

**To:** Council  
**Date:** 18 March 2024  
**Report of:** Head of Business Improvement  
**Title of Report:** Pay Policy Statement 2024/25

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To approve the Annual Pay Policy Statement
<b>Key decision:</b>	No
<b>Cabinet Member with responsibility:</b>	Councillor Nigel Chapman, Cabinet Member for Citizen Focused Services and Council Companies
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendation(s): That Council resolves to:</b>	
1. Approve the Annual Pay Policy Statement 2024/25 and the new 2 year pay agreement in Appendix 1.	

<b>Appendices</b>	
Appendix 1	Annual Pay Policy Statement 2024/25
Appendix 2	Risk Register

## Introduction and background

1. The Council is required by legislation to approve and publish a Pay Policy Statement annually.

## Overview

2. The Pay Policy Statement in Appendix 1 reflects the Council's current agreements and arrangements with regard to pay.
3. The Council has completed union negotiations with Unison and Unite to agree a new two-year pay agreement providing a cost of living pay award of 6.5% on base pay points with effect from 1<sup>st</sup> April 2024 and 3% with effect from 1<sup>st</sup> April 2025. The

freeze on incremental pay progression will be lifted and employees will move up an increment unless already at the maximum pay point. Incremental progression covers National Joint Council (NJC) Grades 3 to 11 only. The paid leave entitlement will increase by one day (pro rata for part-time employees) with effect from 1<sup>st</sup> October 2024. The arrangements in the local pay agreement for the period from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2026 are reflected in the Pay Policy Statement 2024/25.

4. The previous pay agreement included a commitment to undertake a full review of pay, grading and progression looking ahead from 1<sup>st</sup> April 2024 onwards and this work will be completed in 2024.
5. The Living Wage Foundation announced the increase to the voluntary London and National Living Wage in November 2023. The Oxford Living Wage is set at 95% of the London Living Wage and, with effect from 1<sup>st</sup> April 2024 this will rise to £12.49 per hour. In comparison, with the exception of Apprentices, the lowest Council employee pay rate will be £12.67 per hour as at 1<sup>st</sup> April 2024. The Council's apprentices commence their apprenticeship below the Oxford Living Wage but progress to rates in excess of it.

### **Financial implications**

6. The financial implications of this Pay Policy Statement and the new two year pay agreement have been included within the Council's Medium Term Financial Strategy. The estimated cost of this is around £2.2 million including national insurance and superannuation over the period of the 2-year agreement.
7. The Council's contract rules require that all contracts include the requirement on the contractor and its supply chain to pay their employees at least the Oxford Living Wage. The Oxford Living Wage is incorporated into the Council's contracts for temporary agency workers, and the requirement to pay the Oxford Living Wage as a minimum also covers its Leisure Services partner and both Oxford Direct Services Ltd and Oxford City Housing Limited, the latter two being Council-owned companies.

### **Legal issues**

8. The Council has a legal obligation to produce and publish a pay policy statement annually. In accordance with the Localism Act 2011, the Council is required to approve its Annual Pay Policy Statement by 31 March each year and to publish its Annual Pay Policy Statement as soon as reasonably practicable after it has been approved. A failure to approve and publish a Pay Policy Statement by the required date would be liable to challenge by way of judicial review.

### **Level of risk**

9. A risk register can be found in Appendix 2.

### **Equalities impact**

10. All changes to pay arrangements are and will continue to be subject to consultation, appropriate approvals, and equality impact assessments.

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**Background Papers:** None

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