

9. Pay Policy Statement

Purpose of report

1. To bring to the attention of the Authority the requirement for the Service to publish an annual Pay Policy Statement.
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Recommendation

The Chief Fire Officer recommends that the Hereford & Worcester Fire and Rescue Service Pay Policy Statement and supporting information are approved for publication on the Hereford & Worcester Fire and Rescue Service's website before 1 April 2012.

Introduction

2. 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 the Fire and Rescue Authority and published on the Authority's website.
3. HWFRS falls within the definition of a 'relevant authority' and as such is required to prepare and publish a pay policy statement as described above.

Background

4. 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.
5. This includes data on senior salaries and the structure of their workforce.

6. In addition, under these new arrangements, the full Fire and Rescue 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.

Pay Policy

7. 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.
8. 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. The Act sets out the information that authorities are required to include in their pay policy statements as a minimum.

Conclusion/Summary

9. It is requirement that the Authority's approach to pay, as set out in the attached 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.

Financial Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
There are financial issues that require consideration	No	

Legal Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
There are legal issues e.g. contractual and procurement, reputational issues that require consideration	Yes	Paragraphs 2,4,6,7

Additional Considerations

10. The table below sets out any additional issues arising from the proposals contained in this report and identifies the relevant paragraphs in the report where such issues are addressed.

Consideration	Yes/No	Reference in Report i.e paragraph no.
Resources (e.g. Assets, ICT, Human Resources, Training & Development, Sustainability).	No	
Strategic Policy Links (e.g. IRMP, Authority Plan, Equality & Diversity, Partnerships, Environmental Impact).	No	
Risk Management / Health & Safety (e.g. risk management and control measures, risk register score).	No	
Consultation with Representative Bodies	No	

Supporting Information

Appendix 1 – Pay Policy Statement

Appendix 2 – Pay Policy Statement 2012/13

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