

## **CHESHIRE FIRE AUTHORITY**

**MEETING OF:** CHESHIRE FIRE AUTHORITY  
**DATE:** 12<sup>TH</sup> FEBRUARY 2020  
**REPORT OF:** DIRECTOR OF TRANSFORMATION  
**AUTHOR:** ANDREA HARVEY

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**SUBJECT:** PAY POLICY STATEMENT 2020-21

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### **Purpose of Report**

1. This report seeks approval to publish the attached Pay Policy Statement for 2020-21. 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 Director of Transformation in conjunction with the Director of Governance and Commissioning, to make any necessary in-year changes to the Pay Policy Statement.

### **Background**

2. As a result of the Localism Act 2011 all local authorities are required 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 a pay policy 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 this Authority and its pay policy statement means Chief Fire Officer and Chief Executive, Assistant Chief Fire Officers and the two Statutory Officers, i.e. the Monitoring Officer and the Section 151 Officer (Treasurer).
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 and Chief Executive, Assistant Chief Fire Officers, 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 in compliance with the guidance in the Local Government Transparency Code 2015 which recommends that all salaries of senior post holders over £50,000 are published. The Minutes of the Brigade Managers’ Pay and Performance Committee are also accessible via the website.
8. The Pay Policy Statement must include certain content and information. There have not been significant changes to the version that was approved last year.

### **Changes to the Pay Policy Statement**

9. During 2019 a new brigade manager structure was approved by the Fire Authority. This structure created two new Assistant Chief Fire Officers posts in place of the Deputy Chief Fire Officer post. The Pay Policy Statement has been amended to reflect this.
10. During 2019 we received confirmation of an increase in the employer contribution rates for the Firefighter Pension schemes. The Pay Policy Statement has been updated accordingly.
11. A decision was made by Members during the 2018-19 financial year to make the minimum rate of pay for all Cheshire Fire and Rescue Service employees no less than the Living Wage (LW). The LW is reviewed and adjusted every October. The current rate is £9.30 per hour and is payable to all employees over 18. The Pay Policy Statement has been updated with the new rate.
12. The Pay Multiples: the ratio between the highest paid employee and the average earnings across the Service; and the ratio between the highest paid and lowest paid employees, have been adjusted this year to reflect the lower salary of the Chief Fire Officer and Chief Executive and an overall increase in the pay of all other staff.
13. On 30 March 2020 the Authority will publish its second Gender Pay Gap Report in compliance with the Government’s requirement for public sector employers with 250 or more employees to calculate and publish a gender pay gap figure. The pay used in the calculation includes basic pay,

recurring allowances and bonus payments based on a snapshot of data from the March payroll each year.

14. The results that will be published on the Cheshire Fire and Rescue Service website will show a median gender pay gap of 20.1% in favour of male employees. Although slightly higher than the previous figure, this is still in keeping with the national picture for fire and rescue services and steps are being taken to address this.
15. There are two known outstanding issues pertaining to pay that may necessitate changes to the Pay Policy Statement during the course of the financial year 2020/21.
16. The first outstanding issue is the national firefighter pay negotiations. Despite the passage of time this matter remains unresolved. At the point where the negotiations do reach a conclusion some of the calculations in the Pay Policy Statement will need to be revisited in-year to reflect the increases applied.
17. The second is in respect of The Public Sector Exit Payments Regulations which were expected to come into force during 2019. Under these Regulations it was proposed that the total cost of exit payments to individuals leaving the Authority would be capped at £95,000. As a result of the parliamentary election it is not clear how this will be taken forward. If the Law is changed this will need to be reflected in the Pay Policy Statement (and relevant HR policies).

## **Financial Implications**

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

## **Legal Implications**

19. 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**

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

21. The Service seeks to ensure compliance with the requirements of the Pay Gender Gap reporting by publishing it's annual Gender Pay Gap Report.

### **Environmental Implications**

22. There are no environmental implications.

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### **BACKGROUND PAPERS:**

**Pay Policy Statement 2019-20 was considered by the Fire Authority on 16  
February 2019**