

Hampshire Fire and Rescue Authority

Human Resources Committee

Item 8

16th January 2014

Pay Policy Statement

Report by the Chief Officer

Contact: Peter Walsh Telephone: 02380-383333

1 Summary

- 1.1 Relevant authorities are required by section 38(1) of the Localism Act 2011 (openness and accountability in local pay) to prepare Pay Policy Statements. These statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff, Chief Officers and its lowest paid employees. Pay Policy Statements must be prepared for each financial year, beginning with 2012/13. They must be approved by a meeting of members of the Fire and Rescue Authority and published on the relevant authorities' websites.
- 1.2 Hampshire Fire and Rescue Service (HFRS) falls within the definition of a 'relevant authority' and as such is required to prepare and publish a Pay Policy Statement as described above.
- 1.3 Data contained in the attached papers will be updated to provide an accurate reflection of the position as at 1st April 2014 as soon as that information becomes available. Under the terms of the Localism Act 2011, the Pay Policy Statement must be considered at a full meeting of the Hampshire Fire & Rescue Authority (HFRA) and cannot be delegated to any sub-committee. Therefore, if approved by the HR Committee, the paper and attached pages will be presented at the next available HFRA meeting in order to meet statutory requirements in the coming financial year.

2 Recommendation

- 2.1 The Human Resources Committee recommends the Hampshire Fire and Rescue Service (HFRS) Pay Policy Statement to the Fire Authority for approval.
- 2.2 The Human Resources Committee delegate authority to the HR Director, HFRS to update the Pay Policy Statement to reflect any material changes that may occur during the year to ensure on going accuracy in line with the requirements of the Localism Act 2011.

3 Introduction and background

3.1 Increased transparency about how taxpayers' money is used, including in the pay and reward of public sector staff, is now a legislated requirement. The Secretary of State published the Code of Recommended Practice for Local Authorities on Data Transparency on 29 September 2011. The Code enshrines the principles of transparency and asks relevant authorities to follow three principles when publishing data they hold. These are as follows:

- 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 structure of their workforce.

3.2 In addition, under these new arrangements, the full Authority should, in the future, be offered the opportunity to vote before large salary packages are offered in respect of a new appointment. The Secretary of State considers that £100,000 is the right level for that threshold to be set. For this purpose, salary packages should include salary, any bonuses, fees or allowances routinely payable to the appointee and any benefits in kind to which the officer is entitled as a result of their employment.

3.3 It is essential that an authority's approach to pay, as set out in a Pay Policy Statement, is accessible for citizens and enables local taxpayers to take an informed view of whether local decisions on all aspects of remuneration are fair and make best use of public funds. Approved Pay Policy Statements must be published on the authority's website and in any other manner that the authority thinks appropriate, as soon as is reasonably practicable after they are approved or amended.

3.4 The Act also requires that authorities include in their Pay Policy Statements their approach to the publication of and access to information relating to the remuneration of Chief Officers. Remuneration includes salary (for Chief Officers who are employees) or payment under a contract for services (for Chief Officers who are self-employed), expenses, bonuses, performance related pay as well as severance payments.

3.5 The definition of Chief Officers (as set out in section 43(2)) is not limited to Heads of Paid Service or statutory Chief Officers. It also includes those who report directly to them (non-statutory Chief Officers), to their direct reports (Deputy Chief Officers) and, in the case of a Fire and Rescue Authority, a Deputy Chief Fire Officer. Authorities are reminded that the Act sets out the information that they are required to include in their Pay Policy Statements as a minimum. Authorities should consider whether, in the light of local circumstance and their own reward structure, it would be appropriate to extend the scope of their Pay Policy Statement to include highly paid staff who would not come within the definition of Chief Officers.

- 3.6 The Pay Policy Statement includes details of any significant aspects affecting pay. This will include a clear statement about re-engagement policies. For clarity, HFRA does not permit re-engagement.
- 3.7 The attached appendices are correct at the point of submission. They will need to be updated at the end of the financial year immediately prior to the publication of the Pay Policy Statement. This may change the details of the financial content and any corresponding assessment of multiples. These will be factual and represent the actual position at the point of publication.

4 People Impact Assessment

- 4.1 The proposals in this report are considered compatible with the provisions of the European Convention on Human Rights, the Human Rights Act 1998, and the Race Relations (Amendment) Act 2000.

5 Resource implications

- 5.1 There are no significant resource implications. There is some staff time required to prepare figures and reports annually, and this is managed within normal working schedules.

6 Background papers

- 6.1 The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report:

“None”

Note: The list excludes: (1) published works; and (2) documents that disclose exempt or confidential information defined in the Act.