### **APPENDIX A TO REPORT DSFRA/23/16**

### **DEVON & SOMERSET FIRE & RESCUE AUTHORITY**

# **LOCALISM ACT 2011 - PAY POLICY STATEMENT 2023-24**

# 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 its 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 the Authority's senior staff. The Authority will also publish the statement on its 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 twelfth 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.
- 1.3 It should be noted that the Accounts and Audit Regulations 2015 require authorities to disclose individual remuneration details for senior employees and these can be viewed here: Senior Management Salaries
- 1.4 In addition, the rates of pay for all other categories of staff can be found at:
  Rates of Pay
- 1.5 The Local Government (Transparency Requirements) (England) Regulations 2015 imposed additional requirements in terms of publishing data relating to the Authority. The requirements are set out in the Local Government Transparency Code 2015. The Local Government Association produced a set of revised practical guidance documents to support local authorities in understanding and implementing the Transparency Code and to help them publish the data in a meaningful and consistent way. The Code covers information on spending and procurement, organisational information and asset and parking information and this open data is accessible via the following link: Transparency Data
- There is some overlap within the Transparency Code with certain staffing information that is already required as part of the annual Statement of Accounts and the Pay Policy Statement but there are also some additions including further details of organisational structures relating to Senior Managers, including grading and responsibilities, where salary levels are in excess of £50,000 and also Trade Union Facility time.

# 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 Officers (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 two non-uniformed Executive Board Officers are conditioned to the Gold Book for pay purposes only. 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 fire authorities, arrangements for which are set out in paragraphs 3.8 to 3.10.
- 2.3 **Uniformed Staff**: This includes Whole-time and On-call 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 other remuneration is 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 (NJC) for Local Government Services known as the "Green Book". The National Joint Council negotiates the level of any annual pay increases applicable to the nationally recognised local government pay spine and these increases are applied across the Authority's "Green Book" staff grading structure.

# 3. REMUNERATION OF THE CHIEF FIRE OFFICER AND EXECUTIVE BOARD

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 £140,133 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. Since then, national annual pay awards, and the review of Executive Board Officers' pay conducted by the Authority in 2015, have increased the salary to £174,442.
- 3.3. The other positions within the Executive Board have been reviewed recently and are as follows:

Assistant Chief Fire Officer – Director of Service Delivery (Operations)

Assistant Chief Fire Officer – Director of Service Delivery (Support)

Director of Finance & Corporate Services (Treasurer)

Assistant Director - Corporate Services

- 3.4. Further details of our Executive Board can be found at Devon and Somerset Fire and Rescue Service Organisational Structure (to be updated post the Authority's meeting on 12 June 2023).
- 3.5. The original structure including the Deputy Chief Fire Officer and Assistant Chief Fire Officer salaries had previously been set locally at 80% and 75% respectively of the Chief Fire Officer salary, which reflected the previous minimum salary level set by the National Joint Council. However, following the review of Executive Board Officers' pay conducted by the Authority in 2015, the percentage link to the Chief Fire Officer salary was removed. The current salary for an Assistant Chief Fire Officer is £130,829. Uniformed Brigade Managers (Chief Fire Officer and Assistant Chief Fire Officers) also provide "stand-by" hours outside of the normal working day within a Brigade Manager rota.
- 3.6. The remaining two "non-uniformed" Executive Board positions are the Director of Finance & Corporate Services and the Assistant Director of Finance & Corporate Services. The Director of Finance & Corporate Services is on Grade 4 within a four-point grading structure with the Assistant Director of Corporate Services on Grade 1, the grading for which was determined by the [then] Shadow Devon and Somerset Fire and Rescue Authority in 2006 following an external, independent Job Evaluation process. The salary levels for these grades were set as a percentage of the Chief Fire Officer's salary but following the review of Executive Board Officers' pay conducted by the Authority in 2015, the percentage link to the Chief Fire Officer salary was removed. The current salary levels for the four grades are:

Grade	2023
4	£109025
3	£99939
2	£90856
1	£81771

- 3.7. The Gold Book NJC recommended that minimum increases are implemented with effect from 1 January of each year.
- 3.8. 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.

- 3.9. Any locally determined increases in the Executive Board Officers' remuneration are subject to approval by the Authority. 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. Any such reviews will be conducted by way of an expert, independent 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 and other senior officer salary levels in other relevant public bodies as may be determined, e.g. other fire and rescue authorities, constituent authorities, neighbouring police forces etc. The annual 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 median basic pay of the Authority's whole workforce.
- 3.10. In 2015, the Authority conducted a review of Executive Board Officers' pay. Following that review, it was agreed that:
  - the percentage link to the Chief Fire Officer salary for other Executive Board Officers would be removed;
  - ii) the annual review process will be considered on an individual basis;
  - iii) in conducting the annual review, any pay rise above the annual cost of living increases agreed nationally by the NJC for Brigade Managers, will be no greater than the percentage pay rise received by a Firefighter, unless such a pay rise is as a result of good performance, a reorganisation, restructure or other substantial reason.

### 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. However, following the outsourcing of cleaning, there are no employees on Grade 1 so the lowest grade for substantive employees is Grade 2. Each grade has a number of spinal column points and a new joiner will progress through these with increasing service. The salary range at Grade 2 is currently £21,189 to £21,968 for a 37 hour week and is usually subject to review from 1 April each year. For contextual purposes the salary level for a competent full-time firefighter is £32,244 per annum and is usually subject to review from 1 July each year.

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

- 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 (currently £35,127 The second multiple is for the lowest pay point (currently £21,575). This multiple has previously been used as a benchmark following suggestions by the Government that a ratio of 20:1 should be regarded as a level which public sector organisations should not exceed.
- 5.2 The current pay multiple ratios are:

median basic pay 4.94 : 1 4.61 : 1 lowest pay point 7.65 : 1 7.51 : 1

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 be 5.0: 1 when compared with the median basic pay across the organisation, subject to the national pay settlements and any review by the Authority. The Pay Policy Statement for future years will continue to 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:
  - 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.
- The Chief Fire Officer does not receive any additional bonuses, performance related pay, charges, fees or allowances. The Chief Fire Officer has an operational requirement for a Service provided emergency response vehicle. This is currently a 'Provided Car'. As Brigade Managers operate on continuous duty, no Benefit in Kind is attributable. It should be noted that, instead of a provided car, all flexible duty officers (including the CFO) are eligible to avail themselves of a car allowance at rates previously agreed by the Fire Authority. In the event that a car allowance is selected, tax on the benefit will be payable by the employee.
- 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 before age 55 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 subject to any pensions benefit payable before the age of 55 not representing an unauthorised payment as defined in the Finance Act 2004.
- The notice period from either the employee or employer for termination of employment for the post of Chief Fire Officer 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. REMUNERATION OF CHIEF OFFICERS ON RECRUITMENT

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 a Chief Fire Officer is subject to approval by the Authority. The current rate of remuneration would apply to any new 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 EMPLOYEES</u>

### Redundancy

- 8.1 The Authority will not normally re-employ or contract with employees 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 For each of the above scenarios:

- the approval of the People Committee will be required for the reemployment, following redundancy, of any former employee from Station Manager up to and including Area Manager level (or non-uniformed equivalent posts); or
- the approval of the full Authority will be required for the re-employment, following redundancy, of any post-holder at Brigade Manager (including non-uniformed equivalent); and
- for both of the above two approval processes, the Authority may require the repayment of one 24<sup>th</sup> part of any redundancy payment made by the Authority for every month less than 24 months between the date of redundancy and the date of re-employment.

### Retirement

- 8.3 The Authority will, in principle, allow the re-employment of employees 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).
- 8.4 However, the Fire and Rescue National Framework for England ("the National Framework), published by the Home Office in May 2018, sets out that "fire and rescue authorities must not re-appoint principal fire officers after retirement to their previous, or a similar, post save for in exceptional circumstances when such a decision is necessary in the interests of public safety". In this context, Principal Officers refers to those officers at Area Manager and above, or those with comparable responsibilities to those roles. The National Framework also states that fire and rescue authorities will "have regard to this principle when appointing at any level".

- 8.5 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 reemployed 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 reemployed 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.
- 8.6 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. The authorisation of any such flexible retirement arrangements will be subject to the approval mechanism detailed below.
- 8.7 With this in mind and taking account of the National Framework provisions, the Authority has agreed the following approach in relation to requests for reemployment following retirement, subject in each case to an approved business case:
  - (a). the Chief Fire Officer has delegated authority to approve such requests up to and including Watch Manager level (or non-uniformed equivalent posts);
  - (b). the People Committee has delegated authority to approve such requests for Station Manager up to and including Area Manager level (or non-uniformed equivalent posts); and
  - (c). the approval of the full Authority is required for the re-employment, following retirement, of any post-holder at Brigade Manager (or equivalent non-uniformed) level i.e. any member of the Service Executive Board (the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officers, Director of Governance & Digital Services and Director of Finance and Resourcing). Such approval will only be granted in exceptional circumstances where the re-appointment is necessary in the interests of public safety. The rationale for the decision (together with any alternative approaches considered but deemed not appropriate) must be published.

# 9. THE PUBLICATION OF AND ACCESS TO INFORMATION RELATING TO REMUNERATION OF CHIEF OFFICERS

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. REVIEW OF THE PAY POLICY STATEMENT

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