



TYNE AND WEAR FIRE AND RESCUE AUTHORITY

Item No 9

MEETING: 24 MARCH 2014

SUBJECT: PAY POLICY

**JOINT REPORT OF THE CHIEF FIRE OFFICER, CLERK TO THE AUTHORITY,
THE FINANCE OFFICER AND PERSONNEL ADVISOR**

1 INTRODUCTION

- 1.1 The purpose of this report is to recommend for approval the revised Pay Policy Statement for subsequent publication by 31st March 2014 in accordance with the Localism Act 2011.

2 BACKGROUND

- 2.1 The provisions of the Localism Act 2011 came into force on 15th January 2012, bringing together the strands of increasing accountability, transparency and fairness in the setting of local pay. Section 38 of the Act requires English and Welsh local authorities and fire and rescue authorities to produce an annual pay policy statement starting with 2012/13, setting out authorities' policies for the financial year in relation to the remuneration of their senior staff/chief officers, the remuneration of their lowest-paid employees, and the relationship between the pay of chief officers and that of other employees. The statutory guidance emphasises that local authorities and fire and rescue authorities are individual employers with autonomy to make decisions on pay which are appropriate to local circumstances and which deliver value for money for local taxpayers. The provisions in the Act do not seek to change this or to determine policies or decisions on pay – but they do require that authorities are open about their own local policies and how local decisions are made.

- 2.2 Required elements:

The statutory pay policy statement needs to cover the Authority's policies relating to:

- The level and elements of remuneration for each chief officer (including salary, bonuses and benefits in kind);
- The remuneration of its lowest-paid employees (together with its definition of "lowest paid employees" and its reasons for adopting that definition);
- The relationship between the remuneration of its chief officers and other officers;



- Other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, the use of performance-related pay and bonuses, termination payments, and transparency (i.e. publication of and access to information relating to their remuneration).

2.3 The wording of the Act and the related guidance is primarily tailored to local authorities, and has needed to be interpreted appropriately to apply it to the circumstances and structure of a fire and rescue authority.

3 DCLG PROPOSAL

3.1 The Government has very recently set out its response to consultation on its proposals to update the Code of Recommended Practice for Local Authorities on Data Transparency, setting out both mandatory information which must be published, and information recommended for publication. The proposed HR implications of the mandatory information are the annual publication of:

- An organisation chart covering staff in the top three levels of the organisation;
- Annual publication of Trade Union facility time (including total number and full time equivalent of staff who are union representatives);
- Senior salaries (unchanged);
- Pay multiple – the ratio between the highest paid salary and the median salary of the whole of the authority's workforce.

3.2 The majority of this HR information is already published (with the exception of the Trade Union facility time). The final revisions to the Code are not yet known, and no implementation date has been set. They do not affect the content of the Draft Pay Policy Statement 2014-15.

4 PROPOSAL

4.1 The proposed draft Pay Policy Statement is attached at Appendix A to this report. It draws from current guidance and references or incorporates the Authority's related policies where they exist. It reflects the Authority's practice and position in aiming to be an employer of choice within the context of managing scarce public resources.

5 EQUALITY AND DIVERSITY IMPLICATIONS

5.1 The draft pay policy statement reflects the Authority's obligations and commitment to equality objectives in pay and reward.

6 FINANCIAL IMPLICATIONS

6.1 The pay policy statement does not of itself have any financial implications.



7 HEALTH AND SAFETY IMPLICATIONS

7.1 There are no health and safety implications in respect of this report.

8 RECOMMENDATIONS

8.1 Members are recommended to:

- a) Approve the attached draft Pay Policy Statement for publication by 31st March 2014; and
- b) Receive further reports as necessary.

BACKGROUND PAPERS

The under mentioned Background Papers refer to the subject matter of the above report:

- The Localism Act 2011
- DCLG Consultation - Code of Recommended Practice for Local Authorities on Data Transparency

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