



## **Pay Policy Statement**

**2025 / 26**

This information can be made available in a range of formats and languages, including Braille and large print. If this would be useful to you, please contact the HR and Cultural Change Service.

## 1. Introduction, overview and purpose

Under Section 112 of the Local Government Act 1972, the council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”.

This pay policy statement (the ‘statement’) sets out the council’s approach to pay in accordance with the requirements of Section 38-43 of the Localism Act 2011. It has been drafted with due regard to the associated statutory guidance, including the supplementary statutory guidance issued in February 2013, the Local Government Transparency Code 2015, and the statutory guidance on special severance payments issued in May 2022 under section 26 of the Local Government Act 1999.

One of the council’s strategic priorities is to be an employer of choice. Whilst recognising the financial constraints that the council operates within, it aims to ensure that its approach to pay and reward reflects that.

The council recognises that its colleagues are motivated by different things. It places importance upon taking a holistic view to remuneration to ensure that colleagues are rewarded fairly and with individuality in mind. The council monitors its total reward packages rather than focussing on a single component such as basic pay.

The purpose of this statement is to provide transparency regarding the council’s approach to setting the pay of its employees.

This statement details the methods by which salaries for all roles are determined. It will be published on the council’s website and intranet and made available in other formats upon request.

Procedural and approval requirements set down in the council’s Constitution will be applied as required.

### **Pay policy principles**

In determining the remuneration of its employees, the council places importance upon balancing its strategic priority of being an employer of choice, committed to recruiting and retaining a high performing workforce, with the need to ensure value for money, and accountability in respect of public expenditure.

The council also has due regard to the need for its pay arrangements to be:

- Open and transparent
- Fair, consistent, and underpinned by equality
- In line with the council’s financial policies, affordability, and accountability requirements.

Once approved, this policy statement will come into effect on 1 April 2025 superseding the 2024 / 25 statement and will continue to be reviewed on an annual basis.

## 2. Definitions

To support the transparency of the pay policy statement, definitions for common words / phrases that are used throughout are described below.

### 2.1. Remuneration

For the purposes of this statement remuneration includes three elements – basic salary, pension, and all other allowances arising from employment.

### 2.2. 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 section 2(6) the Local Government and Housing Act 1989 (the 1989 Act) means Director of Children's Services, Director of Adult Social Services, Director of Public Health and Communities, Chief Fire Officer and Director of Community Safety, Section 151 Officer (overseeing the council's financial probity), and Monitoring Officer (overseeing the council's legal and governance arrangements and decision making).

The definition of 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 the duties of their post, is required to report directly or is directly accountable to the HoPS; and any person who, as respects all or most of the duties of their post, is required to report directly or is directly accountable to the local authority themselves or any committee or sub-committee of the authority.

In the case of the council these posts are:

- Chief Executive (Head of Paid Service)

#### **Statutory Chief Officers**

- Deputy Chief Executive / Executive Director of Resources and Section 151 Officer
- Chief Fire Officer and Director of Community Safety
- Director of Adult Social Services
- Director of Children's Services
- Director of Law and Governance and Monitoring Officer
- Director of Public Health and Communities

### **Non-Statutory Chief Officers**

- Deputy Chief Executive / Executive Director of People and Transformation
- Director of Environment and Highways
- Director of Economy and Place

### **2.3. Lowest paid employees**

The lowest paid individuals employed under a contract of employment with the council are employed on full time [37 hour] equivalent salaries in accordance with the minimum spinal column point currently in use within the council's grading structure.

In line with the pay scales, the lowest pay that employees receive is equivalent to Grade 2, spinal column point 2. This salary is currently payable to employees carrying out cleaning roles. As of 1 April 2024, this is £23,656 per annum which equates to £12.26 per hour.

### **2.4. National Living Wage, The Real Living Wage, and Oxford Living Wage**

The National Living Wage was set at £11.44 per hour with effect from 1 April 2024. The council pays above the National Living Wage at £12.26 per hour.

The UK Real Living Wage for 2024 / 25 was set in October 2024 and is £12.60 per hour. It is paid voluntarily by organisations.

The Oxford Living Wage is currently £12.49 per hour.

### **2.5. Pay multiples**

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

- the highest paid taxable earnings (including base salary, variable pay, bonuses, allowances, and 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.
- the average median salary of Chief Officers and the median earnings figure of the whole workforce.

## **3. Pay strategy**

3.1 The council adopts the national pay structures as part of its pay strategy, except in relation to its senior leadership roles. Section 9 provides details of the senior leadership pay arrangements.

3.2 **Annual cost of living pay awards**

The council participates in national pay bargaining. This means that it is subject to the annual cost of living pay reviews negotiated by the relevant joint negotiating body (made up of the national employers' representatives and national trade unions for the relevant employee group) as shown in section 4 below.

## 4. Pay design

4.1 There are 9 pay schemes in operation in agreement with trade unions. These are:

1. Joint Negotiating Committee for Chief Executives of Local Authorities
2. Joint Negotiating Committee for Chief Officers
3. NJC for Local Government Services (known as the Green Book) (this applies to the majority of council employees)
4. NJC Gold Book (National Joint Council for Chief and Assistant Chief Fire Officers)
5. NJC Grey Book (Firefighters)
6. NJC Blue Book (Soulbury Committee covering Educational Psychologists)
7. NJC Burgundy Book (Teachers)
8. National Joint Council for Coroners
9. Agenda for Change (NHS)

These are all implemented in line with nationally agreed, published pay scales and terms and conditions of employment, unless modified by local arrangements.

## 5. Job evaluation

5.1 The council uses job evaluation as a tool to determine the size of a role and create an organisational hierarchy of all roles, from the smallest to the largest. This means the council can objectively justify how roles are sized and graded. The hierarchy of job roles is then translated onto the pay structure. Together they enable the development of a transparent and understandable structure around pay grades.

5.2 In agreement with the recognised trade unions the council has adopted two job evaluation schemes:

- **Korn Ferry Hay** – for senior leadership roles (Executive Directors, Directors, Deputy Directors, Assistant Directors, and Heads of Service). This scheme was adopted through a Collective Agreement with UNISON in November 2024.

- **NJC for Local Government Services (Green Book)** for all roles employed under those conditions of service.

## 6. Statutory and non-statutory Chief Officer appointments

6.1 The Head of Paid Service has authority over the selection and appointment of any Deputy Chief Officer, subject to the procedure set out in the Constitution. The Remuneration Committee is the appointing body for all statutory and non-statutory Chief Officer appointments as shown in Table 1 below:

**Table 1: statutory and non-statutory chief officer appointments**

<b>Post</b>	<b>Regulatory description</b>	<b>Appointment under Constitution</b>
Chief Executive	Head of Paid Service	Remuneration Committee with recommendation to Council
Deputy Chief Executive / Executive Director of Resources and s151 Officer	Statutory Chief Officer	Remuneration Committee with recommendation to Council
Deputy Chief Executive / Executive Director of People & Transformation	Non-statutory Chief Officer	Remuneration Committee
Director of Children's Services	Statutory Chief Officer	Remuneration Committee
Director of Adult Social Care	Statutory Chief Officer	Remuneration Committee
Director of Public Health and Communities	Statutory Chief Officer	Remuneration Committee
Director of Law and Governance and Monitoring Officer	Statutory Chief Officer	Remuneration Committee with recommendation to Council
Chief Fire Officer and Director of Community Safety	Statutory Chief Officer	Remuneration Committee
Director of Environment and Highways	Non-statutory Chief Officer	Remuneration Committee

Director of Economy and Place	Non-statutory Chief Officer	Remuneration Committee
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- 6.2 The Cabinet consultation procedure is used as required by regulations for appointment to Chief and Deputy Chief Officer posts. The detail relating to this is set out in the Council constitution and can be found here: [www.oxfordshire.gov.uk/sites/default/files/file/constitution/Part8-4-OfficerEmploymentProcedureRules.pdf](http://www.oxfordshire.gov.uk/sites/default/files/file/constitution/Part8-4-OfficerEmploymentProcedureRules.pdf)
- 6.3 Any proposed pay or grading changes for Chief Officers are reviewed by Remuneration Committee and if supported, are recommended for approval by Council.
- 6.4 Salary packages for proposed new posts with recommended salaries of more than £100,000 per annum are reviewed by Remuneration Committee and if supported, recommended for approval by Council.

## 7. Pay structures

- 7.1 The council applies the nationally negotiated pay structures, except in relation to its senior leadership roles. Section 9 provides the detail relating to the pay structure and other arrangements relating to the council's senior leadership roles.
- 7.2 **Pay grades and progression**  
 Most jobs within the mainstream pay structure have a grade with at least four incremental points. Some grades have six incremental points.
- Employees are typically appointed at the first increment of the grade unless they have significant experience in a similar role.
- 7.3 **Incremental progression**  
 Employees progress to the next incremental point according to the relevant terms and conditions of employment. This recognises their increasing experience, and that performance progression continues until they reach the top of the grade.
- High levels of performance are expected from all employees. Where standards are not satisfactory prompt managerial action will be taken to improve performance. This may include disciplinary / capability action in accordance with agreed procedures.
- 7.4 **Cost of living pay awards**  
 Cost of living pay awards are implemented in line with national negotiations on an annual basis as shown in Table 2 below:

**Table 2: annual cost of living pay awards**

Date	Staff group
1 April	NJC for Local Government Services / Green Book, JNC for Chief Executives, JNC for Chief Officers, Agenda for Change (NHS), Coroners
1 July	NJC (Fire and Rescue)
1 September	Soulbury, Teachers
1 January	Chief and Assistant Chief Fire Officers.

#### 7.5 **Pay supplements**

From time to time, it may be necessary to pay special allowances or supplements to individual employees where specific circumstances require this and where it can be justified in accordance with council policies. The council uses the following range of different pay supplements:

#### 7.6 **Market supplements (Temporary)**

These are applied to attract and retain employees with experience, skills, and capability when there are identified skills shortages locally or nationally that impact the council. Market supplements must be agreed by the Director of Human Resources and Cultural Change or their deputy, through delegation.

Market supplements are considered in line with a valid data sample of appropriate benchmark roles available from within and outside the Local Government sector. They are temporary, non-consolidated, additions to basic pay. They are reviewed annually and may be reduced or removed in line with the pay market.

#### 7.7 **Honoraria (Temporary)**

Honoraria payments are temporary, non-consolidated, additions to basic pay. They may be paid where an employee has taken on temporary additional duties and responsibilities for a period of up to six months, for example, covering a vacancy or taking on a special project.

#### 7.8 **Welcome and loyalty payments scheme (Children's Services)**

One-off, non-consolidated, welcome and loyalty payments of up to £3,500 are used to encourage experienced children's social workers into the following teams: Family Support Plus, (FSP) Multi-Agency Safeguarding Hub (MASH), Youth Justice and Exploitation Service (YJES) and Children We Care For (CWCF) and other Statutory Social Work appointments.

#### 7.9 **On-call allowances**

On-call allowances are applied to compensate colleagues who are required to be available with limited notice. Rates are agreed on an individual role basis. On-call allowances do not apply to Chief Officers.

#### 7.10 **Shift and night shift allowances**



Certain roles also attract shift allowances for working evenings, weekends and / or bank holidays.

Night shift premiums and allowances for waking nights are also applicable in certain roles. These allowances are in line with the national pay schemes applicable to the role.

The council will ensure that the requirement for an additional allowance or supplement is objectively justified by reference to clear and transparent evidence / business case.

Pay supplements are subject to review as appropriate. The council does not pay bonuses.

## **8. Other employment related arrangements**

### **8.1 Local Government Pension Scheme (LGPS)**

Subject to qualifying conditions, eligible employees have a right to enter the LGPS.

The employee contribution rates which are defined by statute, currently range between 5.5% and 12.5% of pensionable pay depending on actual salary levels.

The employer contribution rates are set by actuaries and are reviewed on a triennial basis to ensure the scheme is appropriately funded. The current employer contribution rate is 19.9%.

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.

### **8.2 Fire Brigade Pension Schemes**

Subject to qualifying conditions, eligible employees have a right to enter the Firefighters' Pension Scheme.

The employee contribution rates currently range between 11% and 14.5% of pensionable pay.

The employer contribution is currently a fixed rate of 28.8% until March 2025, and is under review.

### **8.3 Benefits Schemes**

As part of its total reward strategy to recruit and retain talented colleagues, the council provides a wide range of benefits including:

➤ **Cycle to work scheme**

This is a salary sacrifice scheme which allows colleagues to save money when purchasing a new bicycle and spread the cost over 12, 18, or 24 months.

➤ **Childcare vouchers (Limited access)**

This scheme is limited to colleagues in post prior to 4 October 2018 as it was withdrawn by the Government.

➤ **Electric vehicle scheme**

The council partners with Tusker to provide an electric vehicle salary sacrifice scheme to support a thriving local economy and the council's contribution to achieving net-zero (climate change actions).

➤ **Salary Finance**

The council entered a partnership with Salary Finance in 2022. Salary Finance are a leading financial wellbeing provider in the UK. A key driver for this service is to support colleagues to develop good financial management habits and reduce the need and likelihood to access payday loans. It also represents part of the council's wellbeing strategy.

Salary Finance are fully regulated and have been accredited as an ethical lender.

➤ **Vivup**

The council also partners with Vivup to extend its range of benefits and support its colleagues. Vivup provides access to hundreds of discounts from big brand supermarkets to broadband and utilities.

The Vivup benefits platform was launched in 2022 as part of the council's work to support colleagues during the cost-of-living crisis.

➤ **Pension Added Voluntary Contributions (AVC's)**

A Salary Sacrifice Shared Cost Additional Voluntary Contributions Scheme (SSSCAVCs) for LGPS Pension Fund members was launched in February 2024.

#### 8.4 **Expenses**

Expenses are based on nationally agreed levels except car mileage which is based on the HM Revenue & Customs approved rates, as set out below:

**HM Revenue & Customs all-car rate (includes all fuel types; petrol, diesel, and non-salary sacrifice electric)** - Currently 45 pence per mile, reducing to 25 pence for miles travelled in excess of 10,000 each year.

**HM Revenue & Customs salary sacrifice rate** – 9 pence per mile.

Colleagues can also claim 20 pence per mile when using their own bicycle for business purposes.

## **9. Pay arrangements for senior management**

- 9.1 Pay scales and pay awards are reviewed annually by the Joint Negotiating Committee for Chief Executives, Joint Negotiating Committee for Chief Officers, National Joint Council for Local Government Services (Green Book), and the National Joint Council for Chief and Assistant Chief Fire Officers (as applicable) and changes usually take effect from 1 April (1 January for Chief Fire Officers).
- 9.2 The salary of the Chief Executive / Head of Paid Service is determined through a process of pay benchmarking conducted by externally commissioned experts. This typically takes place each time the role become vacant or on such occasion the council considers that it is necessary to check that the salary remains competitive within the appropriate pay market. Once the pay benchmarking has taken place it is supplemented by a nationally negotiated annual cost of living pay award. The Chief Executive / Head of Paid Service is currently paid a single point salary. As shown in Table 5 below, there is no pay range for this role.
- 9.3 As part of its modernisation programme, the council adopted a locally agreed pay structure for senior leadership roles (Executive Directors, Directors, Deputy Directors, Assistants Directors, and Heads of Service) in November 2024 through a collective agreement with UNISON. The senior leadership pay structure comprises 6 grades, each formed of 5 incremental point grades.
- 9.4 The council also reached a collective agreement with UNISON in November 2024 to replace automatic, time-served increments with increments linked to delivery of agreed objectives as part of its 12.3.2 performance management framework for its Executive Directors, Directors, Deputy Directors, Assistant Directors, and Heads of Service. This is known as the Gateway Review. It will be effective from 1 April 2025 for Executive Directors and Directors, and 1 April 2026 for Deputy Directors, Assistant Directors, and Heads of Service.
- 9.5 The council does not pay bonuses to its senior leadership team.

## **10. Returning Officer / election fees**

- 10.1 Where the Returning Officer or other Officers receive election fees these are paid and shown separately to salary as they are separate appointments to that of their substantive employment.
- 10.2 Election fees are set annually by the council's Audit and Governance Committee. Election fees are reviewed regularly by the same Committee in readiness for the County quadrennial elections. They will be considered by the Audit and Governance Committee on 15 January 2025.

## **11. Pay multiples and medians**

11.1 The council is required to report on the pay multiples between its lowest and highest paid employees.

11.2 Table 3 shows the ratio between the lowest paid and the highest paid role and the ratio between the median salary of the workforce and the highest paid.

11.3 The median salary is the middle value of all the salaries when they are arranged in ascending or descending order. It represents the salary that separates the higher half from the lower half of the workforce. For example, the council's median salary is £37,675 per annum, which means that half of the employees earn more than £37,675 per annum and the other half earn less.

**Table 3; ratio between the lowest paid and the highest paid role and the ratio between the median salary of the workforce and the highest paid.**

<b>Pay multiples</b>	<b>1 March 2024</b>	<b>1 January 2025</b>
Highest paid – Chief Executive	£232,875	£238,697
Lowest paid	£22,366	£23,656
Pay multiple between the lowest paid and the highest paid	1:10.41	1:10.09
Median salary	£36,226	£37,675
Pay multiple between median and highest paid	1:6.43	1:6.34

### **Pay Multiple Between Lowest and Highest Paid**

11.4 This ratio compares the highest paid / Chief Executive salary (£238,697 per annum) to the lowest paid employees. This means that the Chief Executive earns 10.09 times more than the lowest paid employees. Table 3 illustrates that the difference has reduced since the last pay policy statement.

### **Pay Multiple Between Median and Highest Paid**

11.5 This ratio compares the median salary to the highest-paid / Chief Executive salary. This means that the highest-paid employee earns 6.34 times more than the median salary. Again, Table 3 illustrates that the difference has reduced since the last pay policy statement.

**Table 4: ratio between the median salary of the workforce and the average salary of its Chief Officers**

<b>Pay multiples using the average salary of Chief Officers</b>	<b>1 March 2024</b>	<b>1 January 2025</b>
Average salary of Chief Officers	£163,833	£163,051
Lowest paid	£22,366	£23,656
Pay multiple between the lowest paid and the average salary of Chief Officers	1:7.33	1:6.89
Median salary	£36,226	£37,675
Pay Multiple between median salary and average salary of Chief Officers	1:4.52	1:4.33

## **12. Payments on termination of employment**

12.1 The council's approach to statutory and discretionary payments on termination of employment of Chief Officers prior to reaching normal retirement age is set out in its policy statement made in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006.

### **12.2 Redundancy**

The council's Redundancy Scheme applies to all employees and is currently one and half times statutory entitlement based on actual pay. It will apply where employment is terminated on redundancy grounds and redundancy payments are due.

All employees who receive a redundancy payment arising from 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 pensions scheme regulations where applicable.

### **12.3 Severance payments**

Severance payments for all employees will comply with the council's Pensions Discretions and Retirement Policy, where the circumstances in which severance takes place falls within the terms of the policy. This sets out that early

retirement may be granted for employees aged 55 years and over with at least two years membership of the LGPS.

The council has regard to the statutory guidance dated 12 May 2022 on the making and disclosure of Special Severance Payments by local authorities in England, and earlier statutory guidance on severance payments published in February 2013. Special severance payments, which are payments exceeding an employee's statutory and contractual entitlements on termination of employment, are determined on a case-by-case basis e.g. settlement agreements, write-offs of any debt or loan, hardship payment consideration, and payments to employees for retraining.

Severance payments of £100,000 and above are subject to a formal decision made by Council unless there is a good reason for departing from the statutory guidance; and payments below £100,000 are subject to a formal decision of either:

- relevant elected members with delegated authority to approve such payments (currently the Remuneration Committee); or
- a suitably authorised officer.

#### **12.4 Re-employment**

The council takes its duty of accountability for the use of the public purse, and demonstrating value for money in everything it does seriously. This means that the council will not re-employ former colleagues who have left its employment with any form of severance pay for at least two years from the date of termination of employment. The council reserves the right to extend this period in circumstances where it is in the best interest of the council.

### **13. Publication of senior salaries statement**

13.1 In accordance with publication requirements, the council publishes its (retrospective) annual statement of accounts on the website which includes:

- the number of employees earning above £50,000 per annum.
- the individual remuneration details for each senior employee, defined by regulations as the Chief Officers listed above, whose salary is more than £50,000 per annum. All allowances and other payments will be shown.

Only those employees whose salary is above £150,000 per annum are disclosed by name, all remaining senior officers are disclosed by post title.

13.2 The current salaries for Chief Officers as of 1 January 2025 are shown in Table 5 below:

**Table 5: Chief Officer salaries 2024 / 25**

<b>Chief Officer</b>	<b>Name (where applicable)</b>	<b>Salary range</b>	<b>Actual salary 2024 / 2025</b>
Chief Executive and Head of Paid Service	Martin Reeves	£238,697	£238,697
Deputy Chief Executive / Executive Director of People & Transformation	Stephen Chandler	£162,975 - £191,675	£177,325
Deputy Chief Executive / Executive Director of Resources (s151 Officer)	Lorna Baxter	£162,975 - £191,675	£177,325
Chief Fire Officer and Director of Community Safety	Rob MacDougall	£147,042 - £161,041	£161,041
Director of Children's Services		£142,604 - £152,854	£147,729
Director of Adult Social Services		£142,604 - £152,854	£147,729
Director of Public Health and Communities		£142,604 - £152,854	£147,729
Director of Law and Governance and Monitoring Officer		£142,604 - £152,854	£147,729
Director of Environment and Highways		£142,604 - £152,854	£142,604
Director of Economy and Place (Secondment)		£142,604 - £152,854	£142,604

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**January 2025**