

Divisions Affected - All

COUNCIL

8 February 2022

Pay Policy Statement 2022/23

Report by Director of Human Resources

RECOMMENDATION

1. **Council is RECOMMENDED to:**
 - a) **Approve the Pay Policy Statement 2022/23 (Annex A).**
 - b) **Approve the Gender Pay Gap Report (Annex B)**

Executive Summary

Pay Policy Statement

2. The Pay Policy Statement 2022/23 attached at Annex A applies in the event that Cherwell District Council at their Extraordinary Full Council meeting on 7 February 2022 and this Council, at agenda item 7 of this meeting agenda, each resolve to mutually serve notice to end the formal S113 Agreement between Oxfordshire County Council (OCC) and Cherwell District Council (CDC).
3. In 2012 a stand-alone Remuneration Committee was set up to report each year directly to Full Council and to make recommendations regarding the Council's Pay Policy Statement. Attached at Annex A is the Pay Policy Statement 2022/23.
4. The Localism Act requires all councils to agree and publish a Pay Policy Statement every financial year. The Act lays down requirements on the content of the statement. This requirement is supplemented by detailed guidance from the Department for Communities and Local Government entitled 'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act'.
5. The Pay Policy Statement must contain the following:
 - The ratio between the highest paid chief officer and the lowest paid employees at the council and the highest paid chief officer and the median pay point at the council.
 - The ratio between the average salary of all chief officers and the lowest paid employees and the average salary of all chief officers and the median pay point at the council.
 - The appointment arrangements for all chief officers at the council.
 - Pay strategy, design, structures, and arrangements including job evaluation methods and arrangements for pay progression.
 - Pay arrangements on termination of employment

6. In addition, the code of Recommended Practice for Local Authorities on Data Transparency (updated in 2014) requires that councils publish prescribed information on senior pay, jobs and organisational structures.
7. The Act requires the Pay Policy Statement to be agreed by full Council. As required by the Act and Code of Practice, once approved by Council the Pay Policy Statement will be published on the Council's website and will be available on request
8. The Council's Constitution (Part 2, Article 11) sets out that one of the roles and functions of the Remuneration Committee is "To make recommendations to Council on the content of an annual pay policy statement for each forthcoming year".
9. The Remuneration Committee considered the draft Pay Policy Statement at its 13 January 2022 and considered an updated version at its 2 February 2022 meeting.
10. The Pay Policy Statement fulfils the requirements set down by the relevant legislation and codes. The updated version took into account the Committee's deliberations at its 13 January meeting and reflected the proposed appointment to a post of interim Chief Executive for the Council solely following the mutual agreement to formally end the S113 Partnership Agreement between Oxfordshire County Council and Cherwell District Council.
11. Having given due consideration, the Remuneration Committee resolved to recommend to Full Council that the Pay Policy Statement 2022/23 be approved.

Gender Pay Gap Report

12. From 2017, an employer who has a headcount of 250 or more employees on a 'snapshot date' must comply with regulations on gender pay gap reporting. Gender pay gap calculations are based on employer payroll data drawn from a specific date each year. This specific date is called the 'snapshot date'.
13. The 'snapshot date' for Oxfordshire County Council (as with most other public authority employers) is 31 March every year. The Council must report and publish their gender pay gap information by 30 March of the following year.
14. The gender pay gap shows the difference between the average (mean and median) earnings of all male employees and all female employees. This is expressed as a percentage of all male employee's earnings.
15. The aim of Gender Pay Gap (Annex B) reporting legislation is to help employers to identify the gaps in their organisations and to take action to close their gender pay gap.

Gender Pay Gap vs Equal Pay

16. The gender pay gap differs from equal pay as it is concerned with the differences in the average pay between men and women over a period of time no matter what their role is. Equal pay deals with the pay differences between men and women who carry out the same or similar jobs

Financial Implications

17. There are no financial implications arising directly from this report.

Legal Implications

18. The Localism Act 2011 requires Council's to approve its Annual Pay Policy Statement by 31 March each year and to publish it as soon as reasonably practicable after it has been approved.
19. The Pay Policy Statement will be submitted to the 8 February Council meeting for approval, ensuring the Council fulfils this requirement.

Annex: Annex A: Pay Policy Statement
 Annex B: Gender Pay Gap Report

Background papers: None

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February 2022