

Appendix A

PAY POLICY STATEMENT 2025/26

1. Introduction

Southend on Sea City Council recognises that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public; but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

It is important that Local Authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market. For Southend this is particularly critical given our proximity to London where higher salaries, often for less complex roles, continue to prove a challenge for our pay policy.

With hybrid working now commonplace there are further pressures on recruitment and retention as staff expect to be able to work in a more flexible environment and do not necessarily have to live in the area in which they wish to work, which limits the value attached to working locally for candidates who may have otherwise considered a reduction in pay to work closer to home.

In particular it is recognised that senior management roles in local government are complex and diverse functions in a highly politicised environment where often national and local pressures conflict. Southend's ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during times of financial challenge, is crucial if the Council is to retain its current high-performance levels and to deliver our vision for our organisation and our city.

2. Background

Southend on Sea City Council's approach to pay and reward is detailed in its Reward Policy. This policy applies to all staff employed by the Council and details how the workforce at all levels will be rewarded for the work they perform. Where there are differences between different categories of staff, these are explained in the policy.

This statement serves to outline the Council's policy in respect of the requirements of the Localism Act 2011 (see paragraph 3) but must be read with reference to the more detailed reward policy, in order to understand the Council's position on pay and reward and how this underpins its organisational values and is used to drive up performance.

3. Legislation

Section 38(1) of the Localism Act 2011 requires English and Welsh Local Authorities to produce a pay policy statement for 2012/13 and for each financial year after that.

This statement must include the Council's policy on the following:

- a. Level and elements of remuneration for each Chief Officer (for Southend on Sea City Council this is defined as Chief Executive, Executive Directors and Directors).
- b. The remuneration of the Council's lowest paid employees.

- c. The relationship between the remuneration of the Council’s Chief Officers and others.
- d. Other specific aspects of Chief Officer’s remuneration; remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments and transparency.

4. Level and Elements of Remuneration for each Chief Officer

Southend will have the following posts at Chief Officer level with effect from 1 April 2025:

- Chief Executive x 1
- Executive Directors x 5
- Directors x 13
- Director of Public Health x 1

These posts (except for the Director of Public Health) have been evaluated using the Hay Job Evaluation Scheme. From 1 January 2025 all senior management posts, from Level 11 and above, will be reviewed using the JNC Senior Manager scheme. The job evaluation process ensures that the relative “weight” of these roles can be objectively measured using consistent and robust criteria.

The Council’s Chief Officer pay structure consists of senior management grades, as follows:

<u>Senior Management Grades 2024/25</u>	
SMG1 (Chief Executive)	£201,739
SMG3A Executive Directors	£134,813
SMG3 (Directors)	£104,464
Director of Public Health	£110,500

These are spot salaries and reflect ‘rate for the job’. However, there is the facility to recruit to these posts on a ‘development’ rate for the first 12 months where a candidate needs to grow into the full role. The rate is calculated at 90% of the ‘rate for the job’. The development rate is not applicable for the Director of Public Health as this rate is in line with NHS terms and conditions.

Chief Officer salaries do not attract annual increments, nor any nationally negotiated cost of living pay rise. This is because Chief Officers in Southend are employed on JNC terms and conditions for everything except pay – which is determined by the Senior Manager Pay Panel (details of this Scheme, including the decision-making processes in respect of pay award, can be found in **Appendix B3** of the Council’s Reward Policy)

Allowances and additional payments which may be paid to other staff as appropriate do not apply to Chief Officers except for:

a. Market Supplements

Where market fluctuations and demands are such that an additional payment is necessary in order to recruit or retain high-calibre staff with the appropriate skills, knowledge and experience.

This is a discretionary payment and will be determined by the Senior Managers Pay Panel and or Appointments & Disciplinary Committee on an individual basis.

In 2025/2026 the following market supplements will be paid to Directors: -

Director of Public Health	£7,213
Director of Children's Social Work, Early Help and Youth Support	£10,116
Director of Education, Inclusion and Early Years	£10,000
Director of Adult Social Care Operations	£12,116
Director of Digital & ICT	£5,000
Director of Legal Services & Monitoring Officer	£14,531
Director of Financial Services (Deputy S151 Officer)	£15,000
Director of Regeneration, Housing and Regulatory Services	£10,000
Director of Infrastructure & Environment	£6,531

b. Returning Officer

The Chief Executive undertakes the role of Returning Officer in respect of local, national and European elections.

The Returning Officer is an officer of the City Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the City Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from their duties as an employee of the City Council. As Returning Officer, they are paid a separate allowance for each election for which they are responsible.

There are no other additional elements of remuneration in respect of overtime, flexi time, bank holiday working, stand-by payments, etc., paid to chief officers as these staff are expected to undertake duties outside their contractual hours and working patterns without additional payment.

5. The Remuneration of the Council's Lowest Paid Employees

The Council's lowest paid employees (excluding trainees) are paid at Level 1 £24,027. The Council currently employs 5 staff at this level.

6. The relationship between the remuneration of the Council's Chief Officers and other officers

As detailed in paragraph 4, all posts at Level 11 or above (including Chief Officer roles) are evaluated using the nationally adopted JNC Senior Manager Job Evaluation scheme. This ensures that all roles are measured against a consistent and robust set of criteria enabling roles to be "weighted" and placed in a hierarchy that meets any equal pay challenge.

Posts below Level 11 are also evaluated but using the NJC Job Evaluation scheme which is recognised by employers and trade unions nationally and is better suited to

jobs at this level. This scheme also allows for robust measurement against set criteria resulting in fair and objective evaluations.

Pay multiple: The idea of publishing the ratio of the pay of an organisation's top earner to that of its median earner has been recommended in order to support the principles of Fair Pay (Will Hutton 2011) and transparency.

Southend on Sea City Council's current ratio in this respect is 5.4:1 i.e. the Chief Executive (top earner) earns 5.4 times more than the Council's median earner (£37,035).

The Government has also recommended publishing the ratio in respect of the mean earner. Southend on Sea City Council's current ratio in this respect is 5.3:1 i.e. the Chief Executive (top earner) earns 5.3 times more than the Council's mean earner (£37,764).

These ratios are based on the Chief Executive's current actual salary.

The number of employees paid at each salary level across the Council is attached at Appendix 1.

Terms and Conditions of employment for Chief Officers have been harmonised with the rest of the workforce. The only remaining differences are:

- (i) Annual leave: annual leave entitlement is higher for Chief Officers to reflect the additional working requirements in these posts and the fact that flexi-time, overtime or other forms of compensation for additional hours worked is not applicable.

7. Other specific aspects of Chief Officer remuneration

- a. Salary at recruitment: detailed in paragraph 11 of the Council's Reward Policy and is in line with the approach taken for all staff.
- b. Performance reviews: detailed in Appendix B3 of the Council's Reward Policy.
- c. Termination Payments: detailed in paragraph 16 of the Council's Reward Policy and is in line with the approach taken for all staff.
- d. Ex Gratia Payments: must be agreed in advance by the Council's Appointments & Disciplinary Committee.

8. Disclosure

This Pay Policy Statement and the Council's Reward Policy will be published on the Council's website. In addition, details of all staff paid £50,000 or more will also be disclosed.

Southend on Sea City Council
Staff Headcount Numbers by Pay Grade (excluding school-based Teachers)
31 December 2024

Staff Headcount	Pay Grade
1	SMG1
5	SMG 3a
13	SMG 3
30	Level 13
21	Level 12
56	Level 11
143	Level 10
232	Level 9
377	Level 8
327	Level 7
312	Level 6
162	Level 5
74	Level 4
0	Level 3
0	Level 2
5	Level 1
9	Soulbury (Assistant Educational Psychologists)
1	Soulbury A (Educational Psychologists)
5	Soulbury B (Senior Educational Psychologists)
0	Soulbury C (Educational Improvement Specialists)
3	Youth & Community – Support Workers – Range 1
1	Youth & Community – Professional Range
11	Teacher Grades
9	Teacher Grades
1	MCC Grade
1798	TOTAL