

DECISION-MAKER:	COUNCIL
SUBJECT:	Pay Policy 2025 – 2026
DATE OF DECISION:	26 February 2025
REPORT OF:	Interim Chief Executive

<u>CONTACT DETAILS</u>		
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STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY
The Council is required under the Localism Act 2011 to prepare and publish a Pay Policy Statement annually. This report explains the parameters of the Pay Policy Statement and the statement for 2025-2026 is provided at Appendix 1.

RECOMMENDATIONS:
(i) To approve the Pay Policy statement for 2025 - 2026.

REASONS FOR REPORT RECOMMENDATIONS
1. Under the Localism Act 2011 only full Council is authorised to approve the Pay Policy Statement annually.

DETAIL
2. Scope This Pay Policy Statement sets out Southampton City Council’s pay policies relating to its workforce 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. The proposals reflect proposed national agreements and affect all employees of the council with the exception of: teachers and support staff in Voluntary Aided (VA)/Trust schools; Modern Apprentices (separate pay framework); Non council staff who work for the council (NHS, including Public Health staff who transferred under COSOP (Transfer of Undertakings (TUPE) equivalent) and have retained NHS pay. The Act requires councils to include the following in their Pay Policy Statement: the level and elements of remuneration for Chief Officers; the remuneration of its lowest-paid employees the definition of “lowest-paid employees” and reasons for adopting that definition);

	<p>policy on the relationship between the remuneration of Chief Officers and other officers;</p> <p>policy on other specific aspects of Chief Officers' remuneration;</p> <p>remuneration on recruitment, increases and additions to remuneration;</p> <p>use of performance-related pay and bonuses, termination payments, and transparency.</p> <p>The Council has a duty to appoint a Returning Officer responsible for local government elections and has decided that this role be carried out by the Chief Executive. Whilst appointed by the Council, the role of Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Council.</p> <p>A Returning Officer fee is payable for nationally funded elections and referendums in accordance with the Fees and Charges Order made by Parliament at a relevant poll.</p> <p>Remuneration includes charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.</p> <p>The Pay Policy Statement can be amended in-year but must be:</p> <p>approved formally by Council;</p> <p>approved by the end of March each year;</p> <p>published on the authority's website (and in any other way the authority chooses);</p> <p>complied with when the authority sets terms and conditions for Chief Officers.</p>
3.	<p>Transparency</p> <p>As part of the council's commitment to being open and transparent and ensuring it is delivering value for money, gender pay gap information is published on the website.</p> <p>The current gender pay gap shows that women's hourly rate is:</p> <p>0.7% lower (mean)</p> <p>2.5% lower (median)</p> <p>The Council's mean and median gender pay gap is significantly lower than the UK national average, which is estimated at 14.9% based on data from the Office of National Statistics (ONS).</p> <p>Whilst the council does have a much lower gender pay gap than the national average, we recognise that a small gender pay gap does still exist due to the nature of our workforce profile and the job roles that men and women are employed to do.</p> <p>Whilst we have higher female representation than men in all our pay quartiles, we have a larger proportion of women in our lower pay quartiles, which explains our mean and median gender pay gap. Most of the roles in our lower pay quartiles are part time, that tend to be held by women. 87% of our part time workers are female, which is higher than estimates that 74% of part time workers in the UK are women.</p>

	The Council has significant female representation in our upper pay quartiles; 57% and 61% in highest two pay quartiles demonstrating that we have a good gender balance amongst our most senior roles.
4.	Equal Pay In order to ensure that Council employees are paid fairly, an Equal Pay Audit will be undertaken in 2025/2026, and any required actions will be taken as a result.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
6.	N/A
DETAIL (Including consultation carried out)	
7.	N/A
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
8.	The implementation of the Pay Policy is in accordance with the council's Revenue Budgets approved for 2025/26.
<u>Property/Other</u>	
9.	N/A
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
10.	Local Government Act 1972 and Localism Act 2011
<u>Other Legal Implications:</u>	
11.	Equalities Act 2010, in particular s.149 (The 'Public Sector Equality Duty')
RISK MANAGEMENT IMPLICATIONS	
12.	None
POLICY FRAMEWORK IMPLICATIONS	
13.	None

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	None
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Pay Policy Statement
2.	Pay scales
3.	Allowances Framework
4.	Equality and Safety Impact Assessment

Documents In Members' Rooms

1.	None	
Equality Impact Assessment		
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.		Yes
Data Protection Impact Assessment		
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.		No
Other Background Documents		
Other Background documents available for inspection at:		
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)	
1.	None	