

## CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY  
DATE: 14 FEBRUARY 2017  
REPORT OF: HEAD OF PEOPLE AND DEVELOPMENT  
AUTHOR: ANDREA HARVEY

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SUBJECT: PAY POLICY STATEMENT 2017-18

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### Purpose of Report

1. This report seeks approval to publish the attached Pay Policy Statement for 2017-18. The publishing of a Pay Policy Statement is an annual requirement which must take place by 31<sup>st</sup> March immediately preceding the financial year to which it relates.

### Recommended: That Members

- [1] approve the Pay Policy Statement attached at *Appendix 1*; and
- [2] authorise the Head of People and Development and the Head of Legal and Democratic Services to make such changes to the Pay Policy Statement as are necessary to reflect the issues mentioned in paragraph 10 of the report.

### Background

2. As a result of the Localism Act 2011 all local authorities are mandated to publish a pay policy statement on an annual basis which sets out the Authority's policies for the financial year relating to the remuneration of its Chief Officers, the remuneration of its lowest paid employees and the relationship between the pay of Chief Officers and that of other employees.
3. This requirement was introduced in order to:
  - Increase the accountability, transparency and fairness of the setting of local pay;
  - To give local people access to information to allow them to determine whether pay is appropriate;
  - To ensure the pay of senior staff is fair in the context of the pay of the rest of the workforce;
4. The information within the annual Statement must include the policies relating to the level and elements of remuneration for each Chief Officer, including salary, bonuses and any benefits in kind.

5. The definition of “Chief Officer” for purposes of this Authority and the pay policy statement means Chief Fire Officer, Deputy Chief Fire Officer, and the two Statutory Officers, i.e. the Monitoring Officer and the Section 151 Finance Officer.
6. In terms of transparency, this Authority already publishes information on its website relating to the pay of senior officers including the salaries, allowances and benefits in kind paid to the Chief Fire Officer, Deputy Chief Fire Officer, and Statutory Officers.
7. In addition to this, the Authority also publishes the number of other employees whose salaries exceed £50,000 within certain pay bands which is over and above the requirement of the Code of Recommended Practice for Local Authorities on Data Transparency which recommends that all salaries of senior post holders over £58,200 are published. The Minutes of the Brigade Manager’s Pay and Performance Committee are also accessible via the website.
8. As the revised Pay Policy Statement has a number of prerequisites in relation to content and information, there have been minimal changes to the version that was approved last year.
9. The only real change refers to the introduction of Apprentices who, by virtue of the fact that they are in training, receive lower rates of pay than other employees. Although Cheshire Fire and Rescue have chosen to pay 26% above the Government’s minimum rates of pay for Apprentices, this has impacted on the ratios when comparisons are made between the highest and lowest paid employees. For completeness therefore, two sets of ratios have been provided in this year’s statement so that the overall ratio is not skewed by the introduction of Apprentices into the Service.
10. There are currently two outstanding issues pertaining to pay that are expected to lead to changes to the Pay Policy Statement. These are:
  - Work ongoing in respect of the White Book terms and conditions which currently apply to senior support staff. As the White Book was not designed for use by Fire and Rescue Service personnel, the intention is to review the appropriateness of applying the Green Book for all support staff roles. The White Book relates more appropriately to Chief Executives and Directors in Local Authorities who hold particular positions with higher public profiles and greater accountability. Our Independent HR Consultant, who is currently commissioned to coordinate the Annual Brigade Manager’s Pay review, will be asked to progress this.
  - During 2017 it is also expected that the Public Sector Exit Regulations will come into force. Draft Regulations have been published and under these new Regulations the total cost of exit payments to individuals leaving the Authority will be capped at £95,000. This will apply to compulsory and voluntary redundancies, including early retirements and redundancies made under the pension regulations on the

grounds of efficiency. The cap will also apply to compensation payments linked to settlement agreements and the employer costs of providing early unreduced access to pensions for those aged 55 and over. The Fire Authority will have the power to grant a waiver of the cap and a decision to do so will have to be recorded, together with the reasons for this, and this information must be published as part of the annual accounts.

11. The changes in respect of both of these issues will need to be reflected in various HR policies as well as the Pay Policy Statement at the appropriate time.

### **Financial Implications**

12. The Pay Policy Statement is intended to provide transparency and a clear rationale to explain the Authority's approach to pay for the public domain.

### **Legal Implications**

13. The requirements under the Localism Act to produce and publish the Pay Policy Statement supplement all the existing duties and responsibilities of the Authority as an employer, particularly its responsibilities under the Equality Act 2010 to avoid discrimination and provide equal pay. Since the Statement contains policies concerned with remuneration rather than information relating to individuals, the provisions of the Data Protection Act are not engaged. Where the salary of senior post holders is published, outside the Pay Policy Statement, it is done so in order to comply with the Code of Recommended Practice for Local Authorities on Data Transparency.

### **Equality and Diversity Implications**

14. The Pay Policy Statement will assist the Authority to; monitor remuneration across the Service; and provide a fair system of remuneration which avoids discrimination.

### **Environmental Implications**

15. There are no environmental implications.