

Southampton City Council Pay Policy Statement Financial Year 2025-2026

1. Purpose

This Pay Policy Statement (“Pay Statement”) is published to comply with the Localism Act 2011 (“Localism Act”) and is updated prior to the commencement of each subsequent financial year.

This Pay Statement sets out Southampton City Council’s pay policies relating to its workforce (excluding schools) for the financial year 2025-2026, including the remuneration of its Chief Officers, lowest paid staff and the relationship between its Chief Officers and the staff who are not Chief Officers.

2. Definitions

For the purpose of this Pay Statement the following definitions apply:

- “Pay” in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements and termination payments.
- “Chief Officers” refers to the following roles within the Council:

Statutory Chief Officer roles are:

- a) Chief Executive, as Head of Paid Service
- b) Director of Legal & Governance (Monitoring Officer)
- c) Executive Director – Wellbeing Children & Learning (DCS)
- d) Executive Director Wellbeing & Housing (DASS)
- e) Executive Director – Enabling Services (Chief Financial Officer, as Section 151 Officer)
- f) Director of Public Health

Non-Statutory Chief Officer roles are:

- a) Executive Director Growth & Prosperity
- b) Executive Director Resident Services
- c) Director Strategy & Performance
- d) Director of People & Organisational Culture
- e) Director of Adult Social Care
- f) Director of Contracting & Procurement
- g) Director of Customer, Leisure and Regulatory Services
- h) Director of Digital
- i) Director of Finance
- j) Deputy Director Children’s Social Care Delivery
- k) Deputy Director – Education Transformation
- l) HDRC Director
- m) Director of Housing
- n) Director of Environment
- o) Director of Commissioning – Integrated Health and Care
- p) Director of Culture & Tourism
- q) Director of Transport & Planning

- r) Director of Economic Development & Regeneration
- s) Director of Corporate Estates & Assets

- The wider leadership team also includes other Chief Officers that are Heads of Service and report directly to/or are accountable to a statutory or non-statutory Chief Officer.
- “Lowest paid employees” refers to those employees paid within Grade 2 of the Council’s mainstream pay structure. This definition has been adopted because Grade 2 is the lowest grade on the Council’s mainstream pay structure and the posts have been assessed through the NJC Job Evaluation Scheme as having the least amount of complexity and responsibility.
- “Employee who is not a Chief Officer” refers to all employees who are not covered under the “Chief Officer” pay scale group above. This includes the “lowest paid employees” i.e. employees on Grade 2 and all other staff up to and including Grade 13.

3. Pay Framework and remuneration levels

3.1 General approach

The pay structure and pay scales have been designed to enable the council to recruit and retain suitably qualified staff at all levels to meet the outcomes detailed in the Corporate Plan within an affordable financial framework.

With a diverse workforce the council recognises that the Pay Policy needs to retain enough flexibility to cope with a variety of circumstances that can arise and may necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. The decision to apply a market premium will be made by the Director of People and Organisational Culture after consultation with the Transformation Board. Any approved premium will be subject to an annual review.

3.2 Responsibility for decisions on pay structures

It is essential for good governance that decisions on pay are made in an open and accountable manner. The council’s locally determined pay structures are based on the outcome of recognised job evaluation schemes (Hay and National Joint Council (NJC)). This is in line with the national requirement for all councils to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer and to comply with employment legislation as well as the economic climate locally. The current mainstream pay structure was implemented from June 2015 under the Pay & Allowances Framework collective agreement. The pay structure for Chief Officers and Heads of Service on Chief Officer grades is determined separately and pay rates are assessed through the Hay job evaluation process.

The Executive Director of Enabling Services (Corporate Services) will have the delegated authority to amend the pay levels in line with the nationally agreed pay award for 2025.

3.3 Pay scales and grading framework

The main council pay scale consists of 55 pay spine points (SCP) within 13 grades with grade 2 being the lowest and grade 13 the highest. All staff will be on one of the 12 grades based on their job evaluated role. Each grade contains several spinal column points (SCP) to allow for incremental advancement within the grade. All main scale posts are paid within the range £23,657 to £71,544 per year (2024-25 figures). 2025/26 pay range will reflect the 2025 Foundation Living Wage (FLW) figure (minimum hourly rate of £12.60) and the nationally agreed pay award once this is confirmed and will be effective from 1st April 2025.

The council has committed to ensuring that all staff receive a rate of pay at least equal to Real Living Wage (RLW) (in line with the Living Wage Foundation review and recommendations) and applies an additional payment to staff on any hourly pay rate which falls below the RLW. This has had the on-going effect of increasing annual salaries for the lowest paid employees.

Details of the Chief Officer pay scales and the council's mainstream pay structure are published on the Council's website alongside this statement and reflect the position with effect from 1st April 2024 (Note; these charts are pre any confirmed pay award for April 2025).

Pay awards are considered annually for all employees but are subject to restrictions imposed nationally by the Government and/or negotiated locally. The outcome of national consultations by the Local Government Association in negotiation with the Trade Unions in relation to the settlement of the annual pay award is normally applied as per the recommendation for 2025-2026 onwards. If there is an occasion where to apply nationally agreed pay awards would distort the local pay structures, alternative proposals are developed, discussed with the trade unions and brought to Elected Councillors for formal approval.

4. Remuneration – level and element

4.1 Salaries of Chief Officers

“Chief Officers” are identified at 2 above. They are all paid within the council's pay structures as follows (2024-2025 figures as 2025 pay award yet to be confirmed):

- a. Chief Executive, as Head of Paid Service will be paid a salary within the grade range £172,718 to £204,736.
- b. Statutory and Non-Statutory Chief Officers/Managers of the council's 700 services (Chief Officers) will be paid a salary within the grade range £73,845 to £166,946.

Details of Chief Officer and Heads of Service remuneration are published on the Council's website.

4.2 “Lowest paid employees”

Each lowest paid employee will be paid a salary within the pay scales for Grade 2 plus an additional payment to achieve the Real Living Wage.

4.3 Bonuses and Performance related pay

There is no provision for bonus payments or performance related pay awards to any level of employee. There is, however, an honorarium provision for an agreed sum or an accelerated increment which may be awarded where an employee performs duties outside the scope of their post over an extended period or where there are agreed, short term additional duties and responsibilities. All such payments/ increments are subject to approval by the budget holder and must be within existing budget provision.

4.4 Other pay elements

The pay structure for Chief Officers takes account of the clearly defined additional statutory responsibilities in respect of the Section 151 and Monitoring Officer roles.

4.5 Charges, fees or allowances

Allowances or other payments, for example linked to irregular or unsocial hours working, standby etc. are paid, as appropriate, to staff below Chief Officer pay grade in connection with their role or the pattern of hours they work and in accordance with the Council’s Allowances Framework (that is published on the Council’s website alongside this statement) and national collective agreements.

4.6 Pension

All employees as a result of their employment are eligible to join the Local Government Pension Scheme (LGPS).

5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers"

The ratio of the council’s definition of “Chief Officers” and the median average earnings across the whole workforce as a pay multiple is shown in Table 1 below. The Council’s highest paid employee is the Chief Executive (Head of Paid Service). The median salary and ratio was calculated using pay data for all permanently employed staff. The ratio of the Council’s highest paid employee and the median average earnings across the whole workforce is published for comparison with the April 2024 position.

Table 1 Comparison of highest paid employee to median salary

	April 2024 (£)	March 2025 (£)
Highest paid employee	£204,736	£204,736
Median Full Time Equivalent (FTE) salary	£38,626.00	£37,938.00
Ratio	5.3:1	5.4:1