

TYNE AND WEAR FIRE AND RESCUE AUTHORITY

Item No 5

MEETING: 18th MARCH 2019

SUBJECT: PAY POLICY 2019/2020

JOINT REPORT OF THE CHIEF FIRE OFFICER AND CHIEF EXECUTIVE (CLERK TO THE AUTHORITY), THE STRATEGIC FINANCE MANAGER AND PERSONNEL ADVISOR TO THE AUTHORITY

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform members of the Pay Policy Statement for 2019/2020 of the Authority and to seek approval to publish this information in accordance with the statutory requirements.

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, 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.
- 2.2 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.
- 2.3 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).

2.4 While pay is important as a whole, it is fairness which is of most importance. The current pay multiples for the Chief Fire Officer and lowest paid employee is 8.60:1. This is well within the Government expectation that the pay multiple relationship should be below 20:1 in local government. In addition, this is below the national average of 15:1 in the public sector and 232:1 in the private sector (<https://www.equalitytrust.org.uk/taxonomy/term/136>).

2.5 The Department for Communities and Local Government (DCLG) issued the Local Government Transparency Code 2015 which includes the requirement to produce annual data regarding trade union facility time. This annual report has been updated to include this information.

2.6 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 the fire and rescue authority.

3 PROPOSAL

3.1 The Pay Policy Statement is appended to this report and has not changed from that previously approved by members. It draws from current guidance and references or incorporates the Authority’s related policies as appropriate. It also reflects the Authority’s practice and position in aiming to be an employer of choice within the context of managing limited public resources. The Pay Policy Statement 2019/20 must be published by 31st March 2019 as this is the deadline set out by the 2011 Act, however this still requires formal approval by the Authority.

4 EQUALITY AND DIVERSITY IMPLICATIONS

4.1 The Pay Policy Statement reflects the Authority’s obligations and commitment to equality objectives in pay and reward.

5 FINANCIAL IMPLICATIONS

5.1 The Pay Policy Statement does not in itself, have any financial implications.

6 HEALTH AND SAFETY IMPLICATIONS

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

7 RECOMMENDATIONS

7.1 Members are recommended to:

- a) Approve the Pay Policy Statement for 2019/2020.
- 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
- Local Government Transparency Code 2015

