy and Resources Committee

Monday 17 February 2026

Title	Pay Award 2026/27 and Pay Award 2025/26 (back dated award)
Purpose of the report	To make a decision and a recommendation to Council
Report Author	Debbie O'Sullivan/Angela Tooth, Human Resources Managers
Ward(s) Affected	Not applicable
Exempt	No
Exemption Reason	Not applicable
Corporate Priority	This item is not in the current list of Corporate Priorities but still requires a Committee and Council decision.
Recommendations	<p>The Corporate Policy and Resources Committee is asked to recommend to Council a pay award for 2026/27 and a backdated pay award for 2025/26 is approved as follows:</p> <ol style="list-style-type: none">1. <u>2026/27</u> A consolidated pay award of 4% on all spinal points and personal salaries (across the board increase).2. <u>2025/26</u> A consolidated backdated pay award of 0.2% in recognition of the difference between the National Pay Award and Spelthorne Council's pay award of the previous two year period. Payment to be backdated to 1 April 2025
Reason for Recommendation	<p>As a result of moving to local pay on 1 April 2019, the pay award for 2026/27 and any backdated award for previous years is to be decided by full Council.</p> <p>The pay award is made to help attract and retain staff and is in recognition of their ongoing hard work and dedication in supporting the Council's services particularly during Local Government Reorganisation (LGR).</p>

1. Executive summary of the report (expand detail in Key Issues section below)

What is the situation	Why we want to do something
<ul style="list-style-type: none"> Pay awards are reviewed annually and in consultation with UNISON Due regard is given to the National Pay Award 	<ul style="list-style-type: none"> Pay awards are agreed annually to be paid from 1 April each year The local pay award requires full Council agreement
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> Agree the proposed pay award for 2026/27 Agree the backdated pay award for 2025/26 	<ul style="list-style-type: none"> If agreed both awards will be processed in the April 2026 payroll.

2. Key issues

- 2.1 With effect from 1 April 2019 Spelthorne Borough Council (Spelthorne) became a local pay and local terms and conditions employer. Pay awards are to be decided by full Council and the Corporate Policy and Resources Committee (CPRC).
- 2.2 CPRC are asked to recommend to Council the consolidated (built into base) pay award of 0.2% for 2025/26 and 4% for 2026/27 to be applied to all pay scales and personal salaries.
- 2.3 Clause 2.1 of the Collective Agreement between Spelthorne and UNISON states the following:
“Spelthorne will give due regard to the NJC, JNC and JNC for Chief Executives National Pay Award”
- 2.4 A two year pay award of 2.8% was agreed by Council for the 2024/25 and 2025/26 pay awards. The National Pay Award for 2024/25 was 2.5% and for 2025/26 was 3.2%. The 2025/26 National Pay Award was agreed in July 2025 to be effective from 1 April 2025.
- 2.5 Overall, the National Pay Award was in total higher than Spelthorne's local pay award over the two-year period and CPRC are asked to recommend to Council a consolidated (built into base) payment of 0.2% back dated to 1 April 2025 to reflect the difference.
- 2.6 Based on 2025/26 pay scales (Appendix 1), Spelthorne currently pay lower than the national pay scales (Appendix 2) up to Spelthorne's scale point 19 (Scale 4) (national spinal column point 13). The bottom NJC spinal column point will also be deleted in April 2026 thus compacting this issue. The gap is bigger when the national Outer Fringe Area Allowance is included. Spelthorne's neighbouring councils include London Boroughs who are on National Pay and receive the Fringe Allowance and consideration needs to be given to pay to ensure we remain competitive and attractive to candidates.

- 2.7 The National Living Wage for 2026/27 has been increased to £12.71 with effect from 1 April 2026. Spelthorne have always aimed to pay higher than the National Living Wage, along with many other Councils and the National Pay Award.
- 2.8 As of 1 April 2025, the hourly rate for Spelthorne's lowest scale point is £12.44. If these proposals are agreed, this hourly rate will increase to £12.96 which means there will be a 25 pence per hour difference between the National Living Wage and Spelthorne's lowest scale point.
- 2.9 The Medium Term Financial Strategy which was approved by CPRC on 10 November 2025 and considered by Council on 11 December 2025 highlighted the 4% pay increase assumption.
- 2.10 Spelthorne, along with many other local authorities face significant financial challenges and need to make savings over the next 18 months in particular with the impact of Local Government Funding Review and Statutory Intervention. This has been factored into these recommendations whilst acknowledging that Spelthorne needs to recruit and retain staff in a competitive and changing market and sector.
- 2.11 In order to continue to deliver high quality services, Spelthorne's focus is on retaining the breadth and depth of skills, technical knowledge and managerial experience we have, together with the ability to attract suitable and qualified candidates for vacant posts. Recruitment and attracting the right candidates continue to be challenging.
- 2.12 For the period July to September 2025 the Office for National Statistics reported annual growth in employees' average earnings was 4.6% for regular earnings. This is more than the proposed pay review and previous pay reviews. This is for public and private sector.
- 2.13 As of November 2025, the annual inflation rate as measured by the Consumer Prices Index was 3.2%. Inflation will be impacting all staff who are continuing to experience cost of living increases and may affect their decision on whether to seek higher paid employment or remain with Spelthorne. This could lead to a loss of experienced, qualified employees. The proposed pay award will give employees a small real-terms pay increase.
- 2.14 This proposal has been subject to consultation and negotiation, within the limits of the Collective Agreement, between the Chief Executive, Deputy Chief Executive, Human Resources and UNISON as further detailed below.
- 2.15 UNISON made a pay submission to the Chief Executive on 22 September 2025. Consultation meetings were held. The last meeting was held on 3 December 2025 and UNISON confirmed their acceptance of Spelthorne's pay offer. UNISON's response to the pay offer is attached as Appendix 3.
- 2.16 Clause 1.4 of the Collective Agreement, Mechanism and timetable for deciding pay awards states:

"UNISON may make representations to Corporate Policy and Resources Committee when they consider the budget for the following year. The Corporate Policy and Resources Committee will consider any pay submission/representation from UNISON before they make a recommendation to Council for the Local Pay Award for the following year."

2.17 UNISON may choose to make their own submission/representation to Corporate Policy and Resources Committee.

2.18 This explains the main criteria upon which the decision is to be based.

3. Options appraisal and proposal

3.1 Option 1 To approve the backdated pay award for 2025/26 (backdated to 1 April 2025) of 0.2% and to approve the 2026/27 pay award of 4% as detailed in this report. This is required to remain competitive with our comparators and will demonstrate a commitment to all staff. **Preferred option**.

3.2 Option 2 To decline approval of the backdated pay award and approve the 2026/27 pay award. This would require re-negotiation with UNISON under the Collective Agreement. Consideration would also need to be given to the National Living Wage increase. Spelthorne's pay award in total over the last 2 years would be less than the National Pay Award.

3.3 Option 3 To decline approval of the pay award or award a lower pay award. This would require re-negotiation with UNISON under the Collective Agreement. Lower scale points would be increased with effect from 1 April 2026 to ensure compliance with the National Living Wage. This would cause compression between scale points with minimal difference between them. This would also have an impact on morale, motivation and retention.

3.4 Option 4 To just increase pay to the lower salary scale points. This would cause compression between scale points with minimal or no difference between them. This would also affect morale, motivation and retention on higher graded staff. This would require re-negotiation with UNISON under the Collective Agreement.

4. Risk implications

4.1 The well-publicised cost of living rises may impact retention and recruitment of staff where other organisations may offer higher salaries and benefits. A fair and equitable pay review will go towards mitigating this risk.

4.2 A fair and equitable pay increase will assist morale and retention in a period of change with implementation of the Improvement and Recovery Plan and Local Government Reorganisation.

5. Financial implications

5.1 The cost of approving the backdated pay award for 2025/26 to 1 April 2025 of 0.2%, including National Insurance and employer pension costs is £48,700. This amount is included in budget monitoring projections for 2025/26.

5.2 The cost of approving the 2026/27 pay award of 4% including National Insurance and employer pension costs is £959,600. This additional cost is included in the draft Medium Term Financial Strategy agreed at 11 December 2025 Council.

6. Legal comments

6.1 Consultation with UNISON has followed the process detailed in the Collective Agreement.

6.2 The recommended decision is within the terms of reference of Corporate Policy and Resources Committee.

Corporate implications

7. S151 Officer comments

7.1 The S151 Officer confirms that all financial implications have been taken into account and that the recommendations if approved would be fully funded from within the 2026/27 budget.

8. Monitoring Officer comments

8.1 The Monitoring Officer confirm that the relevant legal implications have been taken into account.

9. Procurement comments

Not applicable

10. Equality and Diversity

10.1 The pay award is across all pay scales and personal salaries and all staff are included.

11. Sustainability/Climate Change Implications

11.1 There will be no impact on climate change issues

12. Other considerations

12.1 If agreed, the total pay award as detailed above, is applicable to all staff including those on protected salaries, personal salaries and apprentices.

12.2 If agreed, the percentage increase will be applied to certain allowances that are increased annually in line with any pay award.

12.3 Under clause 1.1 of the Collective Agreement, Section 1: Arrangement for agreeing the Spelthorne Local Pay Award it states the following:

“Spelthorne will give due regard to the NJC, JNC and JNC for Chief Executives National Pay Award.”

There has been no indication of any proposals for the 2026/27 National Pay Award save for the deletion of spinal column point 2 in the NJC pay spine. Should the 2026/27 National Pay Award be higher than the Spelthorne Local Pay Award, due consideration will be given to proposing to Council that the Local Pay Award meets the National Pay Award, subject to affordability.

13. Timetable for implementation

13.1 Council approves Budget for 2026/27

13.2 The backdated pay award will be effective from 1 April 2025.

13.3 The 2026/27 pay award will be effective from 1 April 2026.

14. Contact

14.1 Angela Tooth – a.tooth@spelthorne.gov.uk

14.2 Debbie O’Sullivan - d.o’sullivan@spelthorne.gov.uk

Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.

Background papers: There are none.

Appendices: **Appendix 1: Spelthorne current pay scales (from April 2025)**
Appendix 2: National pay Scales
Appendix 3: UNISON's response to the pay offer