

# ROYAL BERKSHIRE FIRE AUTHORITY

Pay Policy Statement 2020/21





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## Introduction

This Pay Policy Statement reflects the Royal Berkshire Fire Authority's (RBFA) long standing Pay and Reward Strategy, which has been in place since its inception in 1998.

It has been formulated to discharge the RBFA's obligation to publish such a statement as required by Section 38 (1) of the Localism Act 2011. The purpose of this statement is to provide transparency with regard to RBFA's approach to setting the pay of its employees by identifying:

- The methods by which salaries of all employees are determined; and
- The detail and level of remuneration of its most senior staff as defined by the relevant legislation
- The detail and level of remuneration for the lowest level of post/employee
- The ratio of pay of the top earner and that of the median earner

RBFA seeks to balance the need to reward its staff sufficiently to attract, motivate and retain the talented individuals needed to deliver a first class fire and rescue service with the need to ensure that RBFA delivers its strategic commitment of providing good value for money.

This policy statement has been approved by RBFA. It will be subject to review annually and in accordance with new or proposed legislation to ensure that, it remains relevant and effective. Information supplied to inform the Pay Policy Statement will be based on figures available at the time of writing (31 October 2019).



## **Royal Berkshire Fire Authority Pay Policy Statement 2020/21**

### **Accountability and Decision Making**

The Fire Authority is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to its' employees subject to the exercise of delegated powers. The Fire Authority has approved the pay ranges for any post in excess of £100,000 per year on appointment.

### **Responsibility and Scale**

For 2019/2020, RBFA was directly responsible for a budget of £ 34,081,000 and the employment of circa 640 staff. The Fire Authority provides services to a total population of 905,800 residents.

### **The Fire Authority's pay strategy - How is pay determined?**

The RBFA's overall approach to determining the pay of its employees is to participate in national collective bargaining for fire-fighters and fire control staff through the National Joint Council (NJC) for Local Authority Fire and Rescue Services; for non-operational support staff through the NJC for Local Government Services and for Directors through NJC for Brigade Managers of Fire and Rescue Services. These arrangements account for a total of 480 employees covered by NJC for Local Authority Fire and Rescue Services, 150 employees covered by NJC for Local Government Services and four covered by NJC for Brigade Managers of Fire and Rescue Services).

There are currently three individuals who have transferred to RBFRS under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations 2006 as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 where salaries are not in line with our current pay rates. National collective bargaining arrangements are not applicable. A consultation process is currently taking place to move these individuals to RBFRS terms and conditions.

The pay scale rates for apprentices have been reviewed and remain well in excess of the National Minimum Wage for apprentices as at 1 April 2020.

The RBFA's long term approach to pay and reward has been to continue to support national pay bargaining as the most effective way to manage payroll costs and the

challenge of running a fire and rescue service in one of the highest cost-of-living areas outside London.

RBFA does not pay any location allowances related to the cost of living in Berkshire.

There are occasions where the job evaluation scheme and pay grading structure does not take into account market factors such as market pay rates for specialist and technical project roles, or fluctuating demand for skills in the marketplace. It is therefore sometimes necessary to pay a market supplement in addition to base salary in order to recruit and retain staff. To this end, a Market Supplement Policy has been published to ensure RBFA has a fair, transparent and controlled approach to pay.

At times we need ad hoc project work to be completed, which is funded via Framework arrangements or as a casual hourly or day rate as appropriate to the task, duration and local market rates.

The Fire Authority also operates an individual Merit Payment Scheme to reward specific exceptional performance by individual employees in any staff group.

## **The NJC for Local Authority Fire and Rescue Services**

The NJC for Local Authority Fire and Rescue Services currently provides a nationally agreed competence based pay structure of six roles ranging from Firefighter to Area Manager and a parallel, with fewer levels, structure for Fire Control staff. For each role there is a Role Map and National Occupational Standards have been established.

Firefighters begin their careers as trainees for which there is a separate rate of pay. On satisfactory completion of initial training they move onto the development rate of pay and undertake a development and assessment pathway. When they have demonstrated competence against the National Occupational Standards they receive competent pay. A similar structure of development and competent pay rates exists for each role, and for roles from Watch Manager to Area Manager, there are two job sizes at each role level for competent staff, which are based on the scale of the duties and responsibilities of the post. Allocation of posts to roles and job sizes within roles is determined through locally agreed evaluation processes.

For staff on Local Authority Fire and Rescue Services conditions, the NJC for Local Authority Fire Services agreed a two percent increase in September 2019 to be effective from 1 July 2019.

Other elements of pay include:

- Allowance payments for work undertaken outside the role map
- Continuous Personal Development (CPD) payments

- Locally agreed allowance for Area Managers undertaking a Head of Service role
- An operational allowance for being available to undertake 'Gold' level command
- Station Manager allowances paid to Watch Based Station Managers
- A flexible duty allowance paid to officers undertaking duties as part of the flexible duty rota
- A one off payment made in 2019/20 to Flexible Duty Officers in connection with a change to the operational rota.
- A one-off payment made to members of the Pension Board for attendance at each Pension Board meeting.

Full details of the NJC for Local Authority Fire and Rescue Services terms and conditions of service are set out in the Sixth Edition of the NJC Scheme of Conditions of Service and any subsequent updates, Local Agreements reached between the Fire Authority and the Fire Brigades Union and the Fire Authority's Policies.

## **The National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service**

The National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service, sets the framework for the pay and conditions of service for the Fire Authority's non-operational support staff. This provides a national pay spine which was reviewed in April 2019 following the two year pay agreement reached in 2018 to address the impact on local government employers of the National Living Wage increases. RBFRS uses the pay ranges identified within the National pay scales, localised to reduce the number of spinal column points (SCP) within each grade and further extended to provide ten pay grades. Posts are allocated to a grade through a process of job evaluation using the HAY job evaluation methodology. Staff are appointed to a spinal column point (SCP) in the appropriate pay grade and progress subject to satisfactory performance confirmed through an annual appraisal (Performance and Development Review (PDR)) process to the top of their pay scale by annual increments on the first of April each year. Based on the outcome of PDRs, there are provisions for the acceleration or stopping of incremental progression. In order to avoid possible claims for age discrimination, there are no more than six SCPs in each grade range.

### **Senior Managers' Pay**

Conditions of service for the Chief Fire Officer (CFO), Deputy Chief Fire Officer (DCFO) and Assistant Chief Fire Officer (ACFO) have been aligned with those set out in the National Joint Council for Brigade Managers of Fire and Rescue Services Constitution and Scheme of Conditions of Service. A decision by the CFO on 20

June 2016, aligned the pay award for the non-operational Director post (now the Director of Support Services (DSS)) to those set out in the National Joint Council for Brigade Managers of Fire and Rescue Services.

CFO, DCFO, ACFO and the DSS are each placed on a five point pay range set by the Fire Authority:

CFO	CO16	129,987	DCFO	CO11	104,540	ACFO	CO9	96,412	DSS	CO8	93,509
	CO17	134,269		CO12	108,109		CO10	99,171		CO9	96,412
	CO18	138,562		CO13	111,675		CO11	104,540		CO10	99,171
	CO19	143,513		CO14	115,243		CO12	108,109		CO11	104,540
	CO20	148,334		CO15	125,695		CO13	111,675		CO12	108,109

The Chairman and Vice-Chairman determine where on the agreed pay scale the CFO/Chief Executive is placed, based upon year-end performance appraisals. The RBFA have determined that the CFO, as Head of Paid Service determines where on the agreed pay scales the Directors are placed based upon year-end performance appraisals. A 2% increase on July 2018 rates came into effect on 1 July 2019, backdated to 1 January 2019.

In addition the CFO, DCFO and ACFO are entitled to a vehicle for use in connection with Fire Authority business. The contribution for this is currently £3,500 per annum, which, is in line with the contributions towards a lease car for other eligible staff.

The uniformed Director posts (CFO, DCFO and ACFO) also receive an additional allowance for providing out of hours operational incident command cover and services based on 10% of the mid-point of the Assistant Chief Fire Officer salary range, currently £10,454 per annum.

There are no other bonuses or additional payments currently made to the Directors. In the event a merit payment is made, details will be included in the annual report to the Management Committee.

Senior Managers' pay (i.e. Grade 7 to 10, Area Managers and Directors) accounts for 6.54% of the total pay bill (which includes all taxable earnings, including base salary, variable pay, allowances and lease car cash value).

## Benefits Other Than Pay

### Pensions

The RBFA offers membership of the Firefighters' Pension Scheme (2015) to newly appointed staff engaged in operational fire-fighting. Non-operational support staff and Control Staff are offered membership of the Local Government Pension Scheme (LGPS). Following the introduction of the 2015 Firefighters' Pension Scheme (2015 FPS) on 1 April 2015, and the transitional arrangements for members of the Firefighters Pension Scheme 1992 (FPS), the New Firefighters Pension Scheme 2006 (NFPS) and individuals in the Retained Modified Scheme 2006 which are all

now closed to new entrants, the majority of the existing operational workforce are now members of the 2015 Firefighters Pension Scheme.

The respective contributions made by RBFA and employees who are members of these pension schemes, from 1 April 2019 are as follows (in all cases members are auto-enrolled into the appropriate pension scheme in accordance with legislation in relation to workplace pensions):

Scheme	Employer Contributions	Employee Contribution Bands
FPS (1992 Scheme)	37.3%	11% - 17%
NFPS (2006 Scheme)	27.4%	8.5% - 12.5%
2015 FPS (2015 Scheme)	28.8%	10.5% - 14.5%
LGPS	13.7*%	5.5% - 12.5%

\* Employer contributions for members of the LGPS scheme are set at 15.2% of annual salary. RBFA utilises a monthly funding deficit for these members of £239,000 per annum which sets employer contribution rates to approximately 17.0%.

Note: The pension arrangements for staff transferred from the 1992 pension scheme to the 2015 pension scheme are subject to change following legal challenge. At the time of drafting this statement guidance from the Home Office on implementation was unavailable. The impacts of the new arrangements cannot therefore be specified.

### **Car provision**

The RBFA offers a Car User Scheme to staff who are required have access to a vehicle to be used in connection with their official duties. A new Car User Scheme was adopted in October 2017 to ensure a fair and equitable process for determining the provisions for staff across the service. The scheme is in two parts: Lease cars are available for essential car users. The annual allowance is as follows:

£3,500 per year for Flexible Duty Officer users.

£2,000 per annum for non-flexible Duty Officer users.

A car allowance of up to £1,239 per annum is payable to those using their own car. This cost effective scheme also meets the requirements of the management of road risk across the organisation. The Fire Authority also maintains a pool of provided vehicles for use mainly by Uniformed Officers working on the Flexible Duty Rota and other members of staff requiring access to a vehicle as part of their role.



### **Cycle to Work Scheme**

RBFA participates in the national “Cycle to Work” scheme through which its employees hire bicycles to use for travelling to and from work.

### **Subscriptions**

Individuals required by RBFA to be members of professional bodies in relation to their duties are reimbursed subscription fees.

### **Uniform**

The RBFA provides uniform clothing for its operational firefighting and Control Room staff and some Green Book staff engaged in public facing activities such as prevention work, Fire Safety Inspecting Officers and HQ reception staff. A number of other staff are provided with work wear as required for the purpose of their role. In addition, the operational firefighting staff are issued with and required to wear Personal Protective Equipment when undertaking operational duties.

### **Employee Assistance Programme**

The RBFA provides an employee assistance programme for all its staff.

### **Occupational Health Support**

The RBFA 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.

### **Private Medical Treatment**

Where appropriate and cost effective, the RBFA may pay for physiotherapy, private medical assessment and/or treatment for its staff in order to secure their more rapid return to work following injury or sickness. RBFA also provides the opportunity for staff to access the Benenden employee healthcare scheme at no direct cost to employees other than tax due on the benefit. This was at a cost of £10.25 per employee per month, increasing to £11.50 with effect from 1 March 2020, for those who choose to opt into the scheme. As at 31 October 2019, there were 438 members of the scheme.

### **Outplacement Support**

In the rare event of employment being terminated on the grounds of redundancy, RBFA may provide appropriate outplacement support to the employee(s) concerned in order to assist them to find alternative employment elsewhere.

## **Highest and Lowest Paid Employees**

The Chief Fire Officer is the RBFA’s highest paid employee. The policy regarding his remuneration is set out in RBFA’s Senior Managers Pay section.

The Chief Fire Officer is selected by an RBFA Members' Appointment Panel following a comprehensive selection process.

**Remuneration packages (as at 31 October 2019):**

	Basic Salary and pensionable allowance (per annum)	Total remuneration (including pension contributions and car provision)
CFO	£158,788.00	£208,018.94
Lowest paid employee (excluding Apprentices)	£21,666	£24,764.22
Competent Firefighter	£31,144	£37,902.25(1992 scheme) £34,850.14 (2006 scheme) £35,597.59 (2015 scheme)

From April 2019, the compulsory government National Living Wage for workers over 25 years of age is £8.21 per hour. Please note the National Living Wage is distinct from the Living Wage, which is the level of pay recommended by the Living Wage Foundation, an independent campaign group. In assessing this requirement on current pay arrangements in RBFA it is noted that the lowest paid post to which an employee would be recruited would attract an hourly rate of £10.97 (excluding apprentices on apprenticeship rates of pay).

Given that staff pay and benefits dominate the RBFA budget, the current and anticipated future reductions in RBFA's financial resources mean that these costs are and will continue to be under close scrutiny.

RBFRS has in some cases found it difficult recruit suitable professionally qualified staff through normal channels and in some areas the use of interim agency staff or contractors working outside of IR35 legislation, is in place.

Reviews will be required to ensure appropriate remuneration is in place to attract and retain staff as structures within the Service are examined. Consideration of the total reward available to respond to changing organisational pressures and the linkages between pay and performance and redesigned structures will continue to be explored through organisational change programmes to ensure staff are attracted to, and retained by RBFA. In accordance with our Equality Policy, pay is monitored and reviewed. An equal pay audit was completed during 2019/20. The next equal pay audit will be undertaken in March 2022. RBFA has also published its Gender Pay

Gap report in line with legislation, which can be viewed on the Services' website and also at gov.uk.

## Pay Multiples

The relationship between the rate of pay for the median full time equivalent earnings and the highest paid employee excluding pension, can be described as the pay multiple.

The multiple between the median full time equivalent earnings and the Chief Fire Officer is 1:4.56. A fixed 2% pay increase across all employees results in a larger monetary increase for CFO in comparison to the median full time equivalent earnings this has resulted in a slightly increased multiple when compared to the previous year (1:4.31).

## Payments on Termination of Employment

### Compensation Policy

The RBFA currently exercises its discretions under the Local Government (Early Termination of Employment), (Discretionary Compensation) Regulations 2006 to enhance statutory redundancy payments by paying one and a half times the Statutory Redundancy Pay Table and waiving the statutory maximum week's pay for calculation of redundancy payments. These discretions only apply to staff who are offered membership of the LGPS, that is Fire Control Staff and non-operational support staff.

Uniformed operational staff at all levels are not currently covered by the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and in the event of redundancy, their compensation is limited to statutory redundancy pay.

### Pensions Policy

The RBFA has adopted a policy of considering the re-engagement of its retired operational staff subject to certain conditions. In the event that re-engagement of a retiree takes place, their pension payments will be abated (up to 100%) to ensure that they do not earn more in retirement than they did immediately prior to their retirement. Refer to the Pensions and Retirement Planning Policy.

## Publication of Pay Statement

Upon approval of the full Fire Authority, this statement will be published on RBFA's web site. In addition RBFA publishes the following details for Directors for the two most recent years in its Annual Statement of Accounts:-

- Salary including fees and allowances
- Any sums payable by way of expenses allowance that are chargeable to UK income tax (Benefits in Kind/Car Allowance)
- Total Remuneration excluding pensions
- Employer Pension Contributions
- Total Remuneration including pensions
- Any compensation for loss of employment and any other payments connected with termination

In addition, RBFA publishes the numbers of employees in bandings of £5,000 starting at £50,000.

