

Hampshire Fire and Rescue Authority

Human Resources Committee

Item 6

17 January 2012

Pay Policy Statement

Report of the Chief Officer

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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 2012 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 would need to be presented at the next available HFRA meeting in order to meet statutory requirements in the coming financial year.

2 Recommendation

The Human Resources Committee recommends the Hampshire Fire and Rescue Service (HFRS) Pay Policy Statement to the Fire Authority for approval.

3 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.

4. People Impact Assessment

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

No significant resource implications. Staff time to prepare figures and reports annually.

6. Background papers

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.