

Nottinghamshire and
City of Nottingham Fire Authority

Statement of Pay Policy 2018/19



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INTRODUCTION

This statement of Pay Policy is provided in line with Section 38(i) of the Localism Act 2011 and is authorised by the Nottinghamshire and City of Nottingham Fire Authority.

Purpose

The purpose of this statement is to provide transparency to the pay policy adopted by the Nottinghamshire Fire and Rescue Service. The period covered by the review is the financial year April 2017 to 31st March 2018.

Accountability

The Combined Fire Authority is responsible for establishing the pay policy for the employees of the Nottinghamshire Fire and Rescue Service.

The Combined Fire Authority is directly responsible for reviewing the pay structure for Principal Officers including the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer roles.

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

Pay Negotiating Bodies

The Authority 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 Authority undertakes negotiations with its recognised representative bodies on local agreements which affects 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
- UNISON
- Fire Leaders Association
- Fire and Rescue Services Association (formerly the Retained Firefighters Union)

Section One - General Pay Policy

- 1.1 The Authority applies the pay scales adopted by the respective national Joint Councils for all its employees up to the level of Principal Officer.
- 1.2 The Authority has adopted the principle of applying the Living Wage rate as the minimum starting point for all substantive appointments. This is subject to annual review by the Centre for Research in Social Policy. From April 2016, the Service will also adhere to the National Living Wage rate (for employees over 25) where this is higher than the Living Wage. The Service currently has no employees earning less than the Living Wage.
- 1.3 Local pay arrangements for Principal Officers are established through the provisions of the NJC for Brigade Managers of Local Authority Fire and Rescue Services and are reviewed biennially by the Fire Authority. Further details are set out in Section 2
- 1.4 The number and level of roles within the Service are determined by the Fire Authority on advisement 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).
- 1.6 Pay policy reflects adherence to the principle of “equal pay for work of equal value”. The Service has committed to undertake an independent equal pay audit on a 3-yearly basis as a means of identifying any gender pay issues. In line with its duty under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, the Service undertook a gender pay gap audit. This showed that the mean average difference in pay between female and male employees was -20% and the mean median difference in pay was -11.9%. Further information on the gender pay gap audit can be found here (<https://www.notts-fire.gov.uk/about/our-staff>).
- 1.7 In applying its policy, the Authority 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.

Generic pay information

1.8 Mean Average Pay

The mean average pay is calculated based on salary for Fire-fighters, Control and support employees. It does not include Retained Duty System Fire-fighters who are paid according to turn-outs (please refer to section 3.6).

The mean average pay for 2017-18 is £32,220 (as at 01/04/18). This compares to a mean average of £31,503 in 2016-17.

1.9 Pay multiples

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

The current ratio is 3.2:1 which compares to 2.9:1 in 2016-17. This will be monitored each year within the Statement of Pay Policy.

Section Two - Pay Policy for Principal Officers

2.1 **General Principles**

2.1.1 National pay awards negotiated by the National Joint Council for Brigade Managers of Local Authority Fire and Rescue Services are applied by the Authority on an annual basis. This represents a cost-of-living increase.

2.1.2 In addition, a review of Principal Officer pay is undertaken on a two-yearly basis by the Combined Fire Authority. This is managed through the Policy and Strategy Committee and is approved by the full Combined Fire Authority.

2.1.3 This review is undertaken by the Clerk to the Fire Authority and Treasurer to the Fire Authority, who are appointed by the CFA to report to the Authority on the methodology applied and to make recommendations on Principal Officer pay. The last pay review was undertaken in 2017 and recommended no increase in pay for Principle Officers.

2.1.4 Principal Officer roles covered by the review include the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer.

2.2 **Establishing the Pay of the Chief Fire Officer**

2.2.1 The National Joint Council for Brigade Managers of Fire Authorities establishes a minimum salary for Chief Fire Officers based upon population size as follows:

Population band 1: up to 500,000

Population band 2: 500,001 – 1,000,000

Population band 3: 1,000,001 – 1,500,000
Population band 4: 1,500,000 and above (except London)
Population band 5: London

- 2.2.2 The population size for the Nottinghamshire Fire and Rescue Service is 1.1m. The minimum payment for the Chief Fire Officer is therefore based upon Population Band 3 which establishes a minimum rate of pay for 2017-18 at £109,970.
- 2.2.3 The base salary for the Chief Fire Officer role at Nottinghamshire Fire and Rescue Service is currently £150,330 within the range £135,297 to £150,330 per annum. Please refer to paragraph 2.3.1 for further details of pay policy on appointment.
- 2.2.4 Additionally, a car is provided for business use up to the on the road list price value of 33.3% of the Chief Fire Officer salary. All mileage undertaken on tertiary duty is reimbursed to the Authority at HMRC approved rates.
- 2.2.5 Pension: The Service makes an employer contribution of 21.7% (1992 scheme), 11.9% (2006 scheme) or 14.3% (2015 scheme) depending on individual membership. This is in accordance with the contribution made to all members of the Firefighter's Pension Scheme (1992). The employee contribution for 2018 is either 16.5-17% (1992 scheme), 11.9% (2006 scheme) or 13.5- 14.5% (2015 scheme) of pensionable pay.

2.3 Local Pay Review

- 2.3.1 In 2013 the CFA revised the payment for Principal Officers from a single pay point to a 3-point model based upon length of service, as follows:
- Year One of appointment: 90% of full pay
 - Year Two of appointment; 95% of full pay
 - Year Three of appointment: 100% of full pay

Progression through the pay band is subject to a review of performance.

- 2.3.2 The CFA has also revised the methodology for the review of Principal Officer pay based upon a comparator for the role of Chief Fire Officer. The review compares the pay levels of comparable Fire and Rescue Authorities in the same Family Group of 18 Fire and Rescue Services, and establishes an average median pay point as a benchmark salary which is considered by the Combined Fire Authority when reviewing Principal Officer pay on a 2-yearly basis.
- 2.3.3 A pay review was undertaken in 2017, which resulted in no increase in local pay arrangements. The next pay review is scheduled for 2019 for application from January 2020.

2.4 National Pay Review

The national pay review undertaken by the NJC for Brigade Managers of Fire and Rescue Services applied an increase of 1%, with effect from 1st January 2017. Pay negotiations for 2018-19 are ongoing.

2.5 Other Principal Officer Pay

The Authority has established a policy that Principal Officer roles below that of Chief Fire Officer would be paid as a proportion of the locally agreed Chief Fire Officer base pay rate as follows:

- Deputy Chief Fire Officer - 82.5%
- Assistant Chief Fire Officer - 75%

2.6 Publication of Principal Officer Pay

Details of Principal Officer Pay are published on the Nottinghamshire Fire & Rescue Service internet site. This can be found by opening the following hyperlink: <https://www.notts-fire.gov.uk/about/our-staff>

2.7 Principal Officer – internal pay comparators

2.7.1 In 2017-18, the lowest paid role within the Service was £16,781(fte), which reflects the Authority's commitment to the living wage, the highest paid role within the Service is £150,330. The Service does not have a policy of direct correlation between the highest and lowest paid roles i.e. it does not apply a pay multiple in establishing Principal Officer pay.

2.7.2 The ratio of pay between the highest paid employee of the fire service and a median salary is set out in paragraph 1.8.

2.7.3 The pay (including rota allowances) of the most senior officer below Principal Officer (Area Manager) is 66.9% of Assistant Chief Fire Officer pay and 50.14% of Chief Fire Officer pay.

2.7.4 The pay of the most senior support role (at salary maximum) below Principal Officer (Area Manager – Support) is 53.3% of Assistant Chief Fire Officer pay and 40% of Chief Fire Officer pay.

It should be taken into account that the salaries of Principal Officers and other flexi-duty officers reflects a requirement to provide duty cover on a 24/7 rota basis.

2.8 Re-engagement

Principal Officers are subject to the same Re-engagement provisions as other Service employees. These are set out in more detail in Section 5.

2.9 Severance Payments

Principal Officers are subject to the same severance arrangements as other Service employees. These are set out in more detail in Section 6.

2.10 Other allowances

2.10.1 A car is provided for business use to the Deputy and Assistant Chief Fire Officers up to the on the road list price value of 70% of the Chief Fire Officer allowance referenced in Section 2.2.4. All mileage undertaken on tertiary duty is reimbursed to the Authority at HMRC approved rates.

2.10.2 Pension: The Service makes an employer contribution of either 21.7% (92 scheme), 11.9% (2006 scheme) or 14.3% (2015 scheme) depending on scheme membership. This is in accordance with the contribution made to all members of the Firefighter's Pension Schemes. The employee contribution for 2018 will be between 12.2% and 1% (92 scheme), between 9.4% and 12.5% (2006 scheme) and 11% to 13.5% (2015 scheme) of pensionable pay.

2.10.3 Business mileage is reimbursed using fuel cards.

2.10.4 Subsistence allowances: reimbursement of expenses when working away from the home work base.

2.10.5 All employees are members of a corporate health scheme which provides cash-back for dental, optical and consultancy fees, and access to MRI, PET scans and counselling support. This is at a cost of £51.95 per employee per annum. Principal Officers are also members of this scheme.

Section Three - Pay Policy for Fire-fighters

- 3.1 This policy applies to Whole-time, Retained Firefighters and Control staff.
- 3.2 National pay awards negotiated by the National Joint Council for Firefighters of Local Authorities Fire and Rescue Services are applied by the Authority on an annual basis. This represents a cost-of-living increase. A 1% pay award was applied by the NJC for Local Authority Fire and Rescue Services from 1st July 2017. Pay negotiations for 2017 are ongoing.
- 3.3 Pay is based upon the role undertaken and the stage of competence of each individual i.e. 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.

Retained Duty System

3.6 Employees employed on the Retained Duty System are paid an annual Retaining Fee and receive subsequent payments based on attendance at incidents and other activity – these include attendance at drill nights, disturbance fees, turnout fees, attendance fees, training fees, other authorised NFRS duties and compensation for loss of earnings. All payments are made in line with nationally agreed pay scales and rates.

3.7 Other allowances and payments

Pension contributions: 21.7% of salary (1992 scheme), 11.9% (2006 scheme) or 14.3% of salary (2015 scheme) for members of the Fire-fighter's Pension Scheme. The employee makes a contribution of between 12.2 and 17% (1992 scheme), 9.4 and 12.5% (2006 scheme) or 11% and 14.5% (2015 scheme) of pensionable pay.

Flexible duty payment: under national conditions of service, a flexible duty payment is made to Station Managers, Group Managers and Area 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.

Area Manager rota payment: under local arrangements, Area Managers are paid a rota payment equating to 11.67% of base salary.

Acting up: 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.

Overtime rates: paid for roles below Station Manager. This is paid a time and a half or double time on public holiday or time may be granted in lieu at the appropriate enhanced rate.

Detachments: paid when operational employees are required to provide cover at other stations. Paid at 2 hours overtime rate.

Recall to duty: paid at a minimum of three hours at double time rates.

Continuous Professional Development Payment (CPD): Under national conditions of service, a CPD payment is approved annually on an individual basis for employees with more than 5 years of service (since attaining competence in role).

This is paid as an annual payment of £903 (whole-time employees), and £225.72 (retained). The payment made to retained duty system employees is paid on pro-rata basis (25% of full value).

The payment is made by initial application and authorised at a 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.

Additional Responsibility Allowance (ARAs): may be paid where employees perform duties outside of the national role map. At NFRS, two levels of payment are applied. The lower level is paid at £250 per annum and the higher level at £500 per annum. There are 70 higher level ARAs and 4 lower level in payment at the current time. Payments are conditional upon individual's performing additional duties / responsibilities and maintaining competence in these areas, this may include taking professional or vocational qualifications.

National Resilience Payment: a local payment is made for employees volunteering for crewing of the High-Volume Pump, Enhanced Command Support Vehicle and Incident Response Unit which form part of the national resilience network. Volunteers are available on an on-call basis and could be required to operate outside of the county to respond to national emergencies. Current payments are £500 per annum and there are 26 employees receiving this payment, and 6 receiving a higher-level co-ordinators allowance of £1000. The payment is funded by national grant.

Special Response Team: a local payment is made for employees volunteering for this tactical response team. Volunteers are available on an on-call basis. Current payments are £500 per annum and there are 40 employees receiving payments and 3 receiving £1000 for co-ordinating activity.

Incident Liaison Officers: a local payment is made for employees volunteering to be Incident Liaison Officers at Special Response incidents. Volunteers are available on an on-call basis. Current payments are £500 per annum and there are 6 employees receiving payments.

Messing allowance: Paid to station personnel who are responsible for catering arrangements on fire stations.

Spoilt meals: Paid when prepared meals are uneaten as a result of attending an emergency call-out.

Kit Carrying allowance: business mileage rate as per national conditions paid to compensate operational employees who are required to transfer fire kit in their own vehicles.

Travel allowance: a local 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 3 years (compulsory transfer) or 18 months (promotion).

Essential Car User: A lump sum is paid to employees who are required to use their own vehicles to undertake their job role. This is based on nationally determined allowances. The allowance may be off-set against leasing arrangements for a vehicle, the balance of which is paid by the employee.

Business mileage is reimbursed in line with nationally agreed rates.

Subsistence allowances: reimbursement of expenses when working away from the home work base.

Clothing allowance: Paid to Control employees for provision of uniform (where this is not provided by the Service), and to female operational employees for the provision of maternity wear.

Reimbursement of medical fees: this only applies to employees whose service commenced before November 1994. The reimbursement of fees cover dental, optical and prescription fees and are paid at NHS rates.

Health scheme membership: all employees are members of a corporate health scheme which provides cash-back for dental, optical and consultancy fees and access to MRI, PET scans and counselling support. This is at a cost of £51.95 per employee per annum.

Section Four - Pay Policy for Support Roles

- 4.1 This policy applies to employees covered by the NJC for Local Government Services and includes all non-operational support staff.
- 4.2 National pay awards negotiated by the National Joint Council for Local Government Services are applied by the Authority on an annual basis if applicable. This represents a cost-of-living increase. This was 1% from 1st April 2017. Additionally, a 2-year pay deal has recently been agreed, representing an award of 2% from 1st April 2018, along with an uplift in pay of lower paid staff of between 3.7 and 9.1%, and a 2% pay increase from 1st April 2019.
- 4.3 The National Employers have reviewed pay scales in light of the National Living Wage and have amended the national scale points to take account of the changes. This change is to be implemented in the 2019 Pay Award, effective from 1 April 2019. The Service will be undertaking a review of its scale points and grading structure to ensure it is in position to implement changes by 1 April 2019
- 4.4 The Authority has a locally agreed grading structure, which uses nationally recognised salary points (spinal column points) across 9 grading levels. Each level is comprised of 5 salary points. Movement between grades is through a competitive selection process.
- 4.5 A job evaluation process, based on the national model, 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 the Chief Fire Officer and reported to the Authority.
- 4.6 On an annual basis, employees progress incrementally through their respective grade until they reached the maximum point of their grade. Progression is subject to satisfactory performance.

4.7 Other allowances and payments

Pension contributions: the Service makes an employer contribution which equates to 14.8% for all members of the Local Government Pension Scheme. The employee makes a contribution of between 5% and 12.5% of pensionable pay depending on their salary band.

Overtime: Paid up to Grade 5, at the rate of time and a half and double time for weekend and public holidays. Time in lieu may be taken as an alternative to payment.

Acting up: An allowance is paid if an employee is required to a higher-level role for a period of more than one month.

Honorarium: A discretionary payment may be made, with the approval the Strategic Director – Corporate Support, for duties undertaken outside of the normal job requirements for an extended period of time. The maximum payable is £1000. Any payments above £1000 must be approved by the Fire Authority.

Stand by: Employees required to attend work outside of normal office hours or to be on-call are paid an allowance depending on the nature of the arrangements.

Essential Car User A lump sum is paid to employees who are required to use their own vehicles to undertake their job role. This is based on nationally determined allowances.

Business mileage is reimbursed in line with nationally agreed rates.

Disturbance: Paid when an employee is required to move work location. Actual additional mileage is paid for a period of 4 years.

Subsistence allowances: reimbursement of expenses when working away from the home work base.

Health scheme: All employees are members of a corporate health scheme which provides cash-back for dental, optical and consultancy fees, and access to MRI, PET scans and counselling support. This is at a cost of £51.95 per employee per annum.

Section Five - Policy on Re-engagement and Pension Abatement

- 5.1 The Service does not operate a Re-engagement Policy.
- 5.2 Abatement of pension is applied when employees who retire from Service with pension benefits from the Firefighter's Pension Scheme, are successful in attaining another job with the Service through a competitive process. This means that they may not earn more in the new role than in their previous role when pension and salary are combined. This complies with the provisions of the Firefighter's Pension Scheme.

- 5.3 The 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. There were no flexible retirement arrangements made during 2017-18.
- 5.4 In circumstances in which employees who have taken retirement benefits from the LGPS (either as former NFRS employees or employees of another public-sector organisation) apply for a support role with the Nottinghamshire Fire and Rescue Service as part of a competitive selection process and are successful, no abatement of pension is applied.

Section Six - Exit Payments

- 6.1 In the event of redundancy, the Service applies statutory redundancy payments under the provisions of its Redundancy Procedure. This applies to both compulsory and voluntary redundancy situations.
- 6.2 In addition, members who are members, or who are eligible to be members, of the Local Government Pension Scheme may be awarded an additional compensation payment under the provisions of the Discretionary Compensation Payments Scheme. This payment is based upon age and length of service. A Discretionary Compensation Payments Board assesses each application to determine whether there are any exceptional personal circumstances to enhance the compensation element of the award. This applies to both compulsory and voluntary redundancy situations. A cap of 66 weeks' pay is applied in normal circumstances. This can be increased to up to 104 weeks in exceptional circumstances.
- 6.3 All recommendations for enhanced payments are subject to agreement by the Human Resources Committee. There were two compensation awards agreed as part of redundancy arrangements in 2017-18.
- 6.4 In exceptional cases, the Chief Fire Officer is authorised to agree a compensation payment as part of a compromise agreement when the employment of an employee is terminated by the Service, or in settlement of a claim. Such agreements are subject to confidentiality clauses. There were no such settlements in 2017-18.
- 6.5 No exit payments were required to be reimbursed in line with the Repayment of Public Sector Exit Payments Regulations 2016 during 2017-18.

Early Payment of Pension Benefits

- 6.6 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.
- 6.7 In this case, a charge is made against the Fire Authority by the pensions fund, this is referred to as actuarial strain.

6.8 No such early payments were made in 2017-18.