

CHESHIRE FIRE AUTHORITY

MEETING OF: CHESHIRE FIRE AUTHORITY
DATE: 10TH FEBRUARY 2021
REPORT OF: DIRECTOR OF TRANSFORMATION
AUTHOR: ANDREA HARVEY

SUBJECT: PAY POLICY STATEMENT 2021-22

Purpose of Report

1. This report seeks approval to publish the Pay Policy Statement for 2021-22. The publishing of a Pay Policy Statement is an annual requirement which must take place by 31st March immediately preceding the financial year to which it relates.

Recommended: That Members

- [1] Approve the Pay Policy Statement; and
- [2] Authorise the Director of Transformation in conjunction with the Director of Governance and Commissioning, to make any in-year changes to the Pay Policy Statement necessitated by new legislation or guidance.

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. This 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 purposes of this Authority and the pay policy statement means Chief Fire Officer and Chief Executive, Deputy Chief Fire Officer, Assistant Chief Fire Officer 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, Deputy Chief Fire Officer, Assistant 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 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 Service’s website.
8. As the Pay Policy Statement has a number of prerequisites in relation to content and information, there have not been significant changes to the version that was approved last year.

Information

9. The Pay Policy Statement 2021-22 is attached to this report as Appendix 1. The paragraphs below describe the changes that are referenced in the document.
10. In December 2020, following an independent review of the Senior Management Team structure, a new brigade manager structure was recommended and approved by the Fire Authority. This structure created a new Deputy Chief Fire Officer post in place of one of the Assistant Chief Fire Officer posts. The Pay Policy Statement has been amended to reflect this.
11. During 2020 the Service received confirmation of an increase in the employer contribution rates for the Firefighter Pension Schemes. The Pay Policy Statement has been updated accordingly.
12. A decision was made by Members during the 2018-19 financial year to make the minimum rate of pay for all Service employees no less than the Living Wage (LW). The LW is reviewed and adjusted every October. The current rate is £9.50 per hour and is intended to be payable to all those over 18. The Pay Policy Statement has been updated with the new rate.
13. On 30 March 2021 the Authority will publish its third 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. In November 2020 the Public Sector Exit Payments Regulations came into force. A reference to the Regulations has been added to the Pay Policy Statement to reflect the requirement for the total cost of exit payments to individuals leaving the Authority to be capped at £95,000. This applies to compulsory and voluntary redundancies, including early retirements and redundancies made under the pension regulations on the grounds of efficiency. The cap also applies to compensation payments linked to settlement agreements and the employer costs of providing early unreduced access to pensions for those aged 55 and over.
15. The issue of the national firefighter pay negotiations remains outstanding and is an ongoing source of frustration for staff and the Fire Authority. This frustration has been compounded by the publication of the Government's Spending Review on 25 November 2020 where the Chancellor announced that there would be a public sector pay freeze for 2021/22 as part of the response to the economic impact of the COVID-19 pandemic. The only exemptions mentioned within the publication were NHS workers and workers earning below £24,000.
16. The pay freeze is only directly binding on the Civil Service and parts of the public sector that are covered by the pay review bodies. The Local Government Association, which represents the employer side in the National Joint Council, has said that it is not bound by this pay policy freeze but that pay awards will depend on the funding that local government receives through the financial settlement.
17. The Fire Authority have recently written to the Government to reiterate the fact that the national firefighter pay negotiations are outstanding and to express the view that this should sit outside of the public sector pay freeze. A response is still awaited.
18. 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.

Financial Implications

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

Legal Implications

20. 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

21. The Pay Policy Statement will assist the Authority to: monitor remuneration across the Service; and provide a fair system of remuneration which avoids discrimination.
22. The Service seeks to ensure compliance with the requirements of the Pay Gender Gap reporting by publishing its annual Gender Pay Gap Report.

Environmental Implications

23. There are no environmental implications.

**CONTACT: DONNA LINTON, CLEMONDS HEY, WINSFORD
TEL [01606] 868804**

**BACKGROUND PAPERS: PAY POLICY STATEMENT 2020-21 APPROVED
BY THE FIRE AUTHORITY ON 12TH FEBRUARY 2020**