North Wales Fire and Rescue Authority Pay Policy Statement 2018/19

1.0 Purpose

- 1.1 This is the North Wales Fire and Rescue Authority annual Pay Policy Statement for the period 1 April 2018 31 March 2019. It was approved by the Fire and Rescue Authority on 19th March 2018 <u>http://www.nwales-fireservice.org.uk/fire-and-rescue-authority/meetings-agendas-and-reports/?lang=en</u>
- 1.2 This pay policy statement provides the framework for decision making on pay and in particular decision making on senior pay.
- 1.3 It compliments other information published on our website which is linked below. If you cannot find the information you are looking for, then please contact us <u>http://www.nwales-fireservice.org.uk/contact-us/?lang=en</u>
- 1.4 This pay policy statement has been prepared to satisfy the Fire and Rescue Authority's legal obligations in respect of the Localism Act 2011 which covers pay accountability. It also takes account of the revised guidance relating to pay policy statements issued by the Welsh Government on pay accountability in Local Government in Wales. This requires the Fire and Rescue Authority to produce and publish a pay policy statement for each financial year setting out the:
 - Fire and Rescue Authority's policies for the remuneration of its chief officers;
 - approach to the publication of, and access to, information relating to the remuneration of its chief officers;
 - Fire and Rescue Authority's policies for the remuneration of its lowest paid employees (including the definition adopted and reason for it);
 - relationship between the remuneration of the Fire and Rescue Authority's chief officers and its employees who are not chief officers;
 - gender pay gap reporting requirements under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
- 1.5 The revised guidance issued by Welsh Government re-emphasises that "each local authority is an individual employer in its own right and has the autonomy to make decisions on pay which are appropriate to local circumstances and which deliver value for money for local taxpayers. The provisions in the act do not seek to change this or to determine what decisions on pay should be taken or what policies individual employing authorities should have in place. Rather, they only require authorities are more open about their own local policies and how their local decisions are made."

- 1.6 The purpose of this pay policy statement is to provide transparency with regard to the Fire and Rescue Authority's approach to setting the pay of its employees, in particular, that of Chief Officers and employees on the lowest pay scale, by identifying the methods by which salaries are determined.
- 1.7 Pay policy statements are prepared for each financial year, approved by the Fire and Rescue Authority (FRA) in the March preceding the financial year to which it relates and subsequently published on the FRA website.
- 1.8 This pay policy statement is effective from 1 April 2018.

2.0 Legislative framework

- 2.1 Section 38 (1) of the Localism Act 2011 requires English and Welsh Local Authorities to produce a pay policy statement from 2012/2013 and for each financial year after that. The Bill, as initially drafted, referred solely to Chief Officers (a term which includes both statutory and non-statutory chief officers, and their deputies); but amendments reflecting concerns over low pay and also drawing on Hutton's 2011 'Review of Fair Pay in the Public Sector' introduced requirements to compare the policies on remunerating chief officers and other employees, and to set out policy on the lowest paid.
- 2.2 The Act defines remuneration widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.
- 2.3 In determining the pay and remuneration of all its employees, the Fire and Rescue Authority will comply with all relevant legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Agency Workers Regulations 2010 and, where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006.
- 2.4 With regard to the equal pay requirements contained within the Equality Act, the Fire and Rescue Authority will ensure that there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

3.0 Decision making including consideration of value for money

- 3.1 This policy applies to all North Wales Fire and Rescue Authority employees.
- 3.2 The Fire and Rescue Authority advocates collective bargaining arrangements and supports existing national level provisions that govern pay and conditions of service for the following employee groups:

- Joint Negotiating Committee for Chief Officers of Local Authorities; Constitution, Conditions of Service, Salaries (Blue Book)
- National Joint Council (NJC) for Brigade Managers of Fire and Rescue Services, Constitution and Scheme of Conditions of Service (Gold Book)
- National Joint Council for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book)
- National Joint Council for Local Government services (Green Book).
- 3.3 Pay levels are reviewed annually by these collective bargaining arrangements and any "cost of living" award associated with contractual conditions is implemented upon receipt of notification from the NJC.
- 3.4 The Fire and Rescue Authority will consider any contractual 'cost of living' award for its chief officers in the context of similar decisions on lower paid employees.
- 3.5 All roles conditioned to the NJC for Local Government Services are subject to the Fire and Rescue Authority's job evaluation scheme which objectively assesses each role on creation of a new post, changes to existing posts or at periodic intervals to determine a fair remuneration pay grade comparable across this group of staff. On voluntary cessation of their duties no additional payments will be made.
- 3.6 All pay is reviewed in line with the national pay awards negotiated by the local government employers in conjunction with the recognised Trade Unions at a national level.
- 3.7 In accordance with the constitution of the Fire and Rescue Authority the full Fire and Rescue Authority are responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees.

4.0 Senior pay remuneration – Role of the Chief Fire Officer

- 4.1 The Chief Fire Officer is the senior officer who leads and takes responsibility of the service. The organisation has an annual revenue budget of approximately £33million and an average annual capital budget of £4million and is responsible for a wide range of services under the Fire and Rescue Services Act 2004, employing some 856 staff.
- 4.2 The role of the Chief Fire Officer is a full time appointment. Post holders are appointed on merit, against objective criteria, following public advertisement. They are appointed by the Fire and Rescue Authority.
- 4.3 As head of the paid service, the Chief Fire Officer works closely with elected members to deliver the strategic aims of the Authority. Each year following a series of meetings of the Improvement Planning Working Group, the Fire and Rescue Authority identify improvement and well-being objectives for the following year. In 2018/19 these related to:

- To deliver a comprehensive programme of prevention activity aimed at helping to keep people and communities safe from accidental fires in living accommodation;
- To secure the Authority's financial sustainability by maintaining the 3-year financial strategy that can combine the use of reserves, increasing financial contributions and making service reductions;
- To seek opportunities to work with other organisations to offer a wider range of integrated services to the public of North Wales.

5.0 Chief Fire Officer

5.1 The current Chief Fire Officer is Simon Smith who took up the post 1st October 2000.

6.0 Chief Fire Officers' Remuneration Policy

- 6.1 The Fire and Rescue Authority's pay policy for the remuneration of chief officers is aligned to the two-track approach for determining levels of pay for Brigade Manager roles as prescribed by the NJC for Brigade Managers of Fire and Rescue Authorities. Brigade Manager pay is reviewed annually at national level and provides the minimum salary for chief fire officers.
- 6.2 The appropriate level of remuneration for the Chief Fire Officer within North Wales Fire and Rescue Authority is determined at a local level by way of an independent triennial pay review, which benchmarks the chief officer salary levels against relevant comparators in other fire and rescue authorities, and the wider employment market place. (Pay levels are set out in Appendix 1).
- 6.3 Remuneration of chief officers on appointment will be to the single point market-related base pay prevailing at the time of appointment. Authority members are offered the opportunity to vote before large scale salary packages are offered in respect of a new appointment. The threshold is currently over £100,000, in line with Department for Communities and Local Government (DCLG) Localism Act 2011 guidance. In addition, a car will be provided in order to carry out the role. On formation of North Wales Fire and Rescue Authority in 1996, an allocation was made from the Service's budget for provided vehicles which is annually increased in line with inflation (Consumer Price Index). The appropriateness of the provided vehicles is made with reference to the role and the budget allocation.
- 6.4 Remuneration of chief officers on appointment will be determined by the full Fire and Rescue Authority and in accordance with the Authority's pay structure and relevant policies in place at the point of recruitment.
- 6.5 The Fire and Rescue Authority does not pay any bonuses or additional enhancements such as performance related pay. On voluntary cessation of their duties no additional payments will be made to chief officers.

- 6.6 Following resignation or retirement from their duties no additional payments will be made other than those due for salary purposes or payments made to an individual in line with the appropriate pension scheme on retirement. Such payments may include salary paid in lieu, pension benefit entitlements and holiday pay.
- 6.7 In circumstances where a severance package is being considered upon an agreed cessation of duties other than for the reasons outlined above, the full Fire and Rescue Authority will be offered the opportunity to vote before any severance package is approved for chief officers.
- 6.8 Information on the remuneration of chief officers is published as part of North Wales Fire and Rescue Authority's annual end of year financial statement. The financial statement is published on the Authority's website. The information can be found in the 'Statement of Accounts' <u>http://www.nwales-fireservice.org.uk/fire-and-rescue-authority/financial/?lang=en</u>
- 6.9 Expenses such as for train, car mileage, overnight accommodation and parking are claimed back in accordance with the organisation's travel and subsistence policy which is applicable to all employees.
- 6.10 The Chief Fire Officer is a member of the Local Government Pension Scheme; there have been no increases or enhancements to the pension outside of standard arrangements.
- 6.11 The notice period for the role is 3 months.

7.0 Senior Staff

- 7.1 For the purposes of this pay policy statement the term "chief officer" is not limited to heads of paid service or statutory chief officers. It also includes those who report directly to them both statutory and non-statutory. For North Wales Fire and Rescue Service this includes the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officers and Assistant Chief Officers.
- 7.2 We publish all pay bands; posts within the service are covered by a range of terms and conditions:

Employee Group	Terms and Conditions	Pension arrangements
Chief Fire Officer	Gold Book	Local Government
Senior Officers	Grey Book	Firefighter Pension
		Schemes
	Green Book	Local Government
All employees (except	Grey Book	Firefighter Pension
those above)		Schemes
	Green Book	Local Government

- 7.3 The Fire and Rescue Authority is currently chaired by Mr M Lloyd-Davies and meets quarterly; its role is primarily to:
 - perform all the duties and responsibilities of a Fire Authority in accordance with appropriate legislation and regulations, in particular the <u>Fire and</u> <u>Rescue Services Act 2004</u>, and the <u>Regulatory Reform (Fire Safety) Order</u> <u>2005</u> - which came into force on 1 October 2006, and the <u>1995</u> <u>Combination Scheme</u>
 - agree the annual service plans the revenue and capital budgets and the contribution for the constituent councils
 - monitor the revenue and capital budgets and deal with any significant variations, including decisions on any supplementary contributions.

8.0 Talent Management

8.1 The Fire and Rescue Authority's 'Resourcing Strategy' focuses on supporting and improving the quality of political and managerial leadership in the Service. This includes developing the capacity of existing management teams, planning the development of future leaders, championing leadership values throughout the organisation and attracting effective leaders, where appropriate, from other sectors.

9.0 Performance related pay

9.1 There is currently no Performance Related Pay scheme in operation for any role across the Service.

10.0 Support for lower paid staff

- 10.1 All employees of the Fire and Rescue Service are paid above the living wage. The human resources department look to enhance the purchase power of wages by offering numerous schemes, such as, cycle to work scheme, Employee Assistance Programme, counselling, Occupational Health services and childcare vouchers.
- 10.2 The Service offers a physiotherapy scheme; employees may refer themselves to an appropriate therapist to aid recovery from musculo-skeletal injury or other ailments; the Service funds six sessions of treatment (including the initial consultation).
- 10.3 The HR department are working on introducing flexible benefits such as, corporate discounts for example. Non-pay benefits and rewards will assist with the development of an effective employment package and utilise reward systems whereby employees are able to flex the rewards they receive so they get more of whatever element is important to them at different stages of their careers.

11.0 Highest and lowest pay point - Non Chief Officer Remuneration - Area Managers – Local Agreement

- 11.1 The Fire and Rescue Authority's policy for the remuneration for this group of employee was agreed locally as follows:
 - Area Manager B basic salary as per agreed NJC for Local Authority Fire and Rescue Services firefighter pay scales;
 - A flexible duty allowance set at 20% of basic salary
 - Continuous duty system allowance set at 12% of basic salary
 - Vehicle lease hire provision
 - Employer pension contributions
- 11.2 The current level of remuneration is set out at Appendix 2.
- 11.3 The Fire and Rescue Authority's pay policy for the remuneration of employees who are not chief officers, including the lowest paid, will align remuneration to the relevant NJC agreed salary rates negotiated annually on a national basis. These are set out in the appendices.
- 11.4 The lowest paid persons employed under a contract of employment with the Fire and Rescue Authority are employed on full time [37 hours] equivalent salaries. The "lowest salary" used by the Fire and Rescue Authority is the National Joint Council (NJC) for Local Government Services (Green Book), spinal column point 6, which was adopted by the Service following the completion of the Job Evaluation Scheme in 2014. As at 1 April 2017, this is £15,014 per annum. However, the lowest current salary scale in payment within the Fire and Rescue Authority is point 13; this is £16,491 per annum. The Fire and Rescue Authority occasionally employs apprentices [and other such trainees] who are not included within the definition of 'lowest paid employees' as they are not employed under contracts of employment.
- 11.5 The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010).
- 11.6 The current pay levels within the Fire and Rescue Authority define the multiple between the average of lowest paid (full time equivalent basic pay) employee scales and the Chief Fire Officer as 1: 7.5 and between the lowest paid employee. The Hutton report on fair pay in the public sector was asked to explore the case for a fixed limit on pay dispersion in the public sector, through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median salary of the whole of the Authority's workforce.

- 11.7 The multiple between the median full time basic equivalent earnings and the Chief Fire Officer is 1:4.
- 11.8 The Fire and Rescue Authority will annually publish information on the remuneration of Chief Officers, the median earnings of the organisation's workforce, and the ratio between these two figures in their annual financial statement to demonstrate the relationship between the two.

12.0 Additions to Salary of Other Employees

- 12.1 Where appropriate and in line with national conditions of service or local agreement, individuals may receive an allowance in addition to their salary. Examples include, but are not restricted to:
 - on-call or out of hours provision
 - continuous availability
 - additional responsibility
 - rent, fuel and light allowance
 - telephone allowance
 - pension employer contributions
 - mileage allowances.

13.0 Honoraria

- 13.1 An officer who performs duties outside the scope of his or her post over an extended period may be granted a one-off additional pensionable payment of an amount dependent upon the circumstances of each case. Examples include:
 - where an employee temporarily carries out significant additional work over and above their usual responsibilities;
 - where an employee carries out a significant amount of work over their normal contracted hours, but is not eligible for overtime payments because of their placing on a salary scale
- 13.2 A determination relating to proposed honoraria for chief officers will be authorised by the Treasurer and Clerk, in line with the criteria for all employees.
- 13.3 Decisions relating to all other officers will be considered by the appropriate Head of Department in consultation with the Assistant Chief Officer (Finance and Resources).

14.0 Exit policy

14.1 On voluntary cessation of their duties no additional payments will be made other than those due for salary purposes or payments made to an individual in line with the appropriate pension scheme on retirement. Such payments may include salary paid in lieu, pension benefit entitlements, holiday pay and any performance element, fees or allowances paid.

- 14.2 Employees conditioned to the NJC for Local Government Services may, at the Authority's discretion be entitled to added pension and/or redundancy payments upon authority initiated early termination of employment under the Authority's discretions in relation to the Local Government Pension Scheme Regulations 1997 (as amended) and the Local Government (Early Termination of Employment) (England and Wales) Regulations 2006 (as amended) generally referred to as the Discretionary Compensation Regulations.
- 14.3 The Service has a policy for severance or exit arrangements <u>http://www.nwales-fireservice.org.uk/fire-and-rescue-authority/meetings-agendas-and-reports/2007/6/18/2007-june-fra/?lang=en</u>
- 14.4 Former employees are able to be re-employed by the Fire and Rescue Authority upon certain criteria being satisfied.
- 14.5 When a Local Government Pension Scheme or Fire and Rescue Services (on Grey Book terms and conditions) pensioner is re-employed within the local government sector, and combined earnings and pension exceed final salary in the original employment when adjusted for inflation, the pension will be abated.

15.0 Appendices

- 15.1 Chief Officers' salary matrix
- 15.2 NJC Firefighter roles, retained duty system, control specific roles. The pay award for 2017/18 is still under negotiation, therefore 2016 rates provided.
- 15.3 NJC for local government services, salary matrix

Appendix 1

North Wales Fire and Rescue Service Chief Officers Pay Rates

	SALARY (01/01/17)	% of CFO
CFO	£123,210	
DCFO	£95,691	77.7%
ACFO	£89,015	72.2%
ACO	£60,000	48.7%

APPENDIX A

FIREFIGHTING ROLES - PAY RATES FROM 1st JULY 2016						
	Basic annual	Basic hourly rate	Overtime rate			
	£	£	£			
Firefighter						
Trainee	22,237	10.15	15.23			
Development	23,162	10.58	15.87			
Competent	29,638	13.53	20.30			
Crew Manager						
Development	31,501	14.38	21.57			
Competent	32,858	15.00	22.50			
Watch Manager						
Development	33,569	15.33	23.00			
Competent A	34,502	15.75	23.63			
Competent B	36,745	16.78	25.17			
Station Manager						
Development	38,220	17.45	26.18			
Competent A	39,367	17.98	26.97			
Competent B	42,154	19.25	28.88			
Group Manager						
Development	44,018	20.10	Not Applicable			
Competent A	45,338	20.70	"			
Competent B	48,796	22.28	"			
Area Manager						
Development	51,677	23.60	Not applicable			
Competent A	53,226	24.30	"			
Competent B	56,685	25.88	"			

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APPENDIX B

FIREFIGHTING ROLES – PAY RATES FROM 1st JULY 2016 (RETAINED DUTY SYSTEM)

	(1)	(2)	(3)	(4)
	£ per	£ per	£ per	£ per
	annum	annum	Hour	occasion
Firefighter				
Trainee	2,224	1,112	10.15	3.90
Development	2,316	1,158	10.58	3.90
Competent	2,964	1,482	13.53	3.90
Crew Manager				
Development	3,150	1,575	14.38	3.90
Competent	3,286	1,643	15.00	3.90
Watch Manager				
Development	3,357	1,678	15.33	3.90
Competent A	3,450	1,725	15.75	3.90
Competent B	3,675	1,837	16.78	3.90
Station Manager				
Development	3,822	1,911	17.45	3.90
Competent A	3,937	1,968	17.98	3.90
Competent B	4,215	2,108	19.25	3.90
Group Manager				
Development	4,402	2,201	20.10	3.90
Competent A	4,534	2,267	20.70	3.90
Competent B	4,880	2,440	22.28	3.90
Area Manager				
Development	5,168	2,584	23.60	3.90
Competent A	5,323	2,661	24.30	3.90
Competent B	5,669	2,834	25.88	3.90

Column 1 shows the full annual retainer

Column 2 shows the retainer for employees on the day crewing duty system

Column 3 shows the hourly rate for work undertaken

Column 4 shows the disturbance payment per call-out

APPENDIX C

CONTROL SPECIFIC ROLES - PAY RATES FROM 1st JULY 2016

	Basic annual £	Basic hourly rate	Overtime rate		
Firefighter (Control)					
Trainee	21,125	9.65	14.48		
Development	22,004	10.05	15.08		
Competent	28,156	12.86	19.29		
Crew Manager (Con	itrol)				
Development	29,926	13.66	20.49		
Competent	31,215	14.25	21.38		
Watch Manager (Control)					
Development	31,891	14.56	21.84		
Competent A	32,777	14.97	22.46		
Competent B	34,908	15.94	23.91		
Station Manager (Control)					
Development	36,309	16.58	24.87		
Competent A	37,399	17.08	25.62		
Competent B	40,046	18.29	27.44		
Group Manager (Control)					
Development	41,817	19.09	Not applicable		
Competent A	43,071	19.67	"		
Competent B	46,356	21.17	"		

APPENDIX D NON-OPERATIONAL STAFF - PAY RATES FROM 1st JULY 2016

	£		
	per annum		
Fire Control Operator equivalent			
During first six months	18,939		
After six months and during 2nd year	19,777		
During 3rd year	20,717		
During 4th year	21,736		
During 5th year	23,673		
Leading Fire Control Operator	25,352		
equivalent			
Senior Fire Control Operator equivalent			
During 1st year in rank	26,002		
During 2nd year in rank	26,988		

JUNIOR FIREFIGHTERS - PAY RATES FROM 1st JULY 2016

	£ per annum
Aged 16	10,287
Aged 17	11,053
Aged 18	22,237

NJC PAY SCP	1 April 2017		1 April 2018	
	per annum	per hour*	per annum	per hour*
6	£15,014	£7.78	£16,394	£8.50
7	£15,115	£7.83	£	£
8	£15,246	£7.90	£	£
9	£15,375	£7.97	£16,755	£8.68
10	£15,613	£8.09	£	£
11	£15,807	£8.19	£	£
12	£16,123	£8.36	£17,173	£8.90
13	£16,491	£8.55	£17,391	£9.01
14	£16,781	£8.70	£17,681	£9.16
15	£17,072	£8.85	£17,972	£9.32
16	£17,419	£9.03	£18,319	£9.50
17	£17,772	£9.21	£18,672	£9.68
18	£18,070	£9.37	£	£
19	£18,746	£9.72	£19,446	£10.08
20	£19,430	£10.07	£19,819	£10.27
21	£20,138	£10.44	£20,541	£10.65
22	£20,661	£10.71	£21,074	£10.92
23	£21,268	£11.02	£21,693	£11.24
24	£21,962	£11.38	£22,401	£11.61
25	£22,658	£11.74	£23,111	£11.98
26	£23,398	£12.13	£23,866	£12.37
27	£24,174	£12.53	£24,657	£12.78
28	£24,964	£12.94	£25,463	£13.20
29	£25,951	£13.45	£26,470	£13.72
30	£26,822	£13.90	£27,358	£14.18
31	£27,668	£14.34	£28,221	£14.63
32	£28,485	£14.76	£29,055	£15.06
33	£29,323	£15.20	£29,909	£15.50
34	£30,153	£15.63	£30,756	£15.94
35	£30,785	£15.96	£31,401	£16.28
36	£31,601	£16.38	£32,233	£16.71
37	£32,486	£16.84	£33,136	£17.18
38	£33,437	£17.33	£34,106	£17.68
39	£34,538	£17.90	£35,229	£18.26
40	£35,444	£18.37	£36,153	£18.74
41	£36,379	£18.86	£37,107	£19.23
42	£37,306	£19.34	£38,052	£19.72
43	£38,237	£19.82	£39,002	£20.22
44	£39,177	£20.31	£39,691	£20.57
45	£40,057	£20.76	£40,858	£21.18
46	£41,025	£21.26	£41,846	£21.69
47	£41,967	£21.75	£42,806	£22.19
48	£42,899	£22.24	£43,757	£22.68
49	£43,821	£22.71	£44,697	£23.17

*hourly rate calculated by dividing annual salary by 52.143 weeks (which is 365 days divided by 7) and then divided by 37 hours (the standard working week in the National Agreement 'Green Book')