

# **Oxfordshire County Council Pay Policy Statement**

This policy statement was reviewed by the Remuneration Committee and has been approved by the Council. It will be subject to review annually and in accordance with new or proposed legislation to ensure that it remains relevant and effective. It is effective from 1st March 2020.

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## Overview

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1. Oxfordshire County Council aims to develop and implement reward systems and structures which meet the following requirements:
  - Allow the Council to recruit and retain high calibre employees to provide high quality services
  - Maintain levels of pay which are in line with the Council's financial policies and provide value for money
  - Are open, transparent and accountable
  - Are fair and consistent
  
2. The purpose of this statement is to support the transparency of the Council's approach to setting pay by detailing:
  - The methods by which salaries of all roles are determined
  - The methods by which employees progress their individual pay within their role

## Application

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3. This Pay Policy Statement applies to all employees except for those employed by Schools.

## Definitions

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4. To support the transparency of this Pay Policy Statement, below are definitions for common words / phrases that are used throughout.
  - "Chief Officers"  
 The definition of chief officers is defined as the officer designated as the head of the authority's paid service; a statutory chief officer - which under the Local Government and Housing Act 1989 means Director of children's services, Director of adult social services, Director of public health, Section 151 Officer and Monitoring Officer; and a non-statutory chief officer - which under section 2(7) of the 1989 Act means direct reports of the head of paid service (HOPS), a person for whom the HOPS is directly responsible, a person who as respects all or most of their duties is required to report directly or is directly accountable to the HOPS, or a person who as respects all or most of their duties is required to report directly or is directly accountable to Full Council or a committee or sub-committee.

For the purposes of Oxfordshire County Council these posts are:

- Chief Executive (Head of Paid Service)
- Statutory chief officers
  - Corporate Director Children’s Service
  - Corporate Director Adult Services
  - Corporate Director Public Health and Wellbeing
  - Director of Finance (Section 151 Officer)
  - Director of Law and Governance(Monitoring Officer)
- Non- statutory chief officer
  - Corporate Director Communities
- Corporate Director Place and Growth (Fixed Term)
  - Corporate Director Customers and Organisational Development
    - Corporate Director Commercial Development, Assets and Investment
- “Lowest Paid Employees”
 

The lowest paid employees are those who are paid in Grade 1, Spinal Point 1 which is the lowest normal pay point. It is currently payable to some cleaning staff and lunchtime supervisors. Lowest paid employees excludes apprentices due to their trainee status and excludes staff who have transferred in to the Council under TUPE protected rates
- “Pay Multiple”
 

The pay multiple is the relationship between two different pay amounts, showing the number of times one value contains or is contained within the other. The relationships will be shown between:

  - the highest paid taxable earnings (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the lowest paid taxable earnings
  - the highest paid taxable earnings (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the median earnings figure of the whole workforce

## Legislation

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5. This Pay Policy Statement fulfils Oxfordshire County Council’s legal obligations under The Localism Act 2011.
6. The Council will also publish details of its senior pay, salary and organisational structure information as required by the Local Government Transparency Code 2015.
7. This Statement will be published on the Council’s public website and will be available in other formats upon request.
8. Procedural and approval requirements set down in the Council’s Constitution will be applied as required.

## Pay Strategy

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9. We undertake a comprehensive review of the remuneration of all staff each year, taking into consideration hourly pay rates and other significant benefits such as annual leave above the statutory requirements, employer pension contributions and training and development. We believe that taking a holistic view to remuneration ensures that our staff are rewarded fairly and encourages us all to think of total reward packages rather than a single component such as base pay.
10. When annual leave above the statutory minimum requirements and employer pensions contributions are added to our lowest pay rates, the hourly rate equates to £10.34. This is currently 10.75 per cent above the UK Living Wage of £9.30 (2019/20).

## Pay Design

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11. There are 9 pay schemes in operation (in agreement with trade unions). These are:
  - Joint Negotiating Committee for Chief Officers
  - Green Book (majority of Council employees)
  - National Joint Council for Chief and Assistant Chief Fire Officers
  - Grey Book (Firefighters)
  - Blue Book (Soulbury Committee covering Educational Psychologists)
  - Burgundy Book (Teachers)
  - National Joint Council for Workshops for the blind
  - National Joint Council for Coroners
  - Public Health
12. The Council ensures that all pay arrangements can be objectively justified through the use of Job Evaluation methods.
  - Oxfordshire County Council uses the National Green Book job evaluation scheme up to a Grade 18
  - Roles above Grade 18 are subject to a separate Local Government Association approved Senior Manager job evaluation scheme
  - Chief Officer roles were subject to a comprehensive external Senior Manager review in 2016 and salaries reflect the outcome of that review
13. The grade of each role determines the pay which may be awarded. For most grades, there are four increment pay points through which employees can progress.
14. Grading structures for all groups of employees will be implemented in line with agreed published pay scales and agreed relevant national terms and conditions of employment.

15. The Remuneration Committee is the appointing body for 'Corporate Directors and Statutory Chief Officers only (apart from the Monitoring Officer).
16. For non-statutory chief officers and directors who come under the definition of Deputy Chief Officer, the appointor would be the Head of Paid Service.

<b>Post</b>	<b>Regulatory Description</b>	<b>Appointor under Constitution</b>
Head of Paid Service	Head of Paid Service	Full Council
Corporate Director Children' Services	Statutory Chief Officer	Remuneration Committee
Corporate Director Adult Services	Statutory Chief Officer	Remuneration Committee
Corporate Director Public Health and Wellbeing	Statutory Chief Officer	Remuneration Committee
(s151 Officer) Director of Finance	Statutory Chief Officer	Full Council
Monitoring Officer	Statutory Chief Officer	Full Council
Corporate Director Communities	Non-statutory Chief Officer	Remuneration Committee
Corporate Director Customers and Organisation Development	Non-statutory Chief Officer	Joint Shared Services Personnel Committee
Corporate Director Commercial Development Assets and Investment	Non-statutory Chief Officer	Joint Shared Services Personnel Committee
Corporate Director Place and Growth	Non-statutory Chief Officer	Joint Shared Services Personnel Committee
Various posts – i.e. those reporting to the HOPS, Statutory and Non-Statutory Chief Officers	Deputy Chief Officers (includes Chief Fire Officer)	Relevant chief officer e.g. HOPS, Corporate Director or Director

Where non-statutory chief officers are shared between organisations they will be appointed to by the relevant joint committee with delegated responsibility.

17. It still remains that the Cabinet consultation procedure would be utilised as required by regulations for Chief Officer posts.
18. Any pay or grading changes for Chief Officers are considered and, if agreed, approved by the Remuneration Committee.
19. Salary packages for a new post in excess of £100,000 p.a. will be subject to formal approval by the Remuneration Committee or the Joint Shared Service & Personnel Committee.

## Pay Structures

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### *Pay Grades and Progression*

20. Most jobs have a grade with four increment points. When an employee is appointed to a new role it is typically at the bottom of the grade, unless they have significant experience in a similar role.
21. Annually (usually on the 1<sup>st</sup> April), pay awards are implemented in line with local or national negotiations. Employees progress to the next increment point as long as they have been on their existing pay point for six months or more. This system recognises their increasing experience and performance. Progression continues until they reach the top of the grade.
22. High levels of performance are expected from *all* employees and where standards are not satisfactory prompt managerial action will be taken to improve performance. This may include with-holding incremental rises or disciplinary/capability action in accordance with agreed procedures.

### *Pay Supplements*

23. From time to time it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where specific circumstances require this and where it can be justified in accordance with council policies. Such allowances are determined by Council policy. The Council uses the following:
  - Market supplements in order to attract and retain employees with particular experience, skills and capacity, for example when there are skills shortages locally or nationally. Market supplements must be agreed by the Job Evaluation Moderation Panel which is responsible for the local determination of job grades
  - Special payments where an employee has taken on additional duties and responsibilities for a defined period of time, for example covering a vacancy or taking on a special project
  - Retention Bonuses used in areas where there are particular challenges in retaining the experienced staff required such as Social Workers
  - A Golden Hello of £3500 is used to encourage experienced children's social workers in to our Assessment and Family Support Teams
  - An Introductory Fee may be paid to an employee who formally introduces a children's social work applicant and they are successfully appointed to an approved post. The introductory fee will be paid to the introducer
  - On Call Allowances to compensate employees for their requirement to be available with limited notice
  - Car Allowances are applicable in a handful of circumstances, such as when staff have transferred in to the Council under TUPE protected supplements
  - Certain roles also attract shift allowances for working weekends and/or bank holidays. Night shift premiums and allowances for waking nights are also applicable in certain roles

24. The council will ensure that the requirement for additional allowance or supplement is objectively justified by reference to clear and transparent evidence and where market supplements are considered that this is with reference to data available from within and outside the local government sector.
25. Pay Supplements are subject to reviews as appropriate.

## **Other Employment-related Arrangements**

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### *Local government pension scheme*

26. Subject to qualifying conditions, employees have a right to belong to the Local Government Pension Scheme (LGPS).
27. The employee contribution rates, which are defined by statute, currently range between 5.5 per cent and 12.5 per cent of pensionable pay depending on actual salary levels.
28. The Employer contribution rates are set by Actuaries and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current average rate is 19.9 per cent.
29. Employees who are in the main section of the LGPS can boost their pension benefits at retirement by buying additional pension up to £7,026 per year. This figure will increase each year in line with the cost of living.
30. Employees can also save Additional Voluntary Contributions to build up a pot of money which is then used to provide additional benefits to the LGPS benefits such as to buy an annuity.
31. The Council will not at any time augment the pension or membership of employees nor award or fund additional pension to employees unless required to do so by the LGPS Regulations.

### *Fire Brigade pension scheme*

32. Subject to qualifying conditions, employees have a right to belong to the Firefighters' Pension Scheme.
33. The employee contribution rates are dependent upon which Scheme the employee is a member of and their actual salary levels. The rates currently range between 8.5 per cent and 17 per cent of pensionable pay.
34. The Employer contribution rates also vary depending on the scheme between 14.3 per cent to 21.7 per cent
35. Employees can purchase Additional pension in line with the Government Actuary's Department guidance



## *Benefits schemes*

36. As part of the Reward Strategy to recruit and retain high calibre employees, the Council provides a wide range of benefits including 'Cycle to Work' salary sacrifice schemes and discounts schemes which support the local economy.
37. A full review of the Benefits offered by the Council is continuing into 2020 from 2019.

## *Expenses*

38. Expenses are based on nationally agreed levels except car mileage which is based on the Inland Revenue All Car rate, currently 45 pence per mile, falling to 25 pence for miles travelled in excess of 10,000 per annum.

## **Pay Arrangements for Senior Management**

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39. A number of Senior Officer roles are now joint roles with Cherwell District Council. The funding for those salaries is shared with Cherwell District Council pursuant to the partnership arrangements and the agreed costs sharing principles set out in the Section 113 Agreement. The following roles are the jointly funded roles as at 1<sup>st</sup> February 2020:

The Chief Executive (Head of Paid Service)

Director for Law and Governance (Monitoring Officer)

Director for Finance (S151 Officer)

Corporate Director for Customers and Organisational Development

Corporate Director for Commercial Development, Assets and Investment

Corporate Director for Place and Growth

Director for IT and Digital

Director for Strategy, Communications and Insight

Director for Culture and Customer Experience

Director of Human Resources

40. There are also a number of contractors that are not included in this pay statement, although they are carrying out established roles
41. Salaries are reviewed annually by the Joint Negotiating Committee for Chief Executives, Joint Negotiating Committee for Chief Officers, and the National Joint Council for Chief and Assistant Chief Fire Officers (as applicable) and changes usually take effect from 1<sup>st</sup> April.
42. The Council does not apply any bonuses or performance related pay to its Chief Officers.

43. On appointment, salaries are determined based on market data and with reference to the outgoing post holder.

44. Where the Chief Executive or other officer receives election fees these will be shown separately to salary.

## Pay Multiples and Medians as of 1<sup>st</sup> January 2020

45. Bearing in mind the above mentioned shared pay arrangements for senior management, the following tables show the pay multiples and medians of all salaries paid by the council firstly in Table 1 **excluding** and secondly in Table 2 **including** the jointly funded posts.

Table 1: Data based on salaries paid **only** by the County Council. With effect from 1 October 2018, the council entered into partnership working arrangements with Cherwell District Council. The salary detailed for 2019 and 2020 relates to the highest salary paid by the council to a Strategic or Corporate Director.

	2018	2019	2020
Highest Paid	£183,585	<b>£144,228</b>	<b>£147,113</b>
Lowest Paid	£15,014	£16,394	£17,364
Pay Multiple between the lowest paid and the highest paid	1 : 12.3	1 : 8.8	1 : 8.47
Median Salary	£29,638	£29,055	£29,636
Pay Multiple between median and highest paid	1 : 6.1	1 : 4.96	1 : 4.94

Table 2: The highest paid salary detailed in 2020 **includes** the Chief Executive. The role of Chief Executive is a joint role which is jointly shared with 69% of the salary paid by the council and the remaining 31% paid by Cherwell District Council. The lowest paid and median salary data refers to county council staff only.

	2018	2019	2020
Highest Paid	£183,585	£183,585	£194,560 (of which £134,246 is paid by the

			county council with the remaining £60,314 paid by Cherwell District Council)
Lowest Paid	£15,014	£16,394	£17,364
Pay Multiple between the lowest paid and the highest paid	1 : 12.3	1 : 8.8	1 : 11.2
Median Salary	£29,638	£29,055	£29,636
Pay Multiple between median and highest paid	1 : 6.1	1 : 6.31	1 : 6.56

## Payments on termination of employment

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46. The Oxfordshire County Council Redundancy Scheme applies to *all* employees and is currently one and a half times statutory entitlement based on actual pay. It will apply where redundancy payments are due.
47. All employees who have received a redundancy payment in relation to the termination of their contracts of employment will be subject to the provisions of the Redundancy Modification Order and will be subject to Local Government Pension Scheme (LGPS) Regulations or other pension scheme regulations where applicable.
48. Severance payments for *all* employees will comply with the Council's Pensions and Retirement Policy. This sets out that early retirement may be granted for employees aged 55 years and over with at least two years' membership in the LGPS.
49. Where other severance payments are appropriate such payments will be approved by the Director of Law and Governance and the Director of Finance, and will be the subject of a Settlement Agreement for the purpose of compromising any compensation for which the council may otherwise be legally liable.

## Publication of pay statement

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50. In accordance with publication requirements, a table showing information on the current pay of the Chief Executive, Chief Officers, Deputy Chief Officers and other officers earning over £50,000 pa, will be published on the Council's web site<sup>1</sup>. All allowances and other payments will be shown.

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<sup>1</sup> <https://www.oxfordshire.gov.uk/cms/content/annual-accounts-and-audit>

**Karen Edwards**  
**Director of Human Resources**

**January 2020**