



To: Members of the Remuneration Committee

Notice of a Meeting of the Remuneration Committee

Thursday, 14 June 2018 at 4.00 pm

Room 2 - County Hall, New Road, Oxford OX1 1ND

A handwritten signature in black ink that reads "PG Clark".

Peter G. Clark
Chief Executive

June 2018

Committee Officer: **Sue Whitehead**
Tel: 07393 001213 ; Email; sue.whitehead@oxfordshire.gov.uk

Membership

Chairman – Councillor Ian Hudspeth
Deputy Chairman - Councillor Kevin Bulmer

Councillors

Lynda Atkins
Liz Brighthouse OBE

Mrs Judith Heathcoat
Charles Mathew

Richard Webber

Declarations of Interest

The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, **or**

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?.

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*.

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:

Employment (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines.

<http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/> or contact Glenn Watson on **07776 997946** or glenn.watson@oxfordshire.gov.uk for a hard copy of the document.

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

AGENDA

1. **Apologies for Absence and Temporary Appointments**
2. **Declarations of Interest - see guidance note**
3. **Minutes** (Pages 1 - 4)

To approve the minutes of the meeting held on 6 March 2018 (**RC3**) and to receive information arising from them.

4. **Petitions and Public Address**

EXEMPT ITEM

It is RECOMMENDED that the public be excluded for the duration of item RC5 since it is likely that if they were present during that item there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified below in relation to those items and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

THE REPORT AND ANNEXES TO THE ITEM HAVE NOT BEEN MADE PUBLIC AND SHOULD BE REGARDED AS 'CONFIDENTIAL' BY MEMBERS AND OFFICERS ENTITLED TO RECEIVE THEM.

THIS ALSO MEANS THAT THE CONTENTS SHOULD NOT BE DISCUSSED WITH OTHERS AND NO COPIES SHOULD BE MADE.

5. **Redundancy Quarter 4 Overview** (Pages 5 - 10)

The information contained in the report is exempt in that it falls within the following prescribed category:

2 *Information which is likely to reveal the identity of an individual*

It is considered that in this case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would infringe the rights of the individual to privacy contrary to the general law and the duty of the authority to respect human rights and to comply with that law and contrary to the authority's duties as a fair employer.

Report by Director of Human Resources (**RC5E**)

This report gives an overview of the Change programmes that have resulted in

redundancy in Quarter 4 (January to March 2018). It provides details of:

- the number of redundancies;
- the number of redeployments;
- the total costs including pension costs;
- pension costs alone

The report also includes an overview of the change programmes that may result in Quarter 1 redundancies.

The Remuneration Committee is RECOMMENDED to note the figures.

ITEMS FOLLOWING THE RE-ADMISSION OF THE PRESS AND PUBLIC

6. Gender Pay Gap Report Update (Pages 11 - 14)

Report by Director of Human Resources (**RC6**)

This report gives an update of the Gender Pay Gap, including an overview of key comparators.

The Remuneration Committee is RECOMMENDED to note the report.

7. Senior Officer Job Evaluation (Pages 15 - 16)

Report by Director of Human Resources (**RC7**)

The report outlines a proposal to introduce the Local Government Senior Manager Job Evaluation Scheme, replacing the existing HAY arrangement.

The Remuneration Committee is RECOMMENDED to approve the proposal.

EXEMPT ITEM

It is RECOMMENDED that the public be excluded for the duration of item RC8 since it is likely that if they were present during that item there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified below in relation to those items and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

THE REPORT TO THE ITEM HAVE NOT BEEN MADE PUBLIC AND SHOULD BE REGARDED AS 'CONFIDENTIAL' BY MEMBERS AND OFFICERS ENTITLED TO RECEIVE THEM.

THIS ALSO MEANS THAT THE CONTENTS SHOULD NOT BE DISCUSSED WITH OTHERS AND NO COPIES SHOULD BE MADE.

8. **Community Director Posts** (Pages 17 - 20)

The information contained in the report is exempt in that it falls within the following prescribed category:

1. *Information relating to an individual*

It is considered that in this case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would infringe the rights of the individual to privacy contrary to the general law and the duty of the authority to respect human rights and to comply with that law and contrary to the authority's duties as a fair employer.

Report by Director of Human Resources (**RC8E**).

The report gives an overview of the current pay for the three Directors within Communities: Director of Property and Investment; Director for Planning and Place, and Director for Infrastructure Delivery and outlines a proposal to increase the pay of those in post.

The Remuneration Committee is RECOMMENDED to approve this proposal.

ITEMS FOLLOWING THE RE_ADMITTANCE OF THE PUBLIC AND PRESS

9. **Growth Deal Director** (Pages 21 - 24)

Report by the Strategic Director of Communities (**RC9**)

As part of the Growth Deal delivery a small team has been created to co-ordinate and drive the delivery of the Growth Deal programme on behalf of all the partners (all local authorities across Oxfordshire and OxLEP). This small group of people will ensure the programme is coherent and cohesive so that all elements fit together and deliver the best possible result. Whilst much of the delivery capacity is located within each of the partner organisations this small team is critical to bring efforts together to drive such an ambitious programme and keep it on track. The Deal is supported by a Capacity Building Fund which is intended to fund this sort of function throughout the period of the programme.

In March 2018, an overarching plan was agreed with Government. To ensure that all the activities fit together well and the plan is delivered, it is seen as critical to have a Delivery Director providing leadership across the whole programme.

The report seeks approval to add the post of Growth Deal Delivery Director to the Council's headcount. The post is funded from Growth Deal capacity funds but needs to sit in the establishment of one of the partners and as the Accountable Body for the Deal, the Council was considered the best fit.

The Committee is RECOMMENDED to agree to this post as an addition to the Council's establishment for the period of the appointment (up to 5 years).

10. Senior Appointments

Verbal report by the Director of Human Resources.

REMUNERATION COMMITTEE

MINUTES of the meeting held on Tuesday, 6 March 2018 commencing at 2.00 pm and finishing at 2.45 pm.

Present:

Voting Members: Councillor Ian Hudspeth – in the Chair

Councillor Kevin Bulmer (Deputy Chairman)

Councillor Liz Brighthouse OBE

Councillor Mrs Judith Heathcoat

Councillor Charles Mathew

Councillor Richard Webber

Officers: Steve Munn, Director of Human Resources and Ruth O'Loughlin, HR Manager; Deborah Miller (Law & Governance).

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

5/18 **APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS**

(Agenda No. 1)

An apology for absence was received from Councillor Lynda Atkins.

6/18 **MINUTES**

(Agenda No. 3)

The Minutes of the meeting held on 23 January 2018 were approved and signed as a correct record.

Exempt Item

RESOLVED: that the public be excluded for the duration of item RC6 since it is likely that if they were present during that item there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified below in relation to those items and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PROCEEDINGS FOLLOWING THE WITHDRAWAL OF THE PRESS AND PUBLIC

7/18 GENDER PAY GAP REPORTING

(Agenda No. 5)

The Committee had before it a report (RC5) which provided an overview of Oxfordshire County Council's Gender Pay Gap which was required under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The report gave a summary of the Gender Pay Gap, the requirements the Council were obliged to meet and a comparison with other employers. Finally, the report set out a high-level overview of planned communication of the council's Gender Pay Gap.

Annex 1 to the report provided details of Oxfordshire County Council's Gender Pay Gap as required under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The Committee noted that Oxfordshire County Council did not have any Equal Pay concerns and welcomed the comparators reports set out at Annex 2.

The Committee further indicated that it would wish to receive a further report after 31 March when all 9,000 organisations had reported to identify where Oxfordshire fell on the scale and requested that the information be added to the Equalities Policy and Corporate Plan.

Councillor Brighthouse asked that Ethnicity and Age be given further consideration.

RESOLVED: (nem con) to note and agree the figures for publication.

8/18 QUARTERLY REDUNDANCY REPORT

(Agenda No. 6)

The information contained in the report was exempt in that it fell within the following prescribed category:

2 *Information which is likely to reveal the identity of an individual*

It was considered that in this case the public interest in maintaining the exemption outweighed the public interest in disclosing the information, in that such disclosure would infringe the rights of the individual to privacy contrary to the general law and the duty of the authority to respect human rights and to comply with that law and contrary to the authority's duties as a fair employer.

Report by Director of Human Resources

The Committee considered a report which provided an overview of the Change programmes that had resulted in redundancy in Quarter 3 (October to December 2017): including the number of redundancies; the number of redeployments; the total costs including pension costs and pension costs alone.

The report also included an overview of the change programmes that may result in Quarter 4 redundancies.

Following consideration of the report it was **RESOLVED** (nem con) to note the figures.

..... in the Chair

Date of signing

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Agenda Item 5

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of the Local Government Act 1972.

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Division(s): All

REMUNERATION COMMITTEE – 14 JUNE 2018

OXFORDSHIRE COUNTY COUNCIL GENDER PAY GAP REPORT UPDATE

Report by Director of Human Resources

Introduction

1. This report gives an update to Oxfordshire County Council's Gender Pay Gap which met our requirements under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and provides information on other Organisations' Gender Pay Gap.

Gender Pay Gap Report Update

1. On the 7th March we had an internal headline that covered:
 - The difference between Gender Pay Gap reporting and Equal Pay issues
 - The role Job Evaluation plays
2. On the 28th March we had another internal headline. This included our Gender Pay Gap Report. We also published our report on the public website and uploaded our figures to the Government's Gender Pay Gap reporting portal.
2. We have received only a couple of questions from employees asking for further clarity on the difference between a Gender Pay Gap and Unequal pay.
3. According to The Equalities and Human Rights Commission, 1,557 employers had missed the deadline to report their Gender Pay Gap.

Comparison Gender Pay Gap Reports

4. Annex 1 provides an overview of the Oxfordshire Districts and four comparable County Councils.
5. The figures present us favourably:
 - The average of the mean Gender Pay for the Districts is 8.10% and for the other Counties is 11.28%. OCC has mean Gender Pay Gap of 3.5%.
 - The average of the median Gender Pay for the Districts is 6.10% and for the other Counties is 11.98%. OCC has a median Gender Pay Gap of 0.1%.
 - The median of the mean Gender Pay Gap for the Districts is 2.20% and for the other Counties is 9.30%.

- The median of the median Gender Gap for the Districts is 3.45% and for the other Counties is 10.85%.
6. It is important to note that the Gender Pay Gap reporting is heavily influenced by Organisational decisions (such as outsourcing certain functions or holding them in-house). It is therefore not possible to have a true like-for-like comparison.

Financial and Staff Implications

7. Implications are discussed as required.

Equalities Implications

8. The Gender Pay Gap Report (Annex 1) outlines the actions we have in place to address our gender pay gap and to increase representation (not just gender) throughout the Organisation.

RECOMMENDATION

9. **The Remuneration Committee is RECOMMENDED to note this report.**

Steve Munn

Director of Human Resources

Background Papers: Nil

Contact Officer: Ruth O'Loughlin, HR Manager – Reward

June 2018

Authority	Mean Gender Pay Gap	Median Gender Pay Gap	Mean Bonus Gap	Median Bonus Gap	Quartile 1		Quartile 2		Quartile 3		Quartile 4	
					Male	Female	Male	Female	Male	Female	Male	Female
Public Sector Average	17.7%	19.4%										
National Average	17.4%	18.4%										
Oxfordshire	3.5%	0.1%	N/A	N/A	29.6%	70.4%	41.5%	58.5%	36.7%	63.3%	34.4%	65.6%
Cherwell District Council	3.3%	6.9%	N/A	N/A	47.7%	52.3%	48.4%	51.6%	55.5%	44.5%	51.6%	48.4%
Oxford City	0.1%	0%	-6.3%	19.5%	71.3%	28.7%	59.6%	40.4%	63.2%	36.8%	67.6%	32.4%
South Oxfordshire & Vale	1.1%	-8.7%	N/A	N/A	30%	70%	32%	68%	27%	73%	50%	50%
West Oxfordshire District	27.9%	26.2%	N/A	N/A	21.4%	78.6%	23.2%	76.8%	30.4%	69.6%	58.9%	41.1%
Buckinghamshire County	7.8%	4.5%	2.6%	6.1%	21.3%	76.9%	19.4%	80.6%	23.2%	76.8%	27.9%	72.1%
Hampshire County	18.7%	21.7%	27.9%	27%	12.5%	87.5%	21.9%	78.1%	25.2%	74.8%	33.6%	66.4%
Northamptonshire County	8%	6%	0%	0%	19.9%	80.1%	40.8%	59.2%	41.8%	58.2%	36.1%	63.9%
Warwickshire County	10.6%	15.7%	5.5%	0%	21.7%	78.3%	25.4%	74.6%	33.8%	66.2%	38.3%	61.7%

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Division(s): All

REMUNERATION COMMITTEE – 14 JUNE 2018

OXFORDSHIRE COUNTY COUNCIL SENIOR MANAGER JOB EVALUATION REPORT

Report by Director of Human Resources

Introduction

1. This report gives an overview of the current arrangements for Senior Manager Job Evaluation. It will outline the proposal to replace the existing arrangement with the Local Government Senior Manager Job Evaluation scheme, providing details on the benefits, costs and possible risks.

Current Arrangements

2. Historically, the LGA had advised Local Authorities to engage with KornFerry Hay Group (HAY) for the evaluation of the Senior Manager roles. However, overtime more and more Local Authorities raised concerns that the cost of using HAY was becoming prohibitive, that the responses from HAY were too technical to explain to staff and therefore the LGA have developed their own scheme.
3. HAY currently charge £550 + VAT + 12.5% Admin fee. The results take up to 5 working days from the submission of all the required details. The response then has to be translated into an OCC Grade.
4. We have recently had 3 roles evaluated through HAY and another 3 are pending evaluation depending on the outcome of this proposal.

Proposed Arrangements

5. The LGA developed a Job Evaluation Scheme for Senior Managers. It has been externally scrutinised by the Equality and Human Rights Commission to ensure that there is no hidden bias built into the questions.
6. The scheme is similar to the scheme we have in place for Green Book staff up to a Grade 18, in that there are different factors (such as Knowledge and Impact on others) against which the post is evaluated. Each factor score is then added up, which would correspond to a grade.
7. The cost of the scheme is just for the one off training. There would be 3 to 5 days training at a cost of £650 per day. At the maximum, it is no more than 5 roles evaluated through HAY.

8. The training would look at the roles we already have in place. They would be evaluated and a score assigned. We would then determine what score boundaries equate to what grade.
9. Future roles that are then evaluated would slot into the boundaries we had already determined.
10. This scheme would also increase our transparency around Senior Managers and indirectly the transparency around their pay. Each grade equates to a certain salary range and with this scheme we would be able to clearly articulate how the grade had been determined.

Financial and Staff Implications

11. There would be a small risk that certain roles fall above or below the grade boundaries that have been determined which would have implications for pay. However, this is perceived to be a small risk as the LGA Job Evaluation scheme was trialled in other Local Authorities that used HAY with no reported problems, the LGA had experience of HAY before developing their own scheme and we have more control over how the boundaries are set.

RECOMMENDATION

12. **The Remuneration Committee is RECOMMENDED to accept the proposal.**

STEVE MUNN

Director of Human Resources

Background Papers: Nil

Contact Officer: Ruth O'Loughlin, HR Manager – Reward

June 2018

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Division(s): N/A

REMUNERATION COMMITTEE – 14 JUNE 2018

GROWTH DEAL DIRECTOR

Report by Strategic Director of Communities

Introduction

1. As part of the Growth Deal delivery a small team has been created to co-ordinate and drive the delivery of the Growth Deal programme on behalf of all the partners (all local authorities across Oxfordshire and OxLEP). This small group of people will ensure the programme is coherent and cohesive so that all elements fit together and deliver the best possible result. Whilst much of the delivery capacity is located within each of the partner organisations this small team is critical to bring efforts together to drive such an ambitious programme and keep it on track. The Deal is supported by a Capacity Building Fund which is intended to fund this sort of function throughout the period of the programme.
2. In March 2018, an overarching plan was agreed with Government. To ensure that all the activities fit together well and the plan is delivered, it is seen as critical to have a Delivery Director providing leadership across the whole programme. Benchmarking and market testing have been used to assess an appropriate salary for a post of this complexity and seniority with the recruitment process underway (Annex A provides details of this benchmarking)
3. A number of employment arrangements were considered by senior staff working on the Deal from across the partnership but it was concluded that rather than create a complicated arrangement it would be best for there to be one employer for this small core team. As Oxfordshire County Council is the Accountable Body, the preferred option was for this authority to take on the role of employer. It is for this reason that the report is being presented for approval. The proposal would see all these posts working for the Growth Deal Partnership employed with Oxfordshire County Council's terms and conditions, and policies and procedures applying. The costs, however, do not fall on the Council as they are funded from a Capacity Building Fund which is provided for this type of expertise.

The Current Position

4. This small core team capacity has been discussed and agreed by the Chief Executives who have determined that it is needed to co-ordinate and drive the programme. It consists of four posts to lead and co-ordinate each of the workstreams as well as the programme overall. In addition to these roles the post of Delivery Director was considered to be crucial to ensure there is

someone overseeing the whole programme for the period agreed with Government i.e up to March 2023.

5. The Director post is now being advertised through appropriate media and a search has taken place to attract suitable candidates. It was recognised that there were unlikely to be significant numbers of people in the market with the right skills and experience (such as significant partnership experience and the successful delivery of programmes of such complexity and ambition) to be suitable for the role. As the recruitment process has progressed, it was increasingly apparent that there were a small number of people who could potentially do this role and add the expertise needed quickly.
6. There are very few comparisons to draw upon across the country (even the senior roles in the Combined authorities do not really compare) which has made salary benchmarking problematic. The benchmarking and market testing we have undertaken jointly with the Recruitment Advisers has shown that a salary in the order of £100-110k is necessary to attract and retain this level of expertise.

Proposals

7. The proposal is to create a new post of Growth Deal Delivery Director for a period of five years (the duration of the programme) . This post will be subject to the County Council's terms and conditions for employment matters but will be 'managed' by the Chief Executive of whichever local authority is providing the lead for the Deal (currently Oxford City Council). In practice this means any performance or other HR issues will be undertaken using this Council's policies and procedures.

Financial and Staffing Implications

8. The Growth Deal has secured a Capacity Building Fund to pay for the additional resources that the Partnership determines it needs to deliver the Programme. This fund will pay for the core team supporting the partnership without calling on the County Council's revenue support. The post will be an addition to the County Council's headcount purely for the purpose of having a 'home' to determine and apply any employment issues.

Equalities Implications

9. Securing the right expertise to drive the delivery of the Deal delivery programme is critical to the success of this programme, the local economy and future opportunities to build on this initial stage. The selection process has been designed based on best practice principles to secure equal opportunity throughout the process and attract a good mix of candidates

RECOMMENDATION

10. **The Committee is RECOMMENDED to agree to this post as an addition to the Council's establishment for the period of the appointment (up to 5 years).**

BEV HINDLE

Strategic Director of Communities

Contact: Sue Halliwell, Director of Planning and Place

June 2018

ANNEX

Benchmarking Data of reasonably comparable roles advertised in last 12 months

Programme Director – Combined Authority (Merseyside) c. £120k

Managing Director – Combined Authority (North East) c. £125k+

Head of Strategy – Combined Authority (West Midlands) £100k

Various Programme Lead Roles -Combined Authority (East of England)£90k-£120k

Strategic Director of Economic Development (London Borough) £100k+

Programme Manager (various)– Combined Authority (Greater Manchester) £95-£115k

Director of Economic Development – District Council (Leicestershire) £80k

Manager Programme Management Office - Combined Authority (West Midlands) £95k

Head of Programmes – Combined Authority (Cambridgeshire) £100k+

Please note: these are indicative figures as it is not always clear whether these salaries were part of a bigger remuneration ‘package’ or whether the appointments were made purely on this salary