

Hampshire Fire and Rescue Authority

Human Resources Committee

Item 7

28 January 2015

Principal Officers Pay Review

Report by the Chief Officer

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1 Summary

- 1.1 In accordance with the Principal Officer (PO) Pay Policy the Human Resources (HR) Committee is required to instigate an annual review of the pay of Principal Officers. The review will be undertaken in line with the revised methodology agreed at the HR Committee meeting on 10th July 2013. At that meeting Members also agreed that Councillors Chapman, Fazackarley and Lagdon would form the PO Pay Review Group at that time and this requires review for this year. The membership of this Group needs to be confirmed and formally commissioned to undertake this review no later than the January meeting of the HR Committee.
- 1.2 In commissioning this work the HR Committee will ensure that sufficient notice is provided for the PO Pay Review Group to complete their review and prepare the resulting report for the July 2015 HR Committee meeting. In previous years HFRS have paid for an external HR consultant to provide the specialist HR contribution to this review. Now that the HR services to HFRS are provided externally through H3 then it is proposed this expertise is delivered by H3 HR which will save the cost of engaging the HR consultant.

2 Recommendation

- 2.1 The HR Committee agree the membership of the PO Pay Review Group and commission them to produce a pay review report for consideration by the HR Committee in July 2015 in accordance with the PO Pay Review policy.

3 Introduction and background

- 3.1 The national terms and conditions (T&Cs) of service for Principal Officers (PO) are negotiated and agreed at national level. These T&Cs are generically known as the Gold Book. This is due simply to the colour of the cover of the book that used to contain them. The Gold Book places a requirement on Fire Authorities to consider local pay awards for Principal Officers on an annual basis. This is in addition to any

nationally agreed pay award. Principal Officers are the most senior management posts in UK Fire and Rescue Services (FRS) and is constituted by the roles of Chief Officer (CO)(or Chief Fire Officer(CFO)), Deputy Chief Officer (DCO)(or Deputy Chief Fire Officer(DCFO)) and Assistant Chief Officer (ACO).

- 3.2 The methodology for the local pay review of Principal Officer rates was revised in July 2013. The revised methodology is attached at Appendix 1. This requires that on an annual basis, a panel of three members of the HR Committee will be appointed no later than at the January HR Committee to consider a local pay review for Principal Officers (The Principal Officers Pay Review Group). This group will report to the July HR Committee.

4 Supporting our corporate aims and objectives

- 4.1 The determination of the local element PO Pay is a continuing requirement that falls to the HR Committee. This important role supports the continued strong leadership of the service and success in delivery of the corporate aims and objectives. It is essential that the method used to conduct this review is transparent and effective.

5 People Impact Assessment

- 5.1 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.

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.

Appendix 1

Methodology for the Annual Local Review of Principal Officer Pay.

Background

This methodology has been developed to reflect the onus that the National Joint Council (NJC) has placed on Fire and Rescue Authorities to undertake local pay reviews on an annual basis for Principal Officer Grades.

Procedure

On an annual basis, a panel of three members of the Human Resources (HR) Committee will be appointed no later than at the January HR Committee to consider a local pay review for Principal Officers (The Principal Officers Pay Review Group). This Group will report to the July HR Committee.

A phased approach will be adopted as follows:

Phase 1: Hampshire Fire and Rescue's (HFRS) position compared with other similar services in relation to performance statistics.

HFRS will be compared with the other similar sized services (e.g. Kent, Essex, Devon and Somerset, Lancashire, Merseyside and South Yorkshire) in relation to a set of factors which point to a degree of difficulty, complexity, population, total number of dwellings fires, gross expenditure and total strength.

This will form the benchmarking group.

Phase 2: HFRS's position in relation to the percentage local pay increases and actual salaries for other Chief Officers/Chief Fire Officers in the benchmark group over the preceding 12 month period.

Data will be gathered about the salary of CFOs within the benchmark group. Only services that have had a local pay award within the previous 12 months should be considered.

This will provide members with contextual information about the percentage increases and actual salaries of the Principal Officer team in comparative services.

Where possible, percentage increases for Local Authority Chief Executives/Chief Officers may also be sought to provide wider context, although it is recognised that actual salaries are not likely to be relevant actual comparators due to the differences in the roles.

Phase 3: Information about the size and make up of the national "going rate" pay award for Principal Officers and the most recent Green book and Grey book pay awards.

This is important contextual information. Members will have regard to the nationally negotiated principal officer pay award (excluding any uplift due to “buy out” of conditions of service) and how their decisions about local pay for Principal Officers compare with the pay awards for other staff members within HFRS.

Phase 4: HFRS performance against strategic objectives and assessments.

Indicators of success include for example success in relation to Safer Stronger objectives, Peer challenge reports, strategic assessments, efficiency reviews and data (including comparative data within the benchmark group if possible).

The reference points will vary according to the context of the service’s operations within the review period and will be guided by the Performance Review Manager and stakeholders (including the Association of Principal Fire Officers (APFO) which is the representative body for the staff group affected by the Principal Officer Pay Review).

Input will be sought from the Chair of the Fire Authority in relation to service performance aspects of the Chief Officer appraisal.

Phase 5: Data Consideration

The Principal Officers Pay Review Group will consider the data presented to them, work through it with an external HR specialist and determine a recommended local pay award based on their own assessment of the information and any wider economic considerations.

Phase 6: Negotiations

Conduct negotiations with APFO and reach agreement.

Phase 7: Consideration by HR Committee

The financial implications of any decision will be considered by the HR Committee

Timescales

The data, with a recommendation from the external HR specialist, will be presented to the HR Committee at the July meeting for decision under the confidential part of the agenda.