

# DEVON & SOMERSET FIRE & RESCUE AUTHORITY

REPORT REFERENCE NO.	DSFRA/14/6	
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY (BUDGET MEETING)	
DATE OF MEETING	24 FEBRUARY 2014	
SUBJECT OF REPORT	THE LOCALISM ACT – PAY POLICY STATEMENT 2014-15	
LEAD OFFICER	Clerk to the Authority	
RECOMMENDATIONS	That, subject to any amendments that may be agreed at the meeting, the Authority approves the Pay Policy Statement as appended to this report and agrees to its publication in accordance with the Localism Act 2011.	
EXECUTIVE SUMMARY	The Authority is required under the Localism Act 2011 to approve and publish a Pay Policy Statement, by 31 March of each year, to operate for the forthcoming financial year. This Statement sets out the Authority's policy towards a range of issues relating to the pay of its workforce and in particular the senior staff and the lowest paid employees.	
	This paper provides further background information in relation to the requirements of the Localism Act and includes a proposed Pay Policy Statement for 2014/15, which now includes the arrangements for reviewing Chief Officers' pay and a statement of the Authority's position on re-employment of employees following redundancy or retirement.	
RESOURCE IMPLICATIONS	There is no resource implication associated with production or approval of the Pay Policy Statement which, in itself, does not affect any existing levels of pay.	
EQUALITY RISK & BENEFITS ANALYSIS	An Equal Pay Audit was undertaken in 2013-14. Additionally, the proposals in this report are considered compatible with equality and human rights legislation.	
APPENDICES	A. Draft Pay Policy Statement 2014-15	

LIST OF BACKGROUND PAPERS	1.	Localism Act 2011 Sections 38 to 43.
	2.	Department for Communities and Local Government (DCLG) Statutory Guidance "Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act 2011", published February 2012;
	3.	DCLG Statutory Guidance "Openness and Accountability in Local Pay: Supplementary Guidance", published February 2013;
	4.	"Pay Policy and Practice in Local Authorities: A Guide for Councillors" produced by the Local Government Association, published January 2013.
	5.	Code of Recommended Practice for Local Authorities on Data Transparency: Government Response to Consultation published by the DCLG, December 2013

# 1. INTRODUCTION

- 1.1 The Localism Act 2011 ("the Act") introduced a new requirement for all public authorities, including combined fire and rescue authorities, to approve and publish annually a Pay Policy Statement. There were numerous reasons for the introduction of this new duty, including:
  - the estimation that, between 2001 and 2008 median top salaries in local government grew at faster rate than entry salaries and that, in that context, around 800 local government employees were in the top 1% of all earners;
  - the commitment of the Coalition Government to strengthen councillors powers to vote on large salary packages for council officers;
  - the outcome of the Hutton review into fair pay in the public sector which made several recommendations for promoting pay fairness in the public sector by increasing transparency over pay and tackling disparities between the lowest and the highest paid in public sector organisations.
- 1.2 The provisions on pay in the Act are designed to bring together the strands of Government thinking to address pay issues in local government as outlined above.
- 1.3 Pay Policy Statements must articulate an authority's policy towards a range of issues relating to the pay of its workforce, particularly its senior staff (or "chief officers") and its lowest paid employees. Pay Policy Statements must be prepared and approved by the full Authority by 31 March in each year and be published as soon as reasonably practicable thereafter. Publication can be in such a manner as the Authority considers appropriate, but must include publication on the Authority's website. A Pay Policy Statement may be amended "in year" but, should it be amended, the revised Statement must again be published.
- 1.4 In essence, the purpose of the Pay Policy Statement is to ensure that there is the appropriate accountability and transparency of top salaries in local government. Under the Act elected Members have the ability to take a greater role in determining the pay for top earners and therefore ensuring that these decisions are taken by those who are directly accountable to the local people. In addition, communities should have access to the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility.

# 2. <u>CONTENT OF THE PAY POLICY STATEMENT</u>

- 2.1 The Act requires that each authority's Pay Policy Statement must include its policies on:
  - the level and elements of remuneration for each chief officer;
  - 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 employees;
  - other specific aspects of chief officers' remuneration namely: remuneration on recruitment; increases and additions to remuneration; use of performance-related pay and bonuses; termination payments; and, transparency (i.e. the publication of and access to information relating to the remuneration of chief officers).

- 2.2 The term remuneration is defined as the chief officer's salary, any bonuses payable, any charges, fees or allowances payable, any benefits in kind to which the chief officer is entitled as a result of their office or employment, any increase in or enhancement of the chief officer's pension entitlement where the increase or enhancement is as a result of the resolution of the Authority and any amounts payable by the Authority to the chief officer on the chief officer ceasing to hold office under or be employed by the Authority other than amounts that may be payable by virtue of any enactment.
- 2.3 The term "chief officers" in a fire and rescue service context will refer to the Chief Fire Officer but "chief officers" are defined in Section 43 of the Act to include a Head of Paid Service, a Monitoring Officer, any other statutory chief officer, or a deputy chief officer or other non-statutory chief officer as defined in the Local Government and Housing Act 1989 (these include officers reporting directly either to the Head of Paid Service or the Authority).

# 3. ACCOUNTS AND AUDIT REGULATIONS 2011

- 3.1 Whilst the Localism Act 2011 does not require details on salary levels to be published in the Pay Policy Statement, the Accounts and Audit Regulations require the published Statement of Accounts for an authority to include information on senior employees who are identified by job title and paid over £50,000, in bands of £5,000. Any senior employee earning in excess of £150,000 must be identified by name.
- 3.2 "Senior employees" are defined as per the Local Government and Housing Act 1989 (see para. 2.3 above) but also include "a person who has responsibility for the management of the relevant body to the extent that the person has power to direct or control the major activities of the body (in particular activities involving the expenditure of money), whether solely or collectively with other persons".
- 3.3 Previous Statements of Accounts for the Authority have identified the salaries of the then Senior Management Board in accordance with the Regulation requirements. Since the Service has restructured this will need to be amended to reflect the members of the Executive Board. In addition, in accordance with the draft Local Authorities (Data Transparency) Code 2013, details of remuneration (including salary in bands of £5,000) and a list of job responsibilities for all senior employees whose salary exceeds £50,000 will need to be published. In the interests of transparency, consideration will be given to how the Authority can bring together in one place, all of the information relating to levels of remuneration for senior employees.

# 4. STATUTORY GUIDANCE

4.1 Section 40 of the Localism Act 2011 Act provides for the Secretary of State to issue guidance on Pay Policy Statements which relevant authorities are required to "have regard to". The 2012 guidance suggests that authorities should publish in their Pay Policy Statement their approach to retirement/re-employment:

"Authorities should use their pay policy statements to explain their policies toward the reward of chief officers who were previously employed by the authority and who, on ceasing to be employed, were in receipt of a severance or redundancy payment from that authority. This should include any local policy toward exemployees later engaged as chief officers under a contract for services. Similarly, authorities should include their policies towards the reward of chief officers who are also in receipt of a pension under the Local Government Pension Scheme or relevant Fire Fighter Pension Scheme. These policies should take account of their agreed approach on abatement of pensions". 4.2 The 2013 guidance focusses on the presentation and accessibility of Pay Policy Statements (they should use plain English, free from acronyms/jargon, and as a minimum be published on an authority's website) and emphasises the guidance that authorities should be given the opportunity to vote on large salary packages offered for new appointments. The guidance states this should be for appointments with a salary package of £100,000 or more but also indicates that this "threshold" should be proportionate to each individual authority. The guidance suggests that an authority's Pay Policy Statement should reflect its stance on large salary packages i.e. indicate whether this will be subject to decision by the full Authority and it is recommended that this is more explicit in the Pay Policy Statement.

## 5. <u>PAY POLICY IN PRACTICE IN LOCAL AUTHORITIES – A GUIDE FOR</u> <u>COUNCILLORS</u>

5.1 This document was published by the Local Government Association (LGA) in 2013. Unlike the guidance referred to in Section 4 above, however, it does not constitute statutory guidance and is perhaps best viewed as "best practice". In November 2013 the LGA specifically issued the guidance to all fire and rescue authorities in England and Wales. Within the covering letter the LGA highlighted that the practice of re-employment of individuals who have been made redundant or have retired and are in receipt of a pension should therefore only be used in exceptional and justifiable circumstances such as business continuity. Within the guide is an LGA model Pay Policy Statement which suggests the following paragraph:

> "It is not the council's policy to re-employ or to contract with senior managers who have been made redundant from the council unless there are exceptional circumstances where their specialist knowledge and expertise is required for a defined period of time or unless a defined period of (define number of years) has elapsed since the redundancy and circumstances have changed"

5.2 The covering letter to the LGA guidance suggests that this paragraph should be widened to incorporate retirements in addition to redundancies. **Modified paragraphs have been added to the Pay Policy Statement, at section 8, for the Authority to consider and determine.** 

# 6. CATEGORIES OF STAFF CONTRACTS WITHIN THE AUTHORITY

- 6.1 To produce a Pay Policy Statement it is necessary to define the categories of staff within the Service and by which terms and conditions they are governed. The Authority has three categories of staff (for pay purposes), which are described in section 2 of the Pay Policy Statement and summarised as follows:
  - Chief Fire Officer and other members of the Executive Board subject to the Scheme of Conditions of Service of the National Joint Council for Brigade Managers of Local Authorities' Fire Brigades (the "Gold Book")
  - Uniformed staff subject to the Scheme of Conditions of Service of the National Joint Council for Local Authority Fire & Rescue Services (the "Grey Book")
  - Support Staff subject to the Scheme of Conditions of Service of the National Joint Council for Local Government Services (the "Green Book").

- 6.2 Having established the staff categories, it is possible to define the lowest paid worker within the Authority. This will be the lowest grade within the Support Staff which has a grading structure from Grade 1 to 11. The lowest paid workers are the station cleaners who are at Grade 1. Each grade has five levels referred to as spinal column points and a new joiner will progress through these by annual increments with increasing service. The salary levels for the spinal column points are determined nationally through the National Joint Council.
- 6.3 The level of remuneration for the Chief Fire Officer is subject to annual reviews in accordance with the Gold Book. The relevant sections (9 11) from the Gold book in relation to salary increases are set out below:

The NJC will publish annually recommended minimum levels of salary applicable to chief fire officers/chief executives employed by local authority fire and rescue authorities.

There is a two-track approach for determining levels of pay for Brigade Manager roles. At national level, the NJC shall review annually the level of pay increase applicable to all those covered by this agreement. In doing so, the NJC will consider affordability, other relevant pay deals and the rate of inflation at the appropriate date. Any increase agreed by the NJC will be communicated to fire authorities by circular.

All other decisions about the level of pay and remuneration to be awarded to individual Brigade Manager roles will be taken by the local Fire and Rescue Authority, who will annually review these salary levels

6.4 Previously, there has not been a process in place to discharge the Authority's responsibility to conduct an annual review of the Chief Fire Officer's remuneration and proposed arrangements for this are set out in paragraph 3.5 of the Pay Policy Statement for the Authority to consider and determine.

# 7. <u>PAY MULTIPLES</u>

7.1 The Localism Act requires authorities to explain what they think the relationship should be between the remuneration of its chief officers and its employees who are not chief officers. The Hutton Review of Fair Pay recommended the publication of the ratio between the highest paid employee and the median earnings of the organisation's whole workforce as a way of illustrating that relationship. The DCLG guidance on openness and accountability in local pay provides that:

"While authorities are not required to publish data such as a pay multiple within their pay policy statement, they may consider it helpful to do so, for example, to illustrate their broader policy on how pay and reward should be fairly dispersed across their workforce. In addition, while they are not required to develop local policies on reaching or maintaining a specific pay multiple by the Act they may wish to include any existing policy".

7.2 Section 5 of the Pay Policy Statement shows two pay multiples. The first being a comparison with the median earnings of the whole workforce (as recommended by Hutton), using the basic pay for full-time equivalents. The second multiple is for the lowest pay point, which, in previous years, has been used as a benchmark in the media following suggestions by the Government that a ratio of 20:1 should be regarded as a level which public sector organisations should not exceed.

# 8. PAY POLICY STATEMENT 2014-15

8.1 The Pay Policy Statement 2014-15, which has been developed in accordance with the Localism Act requirements and the recent publication of a draft Local Authorities (Data Transparency) Code 2013, is attached for determination by the Authority.

MIKE PEARSON Clerk to the Authority

### DEVON & SOMERSET FIRE & RESCUE AUTHORITY

## THE LOCALISM ACT – PAY POLICY STATEMENT 2014-15

### 1. INTRODUCTION

- 1.1 Under section 38(1) of the Localism Act 2011, Devon & Somerset Fire & Rescue Authority (the Authority) is required to prepare a Pay Policy Statement. The Authority is responsible for ensuring that that the pay policy will set out the issues relating to the pay of the workforce and in particular the senior officers and the lowest paid employees. This will ensure that there is the appropriate accountability and transparency of the salaries of our senior staff. The Authority will also publish the statement on the Authority's website and update it on an annual basis or at such times as it is amended. The purpose of the statement is to provide greater transparency on how taxpayer's money is used in relation to the pay and rewards for public sector staff.
- 1.2 This is the third such Pay Policy Statement that the Authority has produced and it will continue to be reviewed and refined by the Authority as part of its rewards & recognition strategies for the Service.
- 1.3 It should be noted that Regulation 4 of the Accounts and Audit (Amendment number 2) Regulations 2009 have already introduced a legal requirement to increase transparency and accountability within Local Government. The amended Regulations require authorities to disclose individual remuneration details for senior employees and these can be viewed at the Senior Management Salaries page on the internet. In addition, the rates of pay for all other categories of staff can be found at Rates of Pay.

# 2. <u>CATEGORIES OF STAFF</u>

- 2.1 As part of the Pay Policy Statement, it is necessary to define the categories of staff within the Service and by which set of Terms and Conditions they are governed:
- 2.2 **Executive Board, including Chief Fire Officer:** The Executive Board is a mix of uniformed Brigade Managers and non-uniformed Officers who are the Directors of the Service. The salary structure for Brigade Managers and other Executive Board members has previously been determined by the Authority and is subject to annual reviews in accordance with the Constitution and Scheme of Conditions of Service of the National Joint Council for Brigade Managers of Local Authorities' Fire Brigades (the "Gold Book"). The minimum remuneration levels for Chief Fire Officers are set nationally in relation to population bands and in accordance with the Gold Book. At a national level, the National Joint Council for Brigade Managers of Fire and Rescue Services reviews annually any cost of living increase applicable to all those covered by the national agreement and determines any pay settlement. All other decisions about pay levels and remuneration over and above the minimum levels for Chief Fire Officers are taken locally by the full Authority, arrangements for which are set out in paragraph 3.5.
- 2.3 **Uniformed Staff:** This includes Whole-time and Retained Duty staff and also the Control Room uniformed staff. The remuneration levels for these staff are subject to national negotiation as contained in the Scheme of Conditions of Service of the National Joint Council for Local Authority Fire & Rescue Services which is known as the "Grey Book". Any additional allowances are subject to local agreement.

2.4 **Support Staff:** This category is the non-uniformed employees who support our Operational Service. The Scheme of Conditions of Service for these employees is set out within the National Joint Council for Local Government Services known as the 'Green Book'. The 2004 national pay agreement included an Implementation Agreement requiring local pay reviews to be completed and implemented by all authorities by 31 March 2007. The local pay review required the introduction of a Job Evaluation Scheme and this, together with a Grading Structure, was negotiated and agreed with the recognised trade union for this staff category which is UNISON. The Job Evaluation Scheme and Grading Structure were approved by the Authority. The National Joint Council negotiates the level of any annual pay increases applicable to all "Green Book" staff.

#### 3. <u>REMUNERATION OF THE CHIEF FIRE OFFICER AND EXECUTIVE BOARD</u>

- 3.1 The position of Chief Fire Officer is subject to minimum remuneration levels as set out in the "Gold Book" and according to population bands. The Authority is in Population Band 4 (1.5m people and above). The minimum salary level for this position is currently £116,310 per annum. The Authority is the largest non-metropolitan fire and rescue authority in the UK.
- 3.2 In 2006, prior to the combination of Devon Fire & Rescue Service and Somerset Fire & Rescue Service, the [then] Shadow Devon and Somerset Fire and Rescue Authority reviewed the remuneration of the Chief Fire Officer and undertook a salary survey of other fire & rescue services within the same population band. The average salary, based on 2005 data, was found to be £124,184 and the salary level for the Chief Fire Officer for the new, combined service, was set at a notional level of £124,800 per annum for 2007. Annual, national cost of living reviews have since increased the salary to £136,392, the last being in January 2009.
- 3.3 The relevant sections 9 11 from the Gold book in relation to salary increases are set out below:

#### Salaries

The NJC will publish annually recommended minimum levels of salary applicable to chief fire officers/chief executives employed by local authority fire and rescue authorities.

There is a two-track approach for determining levels of pay for Brigade Manager roles. At national level, the NJC shall review annually the level of pay increase applicable to all those covered by this agreement. In doing so, the NJC will consider affordability, other relevant pay deals and the rate of inflation at the appropriate date. Any increase agreed by the NJC will be communicated to fire authorities by circular.

All other decisions about the level of pay and remuneration to be awarded to individual Brigade Manager roles will be taken by the local Fire and Rescue Authority, who will annually review these salary levels.

3.4 Since combination, the Authority has chosen not to apply any additional pay increases, other than those agreed at a national level, to the Chief Fire Officer. Consequently, there have been no pay increases for the Chief Fire Officer for five years, at either a national or local level, since the last national cost of living increase in January 2009.

- 3.5 Any locally determined changes in the Chief Fire Officer's remuneration are subject to full Authority approval. In accordance with the conditions within the Gold Book, the Authority is required to conduct an annual review of the remuneration afforded to members of the Executive Board. This review will conducted by way of a report to a full Authority meeting which will contain such relevant data as to enable the Authority to reach a determination on levels of appropriate remuneration. As a minimum, comparative benchmark data will be provided on chief executive salary levels in other fire and rescue authorities, constituent authorities, neighbouring police authorities and other relevant public bodies as may be determined. The review will also consider the level of pay awards made for other groups of employees and the relationship between the remuneration of the Chief Fire Officer and the remuneration of other employees.
- 3.6 The other positions within the Executive Board are as follows and further details of their responsibilities can be found at Devon and Somerset Fire and Rescue Service Organisational Structure:

Assistant Chief Fire Officer - Director of Operations

**Director of Corporate Services** 

Director of People and Organisational Development

- 3.7 The Assistant Chief Fire Officer salary has been set locally at 75% of the Chief Fire Officer salary which reflects the previously stated minimum salary level set by the National Joint Council. It should also be noted that uniformed Brigade Managers (Chief Fire Officer and Assistant Chief Fire Officer) also provide "stand-by" hours outside of the normal working day within a Brigade Manager rota.
- 3.8 The remaining two "non-uniformed" Executive Board positions are on Grade 3 within a four point grading structure which was determined by Job Evaluation. The salary levels for these grades are linked as a percentage to the Chief Fire Officer's salary (less a notional 20% to reflect that there is no requirement to provide "stand-by" hours outside of the normal working day within a Brigade Manager rota). The percentage levels for these grades are:

Grade 1	56.25%
Grade 2	62.50%
Grade 3	68.75%
Grade 4	75.00%

#### 4. <u>REMUNERATION OF THE LOWEST PAID EMPLOYEES</u>

4.1 The lowest grade in the Service is within the Support Staff category which has a grading structure from Grade 1 to 11. The lowest paid worker is at Grade 1. Each grade has five levels referred to as spinal column points and a new joiner will progress through these with increasing service. Since the lowest paid employees are part-time the actual salary levels are pro-rata. The salary range at Grade 1 is currently £12,915 to £14,880 for a 37 hour week. For contextual purposes the salary level for a full-time firefighter is £28,766 per annum.

### 5. <u>THE RELATIONSHIP BETWEEN THE REMUNERATION OF CHIEF OFFICERS AND</u> THE REMUNERATION OF THOSE EMPLOYEES WHO ARE NOT CHIEF OFFICERS.

- 5.1 In terms of pay multiples, in line with recommendations contained within the Hutton Review of Fair Pay, the Authority will use two ratios to explain the relationship between the remuneration of the Chief Fire Officer and the remuneration of those employees who are not chief officers. The first is a comparison with the median earnings of the whole workforce using the basic pay for full-time equivalents. The second multiple is for the lowest pay point, which has frequently been used as a benchmark in the media following suggestions by the Government that a ratio of 20:1 should be regarded as a level which public sector organisations should not exceed:
  - the median basic pay of the Authority's whole workforce (£28,766) and
  - the lowest pay point (£12,915).

The current pay multiple ratios (rounded to the nearest whole number) are:

	<u>2013-14</u>
median basic pay	5:1
lowest pay point	11:1

5.2 In terms of the pay multiple between the Chief Fire Officer and other staff across the organisation, the Authority's Pay Policy is that this will remain at the current level when compared with the median basic pay across the organisation. The Pay Policy Statement for future years will be determined by the full Authority.

## 6. <u>ADDITIONAL ELEMENTS OF THE REMUNERATION FOR THE CHIEF OFFICER</u>

- 6.1 These additional elements relate to the following elements:
  - Bonuses or Performance Related Pay
  - Charges, Fees or Allowances
  - Benefits in Kind
  - Any increase or enhancement to the pension entitlement as a result of the resolution of the Authority
  - Any amounts payable by the Authority to the Chief Fire Officer on the Chief Fire Officer ceasing to hold office other than amounts that may be payable by virtue of any enactment.
- 6.2 The Chief Fire Officer does not receive any additional bonuses, performance related pay, charges, fees or allowances. As a Brigade Manager, the Chief Fire Officer has an operational requirement for a lease vehicle and this is in accordance with the Service Contract Car Hire Scheme. The benefit-in-kind attributable to the private usage of this Service car was £2,244 for 2011-12. This has reduced to £1,742 for 2012-13. The figure for 2013-14 will not be available until after 31 March 2014.

- 6.3 In relation to the pension entitlement, the Chief Fire Officer is eligible to be a member of the Firefighters' Pension Scheme. All members of this pension scheme (which is closed to new members) can retire on reaching age 50 provided they have at least 25 years' service. The maximum pension entitlement that a member of the pension scheme can accrue is 30 years' service. Chief Fire Officers appointed before 2006 are required to seek approval to retire at age 50 whilst those appointed after 2006 do not. All other members of the pension scheme are not required to obtain such approval. This requirement for Chief Fire Officers to have to seek approval has been recognised nationally as being potentially discriminatory on the grounds of age but can be overcome by agreement with the Authority to permit retirement from age 50. The Authority has previously given approval for the Chief Fire Officer to retire at age 50 and there are no additional financial implications to the Authority associated with this decision.
- 6.4 Should the Chief Fire Officer cease to hold his post then the notice period from either the employee or employer is three months. There are no additional elements relating to the Chief Fire Officer ceasing to hold this post other than those covered under any other enactments.

## 7. <u>REMUNERATION OF CHIEF OFFICERS ON RECRUITMENT</u>

7.1 Within the Localism Act there is a requirement to state the remuneration of Chief Officers on recruitment. The pay level for the Chief Fire Officer was determined by the Authority in 2006, based on 2005 data, in preparation for the new combined Devon & Somerset Fire & Rescue Service commencing on 1 April 2007. The appointment of the Chief Fire Officer is subject to approval by the full Authority. The current rate of remuneration would apply to any Chief Fire Officer on recruitment, subject to any review that may take place in accordance with the arrangements set out within this Pay Policy Statement.

#### 8. <u>RE-EMPLOYMENT OF SENIOR MANAGERS</u>

- 8.1 The Authority will not normally re-employ or contract with senior managers who have been made redundant by the Authority unless:
  - there are exceptional circumstances where their specialist knowledge and expertise is required for a defined period of time **and** there has been a break in service of at least one month; or
  - a defined period of 12 months has elapsed since the redundancy and circumstances have changed; or
  - the re-employment is in a different role and there has been a break in service of at least six months; or
  - the re-employment is in the same role but at a lower cost and is within the context of an approved business case at the time of the redundancy **and** there has been a break in service of at least one month.

- 8.2 The Authority will allow the re-employment of senior managers who have retired, subject to a break in service of at least one month, because it is recognised that this often represents an effective way of retaining specialist knowledge and skills without any increase in cost to the Authority (and noting that costs to the Pension Scheme are no more than would be the case for normal retirement). Furthermore, where retired uniformed staff are re-employed then the Fire-Fighters' Pension shall be abated such that the income from the gross annual rate of pay whilst re-employed together with the gross annual pension (after commutation) will not exceed the gross annual rate of pay immediately prior to retirement. For staff within the Local Government Pension Scheme, where an individual is re-employed on the same terms and conditions [salary] as previously, the same abatement rules as apply to those within the Fire Fighters Pension Scheme will be applied. However, the Authority's policy on Pension Discretions refers to flexible retirement and states that this "may be subject to abatement during such time as the individual remains employed by the Service". This allows the Authority to use flexible retirement opportunities where key employees may wish to continue working as they get older but step down in grade or reduce their working hours. This can be beneficial to the Authority in retaining key skills, knowledge and experience whilst also reducing costs.
- 8.3 The appointment, or re-employment, of any members of the Executive Board (the Chief Fire Officer, Assistant Chief Fire Officer, Director of Corporate Services and Director of People and Organisational Development) will always be subject to approval of the full Authority and any re-employment following redundancy or retirement will be subject to consideration of a robust business case and fully scrutinised against the above criteria.

#### 9. <u>THE PUBLICATION OF AND ACCESS TO INFORMATION RELATING TO</u> <u>REMUNERATION OF CHIEF OFFICERS</u>

9.1 In order to make this information in relation to the Pay Policy Statement accessible to members of the public, the statement will be published on the Authority website.

#### 10. <u>REVIEW OF THE PAY POLICY STATEMENT</u>

10.1 This document will be reviewed at least annually by the full Authority.