

# Buckinghamshire & Milton Keynes Fire Authority



<b>MEETING</b>	Fire Authority
<b>DATE OF MEETING</b>	13 February 2019
<b>OFFICER</b>	Lynne Swift, Director of People and Organisational Development
<b>LEAD MEMBER</b>	Councillor Steven Lambert
<b>SUBJECT OF THE REPORT</b>	<b>Pay Policy Principles and Statement 2019/20</b>
<b>EXECUTIVE SUMMARY</b>	<p>The Authority is required to approve the Pay Policy Principles and Statement before the end of March immediately preceding the financial year to which it relates.</p> <p>It is proposed that the attached draft (Annex A) be the Authority's revised Pay Policy Principles and Statement for 2019/20. It is based on the Authority's current approved Pay Policy Principles and Statement for 2018/19, save as amended by additional text underlined (<u>underlined</u>) and deleted text shown struck through (<del>struck through</del>).</p> <p>The Pay Policy Principles and Statement has been revised and minor amendments made where appropriate. Additional information has been added for clarification purposes on Additional Responsibility Allowances and Honorarium payments (paragraphs 12 and 13); the Support Services staff pay scales; and the current arrangements for re-engagement of staff in exceptional circumstances where specialist knowledge and expertise is required for a defined period (paragraph 16). An additional paragraph has also been incorporated into Part one of the Statement (paragraph 4) on 'Monitoring and assurance' to confirm the Authority's commitment on annually report on the previous year's decisions and impacts in relation to this policy.</p> <p>It is pleasing to report that the Pay Multiples ratio of highest paid to lowest paid employee (as at December 2018) continues to fall for the seventh year running. This seventh year period sees the ratio improved by 24 per cent since 2012.</p> <p>The Pay Policy Principles and Statement will continue to support and enhance a range of employment opportunities. This will continue to be utilised on a voluntary basis across some roles and functions to offer a more resilient, enhanced and flexible resource,</p>

	<p>focused on meeting demand and offering the very best service to the public.</p> <p>Within the 2018/19 Pay Policy Principles and Statement cover report, a note was made to the introduction of a public sector exit payment cap and 'claw back' termination payments for high earners (The Public Sector Exit Payment Regulations and Repayment of Public Sector Exit Payments Regulations). One provides for the capping of payments made to public sector employees on termination of employment and the other for repayment of those payments should certain public sector employee's return to a role within the public sector within a short period of time after termination of an earlier role. Firm implementation dates for these provisions have not yet been announced. The Authority will continue to await the final details of any Regulation changes and implementation dates.</p>
<b>ACTION</b>	Decision
<b>RECOMMENDATIONS</b>	It is recommended that the Pay Policy Principles and Statement as set out in Annex A be approved as the statutory Pay Policy Statement for 2019/20.
<b>RISK MANAGEMENT</b>	<p>The Fire Authority is required to adopt and publish a Pay Policy Principles and Statement annually.</p> <p>Developing and maintaining good employee morale is key to instilling loyalty and maintaining a productive workplace. By being fair, transparent and accountable in what employees are paid for and why, and being consistent, systematic and clear in applying reward practices for all employees, the Authority is living its values and showing best practices with its reward and recognition needs.</p>
<b>FINANCIAL IMPLICATIONS</b>	There will be minimal direct financial implications arising from the Pay Policy Principles and Statement. 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.
<b>LEGAL IMPLICATIONS</b>	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

	<p>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 it 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 2019/20 Pay Policy Principles and Statement must be approved by the full Fire Authority before 31 March 2019. Approval cannot be delegated to any committee, sub-committee, or officers.</p> <p>The Pay Policy Principles and Statement may be amended by the full Fire 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 Principles and 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 Principles and Statement must include the Authority’s policies in relation to senior pay on:</p> <ul style="list-style-type: none"> <li>(a) the level and elements of remuneration</li> <li>(b) remuneration on recruitment</li> <li>(c) increases and additions to remuneration</li> <li>(d) the use of performance related pay</li> <li>(e) the use of bonuses</li> <li>(f) the approach to payment on their ceasing to be employed by the Authority, and</li> <li>(g) the publication of and access to information relating to remuneration.</li> </ul> <p>The statutory guidance gives discretion as to whether the Authority wishes to mirror these headings in its Pay Policy Principles and Statement in respect of its other employees.</p>
<p><b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b></p>	<p>The <a href="#">Policing and Crime Act 2017</a> requires the Authority to keep opportunities for collaboration with the police and ambulance services under review. All Authorities are required to have a Pay Policy Principles and Statement. At this time our Thames Valley partners have separate Statements, however an aligned approach may be appropriate in the future, particularly to support collaborative working, sharing of resources and working across boundaries.</p>

<p><b>HEALTH AND SAFETY</b></p>	<p>There are no health and safety implications.</p>
<p><b>EQUALITY AND DIVERSITY</b></p>	<p>Pay decisions will be subject to the demands of equal pay processes.</p> <p>As detailed in Appendix 4, an Integrated Impact Assessment has been updated. This will ensure an equitable, transparent, consistent and legally compliant basis for the employment relationship between the Authority and its employees.</p> <p>The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 was approved by Parliament in 2016 and came into force in 2017. The obligations under the Regulation requires prescribed gender pay gap information to be published within 'the period of 12 months beginning with the data snapshot date' (Regulation 2(2)). The snapshot data for public sector employers is 31 March each year.</p> <p>The intention of the Regulation is to highlight differences in pay between male and female employees, therefore showing greater transparency within the workplace, and will encourage employers to consider what more can be done to close any pay gaps. The Authority will continue to work on closing the Gender Pay Gap and a separate report will be presented to the Executive Committee in March 2019.</p>
<p><b>USE OF RESOURCES</b></p>	<p>Adoption of the annual Pay Policy Principles and 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 and any relevant reform outcomes of the national aspect of the NFCC FRS People Strategy 2017 to 2022.</p> <p><b>Communication with stakeholders:</b> Following approval of the Pay Policy Principles and Statement, communication will be via the normal policy publication and amendment process. This will include engagement with members of the Joint Consultation Forum.</p> <p><b>Internal Controls:</b> Adherence to the Pay Policy Principles and Statement is controlled via strict establishment and pay change approval process controls and annual reporting.</p> <p>In addition, reports are submitted on key reward areas such as merit awards, which are reviewed and monitored annually.</p>
<p><b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b></p>	<p><b>Background</b></p> <p>Report to Fire Authority held 14 February 2018; BMKFA Pay Policy Principles and Statement 2018/19:  <a href="https://bucksfire.gov.uk/files/4815/1782/9420/ITEM">https://bucksfire.gov.uk/files/4815/1782/9420/ITEM</a></p>

	<p><a href="#">11 Pay Policy Principles Statement 2018-19 Fire Authority and Annex A.pdf</a></p> <p>The Localism Act 2011:  <a href="http://www.legislation.gov.uk/ukpga/2011/20/content/s/enacted">http://www.legislation.gov.uk/ukpga/2011/20/content/s/enacted</a></p> <p>Openness and accountability in local pay: guidance. Published 2012:  <a href="https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-guidance">https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-guidance</a></p> <p>Openness and accountability in local pay: supplementary guidance. Published 2013:  <a href="https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-supplementary-guidance">https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-supplementary-guidance</a></p>
<p><b>APPENDICES</b></p>	<p><b>Annex A:</b> Draft Pay Policy Principles and Statement 2018/19</p> <p><b>Appendix 1:</b> Firefighting roles pay rates effective 1 July 2018</p> <p><b>Appendix 2:</b> Support Services staff pay scales effective 1 July 2018</p> <p><b>Appendix 3:</b> Employee Bonus Payment Setting Scheme and Process</p> <p><b>Appendix 4:</b> Integrated Impact Assessment</p>
<p><b>TIME REQUIRED</b></p>	<p>10 minutes.</p>
<p><b>REPORT ORIGINATOR AND CONTACT</b></p>	<p>Faye Mansfield – HR Development Manager  <a href="mailto:fmansfield@bucksfire.gov.uk">fmansfield@bucksfire.gov.uk</a>                      01296 744623</p>