

Report to: Governance Committee

Date of meeting: 24 September 2025

By: Assistant Director, Human Resources and Organisational Development

Title: Chief Executive, Chief Officers' and Deputy Chief Officers' Pay 2025/26

Purpose: To consider the position in relation to the pay award for the Chief Executive, Chief Officers and Deputies for 2025/26

RECOMMENDATION:

The Governance Committee is recommended to agree the pay award for the Chief Executive, Chief Officers and Deputy Chief Officers for the financial year 2025/26 to mirror the national NJC and JNC pay awards as set out in paragraphs 2.3 and 2.4 below.

1 Background

1.1 Chief Officers' pay is locally determined and any annual increases approved by this Committee are effective from the 1 April of the relevant pay year.

1.2 The national (NJC and JNC) pay awards are relevant to these local negotiations as the decision made regarding the local pay offer needs to take into account the impact on the wider workforce and organisation as a whole, as well as the wider market position.

1.3 Set against this background, the local pay award for the Chief Executive, Chief Officers and Deputy Chief Officers has therefore historically mirrored the national awards. Any consideration of a pay increase should, however, take into account the wider public sector context and the future financial challenges facing the Council.

2. Supporting information

2.1 The annual Consumer Prices Index (CPI) inflation measures changes in the price level of consumer goods and services purchased by households. On 21 March 2017, the CPI was replaced by a new measure: the Consumer Prices Index, including owner occupier's housing costs (CPIH). This extends the CPI to include a measure of the costs associated with owning, maintaining and living in one's own home (owner occupiers' housing costs OOH), along with council tax. This is the most comprehensive measure of inflation. CPIH rose by 4.2% in the 12 months to July 2025 (the latest available data) up from 4.1% in the 12 months to June 2025. On a monthly basis, CPIH was little changed in July 2025, the same as in July 2024. (ONS 20 August 25).

2.2 Annual growth in employees' average regular earnings (excluding bonuses) was 5.2% in February to April 2025. This is down from 5.5% in the previous three-month period. It was last lower than 5.2% in July to September 2024, when it was 5.1%. Annual growth in total earnings (including bonuses) was 5.3% in February to April 2025. This is down from 5.6% in the previous three-month period. It was last lower than 5.3% in July to September 2024, when it was 4.6%. (ONS June 2025).

National Pay Negotiations 2025/26

2.3 The national NJC local government services (green book staff) reached a one year pay deal on 23 July 2025 covering the period 1 April 2025 to 31 March 2026. In headline terms, the deal provided for an increase of 3.20%. At its meeting on 27 August 2025, the Governance Committee agreed the pay offer to LMG Managers for the financial year 2025/26 to mirror the national NJC award, i.e. 3.20%.

2.4 The JNC for Chief Officers of Local Authorities and the JNC for Chief Executives of Local Authorities have both also agreed their respective 2025/26 pay awards as being an increase of 3.20% with effect from 1 April 2025.

Benchmarking

2.5 In previous years, benchmarking information in relation to other Councils has been provided. It is important, however, to recognise that Councils do not have consistent staffing structures and it is therefore very difficult to be confident that we are comparing on a 'like for like' basis. For example, it is worth noting that a number of Councils have introduced the role of 'Executive Director', which sits between the Chief Executive and departmental Chief Officers, thereby providing additional senior strategic capacity. This is not a layer that exists within East Sussex.

2.6 In order to provide the Committee with an understanding of the local market position and subject to the above, attached at Appendix 1 is high level benchmarking data showing the comparison in relation to the Chief Executive, Chief Officers and Deputies' pay and our closest neighbours.

2.7 A key relevant factor is the context in which the Council is operating. The scale of the leadership challenge, running a complex organisation and services in the face of significant financial challenge, complex needs and multiple risks is considerable. Working collaboratively and in partnership is vital to support the challenges around service delivery and integration and our senior leaders have significant external facing roles in addition to the services they manage. Alongside this, the forthcoming reforms in relation to Devolution and Local Government Reorganisation will have a profound impact on the shape of local authority services delivered to our residents and the Chief Executive and Chief Officers will have a critical role to play in leading and steering the response to these reforms.

2.8 It is recognised that there is a level of scrutiny on pay for senior officers. It is, however, equally important that the Council is able to attract and retain high calibre staff to ensure the best delivery of services to the residents of East Sussex. Whilst acknowledging that pay is only one element of the overall employment package, it is, nonetheless an important one. Given the current recruitment and retention challenges within the public sector, alongside the demands identified above, it is essential that our pay rates are appropriately competitive.

2.9 Set against this backdrop, it would seem appropriate to offer a pay award that mirrors the national JNC pay awards for Chief Officers and Chief Executives i.e. an increase of 3.20%.

Financial Implications

2.10 The estimated impact of mirroring the national pay award to the Chief Executive, Chief Officer and Deputy Chief Officer pay bill is £43,800 per annum including on-costs. This is fully provided for in the MTFP.

2.11 Attached at Appendix 2 is a copy of the current Chief Executive, Chief Officer and Deputy Chief Officer salary scales showing the impact of an increase of 3.20%.

3. Conclusion and reasons for recommendations

3.1 The Governance Committee is recommended to determine the pay offer for the Chief Executive, Chief Officers and Deputy Chief Officers for the financial year 2025/26 as being in line with the national NJC and JNC pay awards as set out in paras 2.3 and 2.4 above.

Sarah Mainwaring

Assistant Director, Human Resources and Organisational Development

Contact Officer:

Ruth Wilson, HR Manager, Reward and Recruitment

Email: ruth.wilson@eastsussex.gov.uk