

Hampshire Fire and Rescue Authority

Human Resources Committee

Item 8

5 November 2014

Senior Pay Policy Statement

Report by 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. The HR committee considered the broad pay policy statement at its meeting in January 2014, and this report deals only with senior pay.
- 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 Senior 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 2015 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 page 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** to the Hampshire Fire and Rescue Authority, the Senior Pay Policy Statement to the Fire Authority for approval.

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.

3.2 The Act 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.

3.3 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 Senior Pay Policy Statement to include highly paid staff who would not come within the definition of Chief Officers.

3.4 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 currently and this will be subject of review at the next HR committee.

3.5 The attached appendix is correct for the 2013/14 financial year. It 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 is staff time to prepare figures and reports but no significant resource implications are identified.

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.

Hampshire Fire and Rescue Service
Senior employees' remuneration as at 1 April 2014

How are Chief Officer and Director Level Pay Determined?

With respect to Chief Officers' pay it is agreed by the Hampshire Fire & Rescue Authority (HFRA). This takes into account relevant available information, including the salaries of Chief Officers in other comparable Fire & Rescue Services nationally. Chief Officer pay awards are based on National Joint Council (NJC) recommendations, together with any additional performance related pay enhancement agreed locally by the HFRA. At the current time HFRA does not pay performance related pay or bonuses to any Chief Officers or Directors. To support the annual review information may be provided on inflation, earnings growth, and any significant considerations from elsewhere in the public sector.

Senior staff at Director level and above receive remuneration based on direct percentage proportions of the Chief Officer's pay and hence any agreed Chief Officer pay award (as described above) will be reflected in the remuneration of these staff.

The monitoring officer and Chief Finance Officer for HFRS are roles carried out by Hampshire county Council under contracts for legal and financial services. Payments under these contracts are unlikely to exceed:

- Legal Services - £70,000pa. and
- Financial Services - £325,000pa.

What are the Chief Officer Pension Costs?

Pension scheme contributions from Employers have been shown on the Senior Employee pay summary below as part of the salary costs. There are no special arrangements for Chief Officers in relation to pensions. Benefits under the scheme are based on contributions, final salary and length of time in the scheme.

The statement below details the remuneration of members of the Directors Team

	Salary, (including fees and allowances)	Other emoluments	Benefits in Kind	Pension contribution	Total remuneration including Employer pension contributions
Senior employees as at 1st April 2014	£	£	£	£	£
Chief Officer (CO)	147,714	tbc	tbc	31,463	179,177
Director of Service Delivery (DCO)	118,371	tbc	tbc	25,213	143,584
Head of Community Safety (ACO)	111,035	tbc	tbc	23,650	134,685
Head of Response (ACO)	111,035	tbc	tbc	23,650	134,685
Director of Human Resources	108,884	tbc	tbc	14,264	123,148
Director of Corporate Services (0.4 FTE)	45,707	tbc	tbc	5,988	51,695
Head of Services HR & Training (Grade P post - subject to any national annual pay award)	50,582	tbc	tbc	6,626	57,208
Head of Facilities Management (Grade P post - subject to any national annual pay award)	50,582	tbc	tbc	6,626	57,208

DCO = Deputy Chief Officer

ACO = Assistant Chief Officer

How does this compare to lower paid staff?

HFRS define the 'lowest paid employee' as that post-holder receiving the lowest (FTE) annual salary (inclusive of employer pension contributions if applicable). This definition has been chosen as the most representative and equitable method for comparison with Chief Officer remuneration.

The lowest paid employee receives payment on the Grade A pay scale which starts at £12,915pa. When including pension contributions the Chief Officer's remuneration represents a multiple of 12.4 to this level of pay.