

# Draft Revised Pay Policy Statement 2018/19

## **Introduction**

This statement of Pay Policy is provided in line with Section 38(1) of the Localism Act 2011 and is authorised by Leicester, Leicestershire and Rutland Combined Fire Authority (the CFA).

## **Purpose**

The purpose of this statement is to provide transparency to the Pay Policy adopted by Leicestershire Fire and Rescue Service and to meet the objective of delivering a fair and equitable policy covering pay and other benefits.

## **Accountability**

The CFA is responsible for establishing the Pay Policy for the employees of Leicestershire Fire and Rescue Service.

The CFA is directly responsible for reviewing the pay structure for Principal Officers including the Chief Fire and Rescue Officer and the Assistant Chief Fire Officers.

The Chief Fire and Rescue Officer has delegated responsibility to establish appropriate grading and salaries for all other employees of Leicestershire Fire and Rescue Service.

## **Pay Negotiating Bodies**

The CFA applies the annual pay settlements negotiated by:

- The National Joint Council for Local Government Services;
- The National Joint Council for Local Authority Fire and Rescue Services;
- The National Joint Council for Brigade Managers of Local Authority Fire and Rescue Services.

The CFA undertakes negotiation with its recognised representative bodies on local agreements which affect the terms and conditions of its employees and which may include agreement of local allowances. The representative bodies recognised for negotiating purposes are:

- The Fire Brigade's Union;
- The Fire Officers Association;
- The Association of Principal Fire Officers;
- The Retained Firefighters Union;
- UNISON.

## **Publication**

The Pay Policy will be published on the Service website together with the Pay and Grading structure and information relating to senior management remuneration.

## **Section One - General Pay Policy**

- 1.1 The CFA applies the pay scales adopted by the respective National Joint Councils (NJC) for all its employees up to the level of Principal Officer. In relation to this, the CFA introduced the principles of the 'National Living Wage' in 2015 and subsequently the Foundation National Living Wage in October 2017. No employee will be paid at an hourly rate below the Foundation National Minimum Wage.
- 1.2 Local pay arrangements for Principal Officers (Chief Officers) are established through the provisions of the NJC for Brigade Managers of Local Authority Fire and Rescue Services and are reviewed bi-annually by the Fire Authority. Further details are set out in Section 2.
- 1.3 Upon appointment, Principal Officers are remunerated at a 'single point' scale.
- 1.4 The number and level of roles within the Service are determined by the CFA on advice from the Chief Fire Officer.
- 1.5 Pay Policy reflects the different roles, duties and responsibilities undertaken by Service employees. This is reflected in pay differentials between different groups of workers and between workers in the same pay group. The pay bands established are based on nationally applied role maps (operational employees) or grading bands established through a job evaluation process (support employees). Upon appointment, staff are normally paid in accordance with the lowest point in the relevant scale. This can be adjusted if there is a justifiable reason that is supported by a Principal Officer
- 1.6 Pay Policy reflects adherence to the principle of "equal pay for work of equal value".
- 1.7 In applying its policy, the CFA will work to eliminate any elements which may, directly or indirectly, discriminate unfairly on the grounds of sex, race, colour, nationality, ethnic or national origin, age, marital status, having dependants, sexual orientation, gender reassignment, religion or belief, trade union activity, disability or any other factors. Part-time workers receive the same pay and remuneration as full-time workers undertaking the same job role on a pro-rata basis.

### **Definition of Lowest Pay**

- 1.8 The CFA introduced the principles of the 'National Living Wage' in 2015 and subsequently the Foundation National Living Wage in October 2017. At this time, the lowest level of pay that can be paid to a member of staff is £16,491 per annum (Scale A Point 13).

### **Pay Multiples**

- 1.9 The idea of publishing the ratio of the pay of an organisation's top earner to that of its lowest earner has been recommended in order to support the principles of Fair Pay (Will Hutton 2011) and transparency.

The current lowest paid member of full-time staff receives an annual salary of £16,491. The current highest paid member of full-time staff receives an annual salary of £127,512. The ratio is 7.73:1. This will be monitored each year within the Statement of Pay Policy.

The current median annual salary is £29,934. Based upon this, the ratio between the highest salary and the median salary is 4.26:1.

### **Subscriptions**

- 1.10 Individuals required by Leicestershire Fire and Rescue Service to be members of professional bodies in relation to their duties will have their subscription fees paid.

### **Benefits In Kind**

- 1.11 Leicestershire Fire and Rescue Service provides uniform clothing for its operational firefighting and Control Room staff and some non-uniformed staff engaged in public facing activities such as prevention work. In addition, operational firefighting staff are issued with and required to wear Personal Protective Equipment when undertaking operational duties.
- 1.12 Leicestershire Fire and Rescue Service provides an Occupational Health Service to all its staff which seeks to keep them fit and well to undertake their duties and to ensure their speedy and safe return to work when they are injured or sick.
- 1.13 Leicestershire Fire and Rescue Service offers a Provided Car User Scheme and to staff who are required to use vehicles in connection with their official duties. As indicated in Section 2, most senior managers are provided with a car for operational and/or private use. This scheme is kept under review by the CFA with the most recent review being undertaken in December 2016. The scheme will require review for 2018/19 to reflect national tax rule changes in the Finance Act 2017.

### **Relocations Expenses**

- 1.14 Upon appointment and only if relocation expenses are incurred, the CFA reimburses new employees in accordance with the Relocation Expenses Scheme. The CFA does not pay any bonuses sometimes expressed as 'golden hello' or 'golden goodbye' payments to any employees.

## **Section Two - Pay Policy for Principal Officers and Senior Managers**

### **Principal Officers**

- 2.1 National pay awards negotiated by the NJC for Brigade Managers of Local Authority Fire and Rescue Services are applied to Principal Officers by the CFA on an annual basis. This represents a cost-of-living increase.
- 2.2 Upon appointment, all Principal Officers are paid in accordance with a single point pay scale. A review of Principal Officer pay is undertaken every two years by the CFA. This is currently managed through the Employment Committee under delegated power from the CFA.
- 2.3 In addition to this pay review, the Employment Committee undertakes an annual review of Performance, in accordance with the performance system in place for the three Principal Officers. Members of this Committee agree a series of objectives at the start of the financial year. These objectives are formally assessed by the Committee at the end of the financial year prior to any award of withheld salary being made.
- 2.4 Principal Officer roles covered by the review include the Chief Fire Officer and the two Assistant Chief Fire and Rescue Officers.
- 2.5 The base salary for the Chief Fire and Rescue Officer role at Leicestershire Fire and Rescue Service is currently set at £127,512 per annum. This has been established through a local pay review. A car is provided for operational and business use.
- 2.6 The Service makes an employer pension contribution of 21.3%. This is in accordance with the contribution made to all members of the Firefighters Pension Scheme (1992). The employee contribution for 2017/18 will be 17.0% of pensionable pay.
- 2.7 The CFA has established a policy that Principal Officer roles below that of Chief Fire and Rescue Officer will be paid as a proportion of the locally agreed Chief Fire Officer base pay rate. The two Assistant Chief Fire officers are paid at a rate that represents 80% of the Chief Fire Officers annual salary. Both Assistant Chief Fire Officers receive an annual salary of £101,979.
- 2.8 Additionally, both Assistant Chief Fire Officers are provided with a car for operational and business use.
- 2.9 Salaries of newly appointed officers will be reviewed and determined in line with the conditions of a local pay review.
- 2.10 Details of Principal Officer Pay are published on the Leicestershire Fire and Rescue Service internet site. This can be found by clicking on the section Our Structure>Directors Salaries.
- 2.11 The Service does not have a policy of direct correlation between the highest and lowest paid roles (it does not apply a pay multiple in establishing Principal Officer pay). In 2017/18, the lowest paid role within the Service is £16,491 (fte), the highest paid role within the Service is £127,512. The ratio between the highest and lowest paid employees is 7.73:1.
- 2.12 The other defined Chief Officers are the Monitoring Officer and Treasurer to the Combined Fire Authority and they are unremunerated.

## **Senior Managers**

- 2.13 The pay, including rota allowances, of the most senior officers below Principal Officer (Operational Area Managers) is 58.4% of the Chief Fire Officers pay. Three Operational Area Managers receive an annual salary of £74,428. Additionally, all Operational Area Managers are provided with a car for operational, business and private use.
- 2.14 The pay of the most senior support roles below Principal Officer (Head of People and Organisational Development and Head of Finance and ICT) is 44.9% of the Chief Fire Officers pay. This equates to an annual salary of £57,252.
- 2.15 The CFA employs an additional senior support role manager (Head of Tri-Service Control). This manager receives a salary that is equal to 42.2% of the Chief Fire Officers pay (£53,758). This is a shared cost and the CFA pays one third of the £53,758 total.
- 2.16 The CFA also employs five Operational Group Managers. Each manager receives an annual salary of £59,141 and in addition, each Operational Group Manager is provided with a car for operational, business and private use.
- 2.17 Finally, the CFA also employs twenty Operational Station Managers. Each manager receives an annual salary of £51,091 and in addition, each Operational Station Manager is provided with a car for operational, business and private use.
- 2.18 It should be taken into account that the salaries of Principal Officers and other operational managers include an allowance for the associated additional responsibility and hours of work required to provide duty cover on a 24/7, 365 basis. The full details applicable to pay, employer's costs and benefits for all managers paid in excess of £50,000 per annum are set out in appendix 1 of this Pay Policy Statement.

## **Re-engagement**

- 2.19 All Principal and Senior Managers are subject to the same re-engagement provisions as other Service employees; these are set out in more detail in Section 5.

## **Severance Payments**

- 2.20 All Principal and Senior Managers are subject to the same severance arrangements as other Service employees; these are set out in more detail in Section 6.

## **Section Three - Pay Policy for Firefighters**

### **General**

- 3.1 This policy applies to Whole-time, On-Call Firefighters and Fire Control staff.
- 3.2 National pay awards negotiated by the NJC for firefighters of Local Authority Fire and Rescue Services are applied by the Authority on an annual basis. This represents a cost-of-living increase. An interim 1% pay award has been applied by the NJC for Local Authority Fire and Rescue Services in 2017/18 although a final settlement remains under negotiation.
- 3.3 Pay is based upon the role undertaken and the stage of competence of each individual for example, trainee, in development and competent.
- 3.4 A formal assessment of individuals is undertaken at each stage of development before moving to the next salary level. Maintenance of competence is a requirement at all levels of the Service and is reviewed annually.
- 3.5 Progression between roles is subject to a competitive selection process.

### **On-Call Duty System**

- 3.6. Employees employed on the On-Call Duty System are paid an annual retaining fee and receive subsequent payments based on attendance at incidents and other activity including attendance at drill nights, disturbance fees, turnout fees, attendance fees, training fees, other authorised duties and compensation for loss of earnings. All payments are made in line with nationally agreed pay scales and rates.

### **Other Allowances and Payments**

- 3.7 Pension contributions: The Service makes an employer contribution of 21.7% of salary (1992 scheme) or 11.9% of salary (2006 scheme) and 14.3% of salary (2015 scheme) for members of the Firefighters Pension Scheme. The employee will make a contribution of between 11.0% and 17.0% (1992 scheme); between 8.5% and 12.5% (2006 scheme) of pensionable pay. This compares with between 11.9% and 14.12% (1992 scheme) and between 10.5% and 14.5% (2015 scheme) of pensionable pay.
- 3.8 Under national conditions of service, a flexible duty payment is made to Station Managers and Group Managers who provide flexible duty cover on a 24/7 rota basis and who are available to attend emergency incidents when required and provide Duty Officer cover. This is paid at an allowance of 20% of base salary.
- 3.9 Under local arrangements, Operational Area Managers are paid an allowance of 30% of base salary to provide operational cover on the Strategic Cover rota.
- 3.10 An allowance is paid on a daily basis where employees temporarily undertake the duties of a higher graded role. This is paid at the rate applicable to the role being undertaken; employees must be qualified to undertake the higher level role.
- 3.11 Overtime rates are paid for roles below Station Manager at time and a half or double time on public holiday, or time may be granted in lieu at the appropriate enhanced rate.
- 3.12 Detachments. These are paid at locally agreed rates when operational employees are required to provide cover at other stations.

- 3.13 Recall to duty and/resilience payments are paid to staff in the event that operational circumstances dictate a necessity to bring managers back on duty at times when they would normally be free from all work related responsibilities. The amounts paid are locally agreed.
- 3.14 Under national conditions of service, a Continuous Professional Development Payment (CPD) is approved annually on an individual basis for employees with more than five years of service (since attaining competence in role). It is an annual payment of £651 for wholetime and for on-call it is pro-rata based on availability. The payment is made by application and authorised at a middle or senior management level. To be eligible, an individual must demonstrate evidence of CPD over and beyond that required for competence and have a good attendance, performance and disciplinary record.
- 3.15 Additional Responsibility Allowance (ARAs) are only paid as and when required.
- 3.16 A travel allowance to cover additional travel costs when an operational employee is compulsorily transferred to another work base. A payment is made of the difference in mileage undertaken and is paid for four years following a compulsory transfer.
- 3.17 Reimbursement of medical fees only applies to employees whose service commenced before November 1994. The reimbursement of fees covers dental, optical and prescription fees and is paid at NHS rates.



## **Section Four - Pay Policy for Support Roles**

### **General**

- 4.1 This policy applies to employees covered by the NJC for Local Government Services and includes all non-operational staff.
- 4.2 National pay awards negotiated by the NJC for Local Government Services are applied by the Authority on an annual basis and represent a cost-of-living increase. A 1.0% pay award was applied by the NJC for Local Government Services from 01.04.17 to 31.03.18. A pay offer of a flat rate increase of 2% plus higher increases on the lower pay points has been proposed for the period 01.04.18 to 31.03.20. This is subject to ongoing national negotiations.
- 4.3 The pay structure is aligned to a spinal column point system. Spinal column points are configured into groups to provide incremental pay points. The incremental rises occur on 1 April and 1 October annually and employees progress incrementally through their respective grade until they reach the maximum point.
- 4.4 All employees will be generally paid at the lowest point in the relevant scale. Starting salary may be uplifted along the incremental structure if experience and knowledge warrant this approach. Movement between grades is through a competitive selection process.
- 4.5 Leicestershire Fire and Rescue Service apply the Local Government Job Evaluation Scheme that systematically ranks each job objectively and fairly. Local Government Job Evaluation Scheme is a recognised best practice, non-discriminatory method of ranking jobs against a predetermined scale. The evaluation process assesses all roles and allocates an appropriate grade according to the duties and responsibilities undertaken. Employees may apply for a review of their grade where permanent, substantial and material changes have increased the level of duties and responsibilities attached to their role. Any substantive changes to grade must be authorised by a Director.

### **Other Allowances and Payments**

- 4.6. The Service makes a total employer pension contribution of 20.3% of salary for all members of the Local Government Pension Scheme. The employee will make a contribution of between 5.5% and 12.5% of pensionable pay depending on their salary band.
- 4.7 An allowance is paid if an employee is required to fill a higher level role for a period of more than one month.
- 4.8 A discretionary Honorarium payment may be made, with the approval of a Director, for duties undertaken outside of the normal job requirements for an extended period of time.
- 4.9 A disturbance payment will be paid when an employee is required to move work location; actual additional mileage is paid for a period of four years.

## **Section Five - Policy on Re-engagement and Pension Abatement**

### **General**

- 5.1 This applies where individuals retire from the Service, draw pension benefits and are subsequently re-engaged into the same or other role with Leicestershire Fire and Rescue Service. The policies set out below apply to all employees, including senior officers.
- 5.2 Leicestershire Fire and Rescue Service operates a Re-engagement Policy, which has been authorised by the CFA, for operational employees. This permits re-engagement if there is a tangible business benefit. During any period of re-engagement the employee has full abatement of pension i.e. when combined with salary, their pension cannot make them earn more than they did in their previous role. This complies with the provisions of the Firefighters Pension Scheme.
- 5.3 Leicestershire Fire and Rescue Service operates a Flexible Retirement Policy for employees in the Local Government Pension Scheme which allows employees to take their pension benefits and be re-employed on reduced hours or at a lower grade without abatement of pension. This complies with the provisions of the Local Government Pension Scheme.
- 5.4 Where employees who have taken retirement benefits (either as former Service employees or employees of another public sector organisation) apply for a support role with Leicestershire Fire and Rescue Service as part of a competitive selection process and are successful, no abatement of pension is applied.

## **Section Six - Severance Payments**

### **General**

- 6.1 In the event of redundancy, the Service applies redundancy payments under the provisions of its Redundancy Policy. This applies to both compulsory and voluntary redundancy situations.
- 6.2 In 2017/18 there has been 2 settlement agreements; when the employment of an employee is terminated by the Service, or in settlement of a claim. Such agreements are subject to confidentiality clauses.
- 6.3 Early Payment of Pension Benefits; under the provisions of the Local Government Pension Scheme employees aged over 55 who are made redundant, or who are retired from Service on the grounds of efficiency, are awarded early payment of pension benefits. In this case, a charge is made against the Fire Authority by the pensions fund; this is referred to as actuarial strain.
- 6.4 In 2017/18 the Service had no one such agreement for the early payment of pension.

## **Section Seven – Bonus Payments and Performance Related Pay**

- 7.1 The CFA does not pay any groups of employees a bonus or operate a system of Performance Related Pay.

## Summary of Annual Remuneration for All Principal Officers and Senior Managers

Role/Position	Function	Salary (£)	Provided Car (£)	Employers Costs (£)	Total Cost (£)
Chief Fire Officer	Chief Executive/Head of Paid Service	£127,512	£3,152	£44,137	£174,801
Assistant Chief Fire Officer (1)	Director of Service Delivery	£101,979	£3,152	£27,500	£132,631
Assistant Chief Fire Officer (1)	Director of Service Support	£101,979	£3,152	£27,500	£132,631
Operational Area Manager (1)	Head of Operational Response	£74,428	£2,867	£19,780	£97,075
Operational Area Manager (1)	Head of Community Risk	£74,428	£2,867	£19,780	£97,075
Operational Area Manager (1)	Head of Assurance	£74,428	£2,867	£19,780	£97,075
Head of People and Org Dev	Head of Function	£57,252	£0	£15,974	£73,226
Head of Finance and ICT	Head of Function	£57,252	£0	£15,974	£73,226
Head of Tri-Service Control	Head of Function	£53,758	£3,152	£14,725	£71,635
Operational Group Manager (1)	Geographical Group Manager	£59,141	£2,867	£19,865	£81,873
Operational Group Manager (2)	Geographical Group Manager	£59,141	£2,867	£19,865	£81,873
Operational Group Manager (3)	Operational Risk	£59,141	£2,867	£19,865	£81,873

Operational Group Manager (4)	Safer Communities	£59,141	£2,867	£19,865	£81,873
Operational Group Manager (5)	Corporate Risk	£59,141	£2,867	£19,865	£81,873
Operational Station Manager (1)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (2)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (3)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (4)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (5)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (6)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (7)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (8)	District Manager	£51,091	£2,867	£17,015	£70,973

Appendix 1

**Summary of Annual Remuneration for All Principal Officers and Senior Managers**

<b>Role/Position</b>	<b>Function</b>	<b>Salary (£)</b>	<b>Provided Car (£)</b>	<b>Employers Costs (£)</b>	<b>Total Cost (£)</b>
Operational Station Manager (9)	District Manager	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (10)	District Manager	£51,091	£2,867	£17,015	£70,973

Operational Station Manager (11)	Operational Guidance	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (12)	Operational Planning	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (13)	Operational Intelligence	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (14)	Community Safety	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (15)	Fire Protection	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (16)	Fire Protection	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (17)	Professional Standards	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (18)	Operational Assurance	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (19)	Training and Development	£51,091	£2,867	£17,015	£70,973
Operational Station Manager (20)	Training and Development	£51,091	£2,867	£17,015	£70,973