

Report considered by the Executive Committee – 5 February 2014

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Executive Committee
DATE OF MEETING	5 February 2014
OFFICER	Lynne Swift, Director People & Organisational Development
LEAD MEMBER	Councillor Roger Reed
SUBJECT OF THE REPORT	BMKFA Pay Policy Principles and Statement 2014 15
EXECUTIVE SUMMARY	<p>The purpose of this report is to recommend approval to the Authority for the attached Pay Policy Principles and Statement for 2014/15, thus achieving compliance with the requirements of sections 38 to 40 of the Localism Act 2011 with regards to Openness and Accountability in Local Pay.</p> <p>A meeting of the full Fire Authority is required to approve its Pay Policy Statement "before the end of the 31 March" (sic) immediately preceding the financial year to which it relates.</p> <p>It is proposed that the attached draft (Appendix 1) be the Authority's Pay Policy Principles and Statement for 2014/15. It is based on the Pay Policy Statement for 2013/14 save as amended by additional text underlined (<u>underlined</u>) and deleted text shown struck through (struck through).</p> <p>The proposed policy statement takes into account DCLG requirements as set out in correspondence from the Secretary of State relating to Openness and Accountability in Local Pay, February 2013 (Appendix 2 of this report); and the supplementary statutory guidance (February 2013).</p> <p>In addition members can be assured that the Authority's pay policy statement complies with guidance on senior management reengagement and remuneration; highlighted recently by the Fire Minister in public correspondence with Cambridgeshire & Peterborough Fire and Rescue Authority.</p>

ACTION	Decision.
RECOMMENDATIONS	<p>It is recommended that :-</p> <p>The draft Pay Policy Principles and Statement at Appendix 1 be recommended to the Authority as its statutory Pay Policy Statement for 2014/15.</p>
RISK MANAGEMENT	The Fire Authority is required to adopt and publish a Pay Policy Statement annually.
FINANCIAL IMPLICATIONS	<p>There are no direct financial implications arising from the Pay Policy Statement, however any financial impact of subsequent decisions will be factored into the Medium Term Financial Planning process and scrutinised and challenged by members. Any in-year impacts will be considered and reported through the budget monitoring process and any resource re-allocation will be subject to the usual virement approvals and limits as set out in the Financial Regulations.</p>
LEGAL IMPLICATIONS	<p>Section 38 of the Localism Act 2011 places a requirement on the Authority to prepare annually, a statement setting out the Authority’s policies on the remuneration of its chief officers, the remuneration of its lowest paid employees and the relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers. Chief officers are the most senior officers of the Authority. Authorities are required to state the definition of lowest paid employees they have adopted in the statement, and explain the reasons for adopting that particular definition. The statement may also set out the Authority’s policies relating to other terms and conditions applying to its senior officers. In preparing its statement, the Authority must have regard to any guidance issued or approved by the Secretary of State.</p> <p>The 2014/15 Pay Policy Statement must be approved by the full Authority before the end of 31 March 2014. Approvals cannot be delegated to any committee, subcommittee, or officers.</p> <p>The Pay Policy Statement may be amended by the full Authority during the financial year to which it applies.</p> <p>Section 41 of the Localism Act 2011 requires the Authority to comply with its Pay Policy Statement for the relevant financial year when making a determination that relates to the remuneration, or other terms and conditions of a senior officer of the Authority.</p> <p>The Pay Policy Statement must include the Authority’s policies in relation to senior pay on:-</p>

	<p>(a) the level and elements of remuneration (b) remuneration on recruitment (c) increases and additions to remuneration (d) the use of performance related pay (e) the use of bonuses (f) the approach to payment on their ceasing to be employed by the authority, and (g) the publication of and access to information relating to remuneration</p> <p>The statutory guidance gives discretion as to whether the Authority wishes to mirror these headings in its Pay Policy Statement in respect of its other employees.</p>
HEALTH AND SAFETY	No implications.
EQUALITY AND DIVERSITY	<p>Pay decisions will be subject to the demands of equal pay processes.</p> <p>A People Impact Assessment will be updated, as a minimum annually, as analysis is undertaken on all pay decisions and a review of trends carried out. This will ensure an equitable, transparent, consistent and legally compliant basis for the employment relationship between the Authority and its employees.</p>
USE OF RESOURCES	<p>Adoption of the annual Pay Policy Statement ensures statutory compliance. However, as the legislation permits in-year changes there is scope for the Authority to revisit certain elements to reflect the needs of the service.</p> <p>For example, the Authority is currently undertaking a review of support staff ('local Green Book') remuneration and conditions of service. Depending on the recommended outcomes, the 2014/15 Pay Policy Statement may require further amendments.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>Reports to the Meeting of the Buckinghamshire & Milton Keynes Fire Authority held 15 February 2012</p> <p>Agenda and reports: Item 11: Openness and Accountability in Local Pay: BMKFA Pay Policy Statement 2012/13 (pages 130 to 150) Agenda and reports</p> <p>Reports to the Meeting of the Buckinghamshire & Milton Keynes Fire Authority held 13 February 2013</p> <p>Agenda and reports: Item 7a: Pay Policy Statement 2013/14 (pages 11 to 22)</p>

	<p>Agenda and reports</p> <p>Openness and accountability in local pay: Guidance under section 40 of the Localism Act, February 2012, Department for Communities and Local Government https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5956/2091042.pdf</p> <p>Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 Supplementary Guidance, February 2013, Department for Communities and Local Government https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/85886/Final_Supplementary_Pay_Accountability_Guidance_20_Feb.pdf</p>
APPENDICES	<p>Appendix 1: Pay Policy Principles and Statement 2014/2015 (Part 1: All staff, Part 2: SMB only)</p> <p>Annex A: "Grey Book" Pay rates from 1 July 2013</p> <p>Annex B: "Green Book" Current pay scales from 1 July 2013</p> <p>Annex C: Employee Bonus Payment Setting Scheme and Process</p> <p>Appendix 2 Openness and Accountability in Local Pay</p>
TIME REQUIRED	10 minutes.
REPORT ORIGINATOR AND CONTACT	<p>Faye Mansfield, Human Resources Operations Manager fmansfield@bucksfire.gov.uk 01296 744623</p>