

To: Council
Date: 14 July 2025
Report of: Gail Malkin, Head of People
Title of Report: Pay Policy

Summary and recommendations	
Decision being taken:	Council is asked to approve the pay policy
Key decision:	No
Cabinet Member:	Cabinet Member for Focused Services and Council Companies
Corporate Priority:	Well-run Council
Policy Framework:	None

Recommendation(s): That Council resolves to:
1. Agree the pay policy

Appendix No.	Appendix Title	Exempt from Publication
Appendix 1	Pay Policy	Not exempt
Appendix 2	Risk Register	Not exempt
Appendix 3	Equalities Impact Assessment	Not exempt

Introduction and background

1. The Council intends to introduce a new pay policy to support attraction and retention of people with the right skills and experience.
2. The Council's pay structure for grades 3 to 11 and for senior leaders is competitive, especially when considered alongside the total reward package that includes some good benefits such as the pension scheme, occupational sick pay and holiday entitlement. Hybrid working and the flexibility around hours of work are also attractive to many applicants and are valued by employees.
3. A new pay policy is required to set out the recent agreement between the Council and our recognised trade unions on incremental progression and the payment of

additional allowances such as honoraria payments and acting-up allowances. The policy has not changed on the payment of allowances but there was a gap in that it was not formally agreed and documented.

4. Work on the policy was carried out in partnership with trade union representatives from Unison and Unite who have agreed the policy now presented to Council. Feedback from union representatives has been incorporated.

The new policy explained

5. New employees will progress to the next increment of their grade on successful completion of probationary period, with internal promotions treated in the same way after individuals have successfully completed 6 months in the role.
6. The policy confirms the Council's approach to supporting career progression through a formal structure for entry level roles and subsequent progression to the grade for the role.
7. The definition of honoraria payments is confirmed as compensation for additional duties either as a single payment or payment over a number of months.
8. Acting-up allowances are defined and are offered to employees covering a higher-graded role.
9. By setting out the Council's approach to pay progression and additional pay, we can make sure that all employees are treated fairly.
10. In parallel with the launch of the new policy, the Council will remove the working from home allowance being paid as a protected benefit to a small number of employees now that hybrid working is established for the vast majority of roles. This has been agreed with recognised trade unions.
11. The new policy will be implemented on 1 July with backdating agreed back to 1 April 2025 for employees who have already completed their probationary period successfully.

Alternative Options Considered

12. The Council proposed that increments be paid on 1 April each year as a standard. This was considered but union representatives preferred incremental progression linked to successful completion of probationary period, and so a link with performance. This provides greater consistency as employees would wait different periods of time (from 1 to 12 months) if increments were awarded at a single point in time such as 1 April each year.

Consultation and communications

13. Regular meetings have taken place with trade union representatives from Unison and Unite over the last 12 months. Feedback has been taken on board.
14. Employees affected by the proposal to remove working from home allowances will receive information on the change to pay and offered a consultation meeting if the policy is agreed by Council.

Financial implications

15. The cost impact of implementing the policy on 1 July 2025 will be £49,520 for the back pay from 1 April 2025 to 30 June 2025 for those who have already successfully completed their probationary period.

Legal issues

16. The introduction of the new pay policy will ensure that decisions on pay are in line with a standard approach and so are fair and legally compliant.

Level of risk

17. The Risk Register, Appendix 2, is attached as a separate document. The risks identified are concerned with the Council's inability to deliver services if we are unable to attract and retain talented people.

Equalities impact

18. An equalities impact assessment is included as Appendix 3. The assessment includes the impact for the protected characteristics of race; sex; age and disability. As the Council is introducing a consistent approach for all employees, there is no adverse impact for any individual group but this will be monitored. It is important to make sure that decisions on pay continue in line with the proposed policy and are evidence based and free from bias.

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