

Pay Policy Statement 2026/27

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1 Aim

- 1.1 To ensure the Council is competitive in the labour market and can attract and retain talented and motivated people committed to delivering service excellence, whilst providing value for money for our citizens. To achieve this, we need to:
- Offer competitive rates of pay for our sector
 - Be fair and consistent
 - Make sure the difference in pay between the lowest and highest paid is proportionate to levels of responsibility and knowledge and not unnecessarily large
 - Support the delivery of the corporative objectives in line with the organisation's values

2 Decision making

- 2.1 Whilst full Council sets the pay policy, it delegates to the Appointments Committee the setting of the Chief Executive and Deputy Chief Executive pay. The Appointments Committee is politically proportionate in that it represents all party groups on the Council. The Chief Executive as Head of Paid Service has delegated authority in respect of all other pay decisions. Pay for new roles with an annual salary above £100,000 are subject to full Council approval.

3 Scope

- 3.1 This Pay Policy Statement covers all employees.

4 Definitions

- 4.1 This statement makes reference to the following:

'National Minimum Wage' – *the national minimum wage is determined by Government and sets minimum hourly pay rates for everyone under the age of 21.*

'National Living Wage' – *the national living wage is determined by Government and sets minimum hourly pay rates for everyone who is 21 or over.*

'Voluntary Living Wage' – *the voluntary living wage is a voluntary higher hourly pay rate, that employers are encouraged to pay everyone over the age of 18. The Living Wage Foundation has determined two rates: £14.80 in London, £13.45 in the rest of the UK.*

'Oxford Living Wage' – *Oxford City Council has adopted the voluntary 'Oxford Living Wage' to promote liveable earnings for all workers and runs an employer recognition scheme to encourage employers in Oxford, especially our suppliers, to pay this minimum hourly rate. The rate is set at 95% of the Voluntary Living Wage for London. The Oxford Living Wage is £14.06 for April 2026. It is reviewed annually.*

Employees are paid at the prevailing Oxford Living Wage rate as a minimum with the exception of apprentices.

‘Pay multiple’ - *the ratio between the highest paid employee and the median earnings calculated across the whole Council.*

‘Remuneration’ – *includes all pay elements and severance payments.*

5 Legislation

- 5.1 The Council is required by Section 38-43 of the Localism Act 2011 having due regard to the associated Statutory Guidance including the Supplementary Statutory Guidance issued in February 2013 to prepare, approve and publish a Pay Policy Statement.
- 5.2 The Council must also have due regard to the Code of Recommended Practice for Local Authorities on Data Transparency which makes a commitment to follow three principles when publishing data: responding to public demand; releasing data in open formats available for re-use; and releasing data in a timely way. This includes data on senior salaries and the organisation’s structure.

6 Principles

Remuneration

- 6.1 The City Council currently remunerates all staff through the following elements:
 - Salary – the Council has adopted an ‘Oxford Living Wage’. No employee or agency worker engaged through Temporary Agency Worker contracts will earn less than the ‘Oxford Living Wage’ of £14.06 per hour from 1 April 2026. The lowest Council employee hourly rate (except for apprentices) will be £14.06 per hour from 1 April 2026.
 - A two-year local pay agreement has been agreed effective from 1st April 2026. Under this agreement:
 - a) There will be an increase in basic pay points of 3.5% or £1,500 (whichever is greater) with effect from 1st April 2026.
 - b) There will be a further 3% increase in basic pay points in April 2027.
 - From August 2025, progression to the highest scale point in the grade will follow successful completion of the 6-month probation or review period (the review period applies to employees who have moved into a higher-graded role or whose role has been re-evaluated at a higher grade). Employees who had completed probation and review periods or, who were at the bottom of the grade on 1 April 2025 received their increment backdated to that date. This applied to National Joint Council (NJC) Grades 3 to 11.
 - No home working allowance will be paid. The transitional arrangements for employees with protected rights has now ended, and all such rights have been removed or bought out. As a result, no employees are eligible for a home working allowance from 1 April 2026 onwards.

- Allowances are payable in addition to normal salary where additional duties are undertaken e.g. standby, call out and overtime. There are various rules regarding these payments such as earnings limits over which certain items cannot be claimed.
- A travel concession is available for all staff travelling to work by public transport and purchasing a multi-journey or season ticket. The concession reimburses 20% of the cost of tickets up to a maximum of £150 per year.
- Other payments and allowances as appropriate in accordance with the conditions for the particular payment including:
 - Honoraria/Acting Up Allowances – where an employee has taken on additional duties or responsibilities for a defined period.
 - Market Allowances – apply to specific roles and are paid in addition to base pay. These allowances are subject to a formal organisational wide review of market conditions every 2 years, with the first review commencing in late 2026 and concluding by 31 March 2027. Market allowances may increase, decrease or be removed based on the outcome of these reviews.
 - Pay protection – where an employee has had a reduction in pay due to a change in responsibilities, or a new role through the Council's Organisational Change process. The employee receives stepped pay protection over a period of 3 years following the change.
 - Weekend and bank holiday working pay enhancements for staff who are required to work on these days as part of their normal working week.
 - Reimbursement of professional fees.

6.2 All staff are eligible to join the Local Government Pension Scheme. They are automatically enrolled and are required to opt out should they wish unless their contract is for less than three months when they must opt to join.

6.3 Expenses such as work travel costs are reimbursed. The Council seeks to minimise the use of private vehicles for work purposes by encouraging the use of public transport, pool cars and bicycles. As well as reducing the cost to the Council, use of alternative methods of transport supports the organisation's corporate priority to pursue a Zero Carbon Oxford. Where the use of private vehicles is necessary mileage is paid at the current HMRC approved rates. It should be noted that no claim may be made in respect of journeys from or to an employee's home for the sole purpose of going to or returning from a place of duty during normal working hours.

6.4 There is a range of benefits such as flexible working, leisure concessions, cycle scheme, employee assistance programme and various discounts on high street goods and services.

Variations in remuneration

- 6.5 Apart from the differences identified in paragraphs 6.6 and 6.7 below, there are no other distinctions made in terms of remuneration. Severance payments are made in accordance with the Council's Organisational Change Policy which applies to all staff employed by the Council.

Current pay schemes

- 6.6 Two pay schemes are operated (in agreement with trade unions) as follows:
- 1) National Joint Council (NJC) for Local Government Services, Grades 3 – 11, using a set of standard pay points. This covers the majority of staff (Scheme 1)
 - 2) Senior Management Grades for certain senior positions (Scheme 2)
- 6.7 The schemes in more detail are as follows:

Scheme 1 – the principal scheme was introduced as a result of the nationally-agreed scheme on local government single status and in agreement with Trade Unions. It consists of 9 grades (3 to 11) and was based on the national spinal column points at the point the Council entered into a local pay agreement. It is based on an analytical job evaluation scheme.

Scheme 2 - there are separate grades for senior officers above Grade 11, as follows:

Chief Executive

Deputy Chief Executives

Service Directors

Business Lead (in corporate leadership roles or areas of major staff and budget responsibilities)

Service Manager + (to reflect increased responsibilities above grade 11 for roles smaller in size than Business Lead)

Appointments to roles on the Service Manager+ through to Service Directors are to a fixed or 'spot' salary point on taking up the role, with subsequent inflationary increases to the salary point subject to the same terms as those for Scheme 1 detailed in 6.1 a) and b) above.

Chief Executive and Deputy Chief Executive salaries are set by the Appointments Committee on taking up the role (as set out in paragraph 2.1) with subsequent increases to the salary point also subject to the same terms as those for under Scheme 1.

Returning Officer

- 6.8 The Council's appointed Returning Officer and its Deputy Returning Officers for elections and referenda are entitled to receive and retain the personal fees arising from performing such duties, in addition to normal salary in accordance with the prescribed fee for each election.

- 6.9 Fees for national polls are set by the Cabinet Office, under a Statutory Instrument and fees for local government elections are determined in accordance with the scale of fees agreed by Oxfordshire County Council each year and adopted by the Returning Officer under a delegation granted by the Council.
- 6.10 The Council's Returning Officer also acts as Deputy Returning Officer for Oxfordshire County Council elections, fees for which are determined by Oxfordshire County Council. These appointments are independent of the Council.

Pensions and severance payments

- 6.11 The Council's Pensions and Retirement Options Statement, including the Council's policy in relation to the Local Government Pension Scheme Regulations, applies to all staff. In accordance with this policy the Council does not augment pensions.
- 6.12 Severance payments are made in accordance with the Council's Organisational Change Policy which details the Council's redundancy scheme.
- 6.13 All payments are subject to an authorisation process involving Senior Officers including the Chief Executive and Statutory Officers (S151 and Monitoring Officer). Severance packages more than £20,000 must be approved by the Head of Paid Service. In cases where the severance package exceeds £100,000, they are also subject to the approval of full Council.
- 6.14 In accordance with the Council's normal arrangements regarding termination and severance payments, no employee leaving under a settlement agreement with a redundancy payment can be re-employed by the Council within a period of 36 months.
- 6.15 The same arrangements apply to ex-employees seeking engagement through an agency or under a contract for services.

Lowest paid employees

- 6.16 The Council adopted an 'Oxford Living Wage' in 2009 which is now £14.06 per hour. The Council's apprentices commence their apprenticeship below the Oxford Living Wage but progress to £14.06 per hour in year 2 post qualification, if aged 21 or over. The lowest hourly rate of pay for Council staff is £14.06 per hour from 1 April 2026.

** No agency worker employed through Temporary Agency Worker contracts will be paid less than the Oxford Living Wage usually implemented from 1 April each year.*

Pay multiple

- 6.17 As of 30 November 2025 the highest paid officer received £173,913 per annum including all elements of pay. The bottom point of Grade 3 is the lowest rate paid by the Council (except for apprentices) at £25,389 per annum. The Council's current median salary is £42,892 per annum. This makes Oxford City Council's pay multiple 1:4.
- 6.18 The highest salary is 6.8 times more than the lowest salary.

Equal pay

- 6.19 Gender Pay Gap information will be reported annually in compliance with legislation, and the organisation will also publish Ethnicity and Disability Pay Gap information.

7 Communication and data publication

- 7.1 The Council will publish its Annual Pay Policy Statement on its website as soon as reasonably practicable following approval.
- 7.2 Any changes to the Pay Policy Statement may be made by resolution of the Council (including during the financial year to which it relates). Any changes will be publicised on the Council's website as soon as possible after revision.
- 7.3 The Council will also publish data annually relating to senior officer remuneration as outlined in the Code of Recommended Practice for Local Authorities on Data Transparency.
- 7.4 The following information is available on the Council's Website:
- Senior Officer Pay
 - Pay scales for all schemes
 - Severance pay information contained in the Annual Statement of Accounts.

8 Monitoring/review

- 8.1 The Chief Executive, as the Head of Paid Service, has overall responsibility for employees and therefore annual publication of the Pay Policy Statement and pay data produced in relation to it.
- 8.2 This policy statement will come into effect on 1st April 2026, superseding the 2025/26 statement and will continue to be reviewed on an annual basis.

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