

Hampshire Fire and Rescue Authority

Item

15 June 2011

Senior Pay Policy Statement

Report by the Chief Officer

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1 Summary

The Localism Bill, which if enacted, requires Hampshire Fire and Rescue Authority (HFRA) to have a senior pay policy statement in place by 31.3.12. It is considered prudent to agree the basis for such a statement at this point and to put in place the governance arrangements that will support it.

2 Recommendation

- 2.1 That the responsibility to oversee the production of the annual senior pay policy statement be delegated the Human Resources (HR) Committee, which will then recommend its publication to the HFRA.

3 Senior Pay Policy Statement

- 3.1 The Localism Bill was published on the 13 December 2010. It includes the provision of general powers for stand alone Fire and Rescue Authorities with a requirement to publish a senior pay policy statement each year.
- 3.2 A senior pay policy statement is expected to comply with the following elements:
- (1) A relevant authority must prepare a senior pay policy statement for the financial year 2012-2013 and each subsequent financial year.
- (2) A senior pay policy statement for a financial year must set out the authority's policies for the financial year relating to the remuneration of its chief officers.
- (3) The statement must include the authority's policies relating to—
- (a) the level and elements of remuneration for each chief officer,
 - (b) remuneration of chief officers on recruitment,
 - (c) increases and additions to remuneration for each chief officer,
 - (d) the use of performance related pay for chief officers,
 - (e) the use of bonuses for chief officers,

(f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and

(g) the publication of and access to information relating to remuneration of chief officers.

(4) A senior pay policy statement for a financial year may also set out the authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

3.3 The interpretation of the meaning of 'Chief Officer(s)' as used above in the context of the senior pay policy statement, includes the Chief Officer and those senior executives who report directly to the Chief Officer. Therefore for clarity, the senior pay policy statement will include the Chief Officer, the Deputy Chief Officer (DCO) and the two Directors. This interpretation would exclude the two Assistant Chief Officers (ACO's), although these posts are included for pay purposes within the 'Gold Book' terms and conditions of service. These are the national terms and conditions of Service appertaining to the most senior managers in the Service and are often referred to as a Principal Officer (PO).

3.4 There are supplementary provisions relating to statements as follows:

(1) A relevant authority's senior pay policy statement must be approved by a resolution of the authority before it comes into force.

(2) The first statement must be prepared and approved before the end of 31st March 2012.

(3) Each subsequent statement must be prepared and approved before the end of the 31st March immediately preceding the financial year to which it relates.

(4) A relevant authority may by resolution amend its senior pay policy statement, including after the beginning of the financial year to which it relates.

(5) As soon as is reasonably practicable after approving or amending a senior pay policy statement, the authority must publish the statement or the amended statement in such manner as it thinks fit, which must include publication on the authority's website.

3.5 It is proposed that the HFRA delegate authority to the HR Committee to oversee the development of the annual senior pay policy statement on their behalf. If agreed, this would be done in conjunction with the annual review of PO Pay. It should be noted that in accordance with Government Policy on public sector pay, there will be no anticipated pay rises for staff, including PO's over the 2 years.

3.6 Beyond the two years mentioned above, there will need to be a process that ensures that the statement includes both the elements of pay for 'Gold Book staff'. The first is as a result of national negotiations and is applied across all Fire and Rescue Services and then there is a locally determined pay element which is agreed on behalf of the HFRA specifically for HFRS. The processes of considering

this second element in particular and the finalisation of the annual statement will need to work in tandem. It is therefore proposed that the statement will be drafted in advance except for those areas that are dependant upon the deliberations and decision of the PO Pay Sub-Committee. The statement will be drafted by the HR Director for the Sub-Committee in advance of their meeting. In order to meet the requirements for publication before the end of the financial year preceding the year to which the statement is applicable. For this coming year, this will need to be signed off at the HR Committee meeting on 17 January 2012. The PO Pay Sub-Committee meeting(s) will be arranged to enable the papers to be submitted in advance of the HR Committee in accordance with established procedures. The normal effective date of pay uplifts for Gold Book staff is January each year. Therefore the timing of the two events should work in a complimentary way.

4 Supporting our corporate aims and objectives

The recommendations provide an opportunity to put in place processes that will enable HFRA comply with new legislation and demonstrate it's support for the Government's public sector pay policy.

5 Risk analysis

The ability to prepare for future legislative requirements in advance of the Localism Bill becoming law, will help ensure our compliance. A failure to agree a suitable mechanism to prepare and publish an annual senior pay policy statement could leave the Authority acting breach of law and open to criticism or reduced public confidence.

6 People Impact Assessment

6.1 There are no people impacts identified.

6.2 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.

7 Environmental and Sustainability impact assessment

There are no identified environment or sustainability impacts identified as a result of these recommendations.

8 Resource implications

8.1 Human Resources

There will be additional work required to prepare and then publish the annual statement. However, this can be contained within existing resources. The publication of the statement may generate enquiries from the public or press, but it is anticipated that this additional workload can be contained within existing resources, and in any event senior managers pay is already published on the

Service's web-site.

8.2 Physical Resources

There are no physical resource implications falling from these proposals.

8.3 Information and Communications Technology Resources

It is anticipated that the prime method of publishing the annual statement will be via the HFRS website. Whilst this will produce a small additional workload, this can be contained within existing resources.

8.4 Financial Implications

The recommendations contain a proposal that would reduce expenditure.

9 Consultation

Gold Book staff and the Association of Principal Fire Officers (APFO) have been consulted in drawing up these proposals and recommendations.

10 Conclusion

It is anticipated that the Localism Bill will receive Royal assent and become law in the near future. The steps we can take now to prepare for this will help us meet the new obligations once they become law.

11 Background papers

11.1 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:

Localism Bill 2010

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