

Report to	Executive Panel
Date	20 March 2023
Lead Officer	Helen MacArthur, Assistant Chief Fire Officer
Contact Officer	Helen MacArthur
Subject	Pay Policy Statement 2023/24



PURPOSE OF REPORT

- 1 To inform Members of the Fire and Rescue Authority's responsibilities arising from the Localism Act 2011 (the Act).
- 2 The Act requires the Fire and Rescue Authority (the Authority) to prepare an annual Pay Policy Statement for approval before the commencement of the financial year to which it relates.
- 3 This paper sets out the proposed Pay Policy Statement for 2023/24.

EXECUTIVE SUMMARY

- 4 The Authority is required to prepare and approve a Pay Policy Statement on an annual basis in accordance with the Localism Act 2011. The statement must also comply with the Welsh Government guidance issued in 2017, "Pay Accountability in Local Government in Wales"

OBSERVATIONS FROM THE EXECUTIVE PANEL OR AUDIT COMMITTEE

- 5 This report has not previously been considered.

RECOMMENDATION

- 6 Members are requested to
 - i. note the requirements of the Localism Act 2011; and
 - ii. approve the Pay Policy Statement for the 2023/24 financial year.

BACKGROUND

- 7 A Pay Policy Statement must be prepared in accordance with Part 1; Chapter 8 (Sections 38 – 43) of the Localism Act 2011. The guidance issued by the Welsh Government summarises the key elements of the Pay Policy Statement which includes:

- (a) Information relating to the remuneration of its chief officers;
- (b) the remuneration of its lowest paid employees; and
- (c) the relationship between:
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.

8 The statement must state:

- (a) the definition of “lowest-paid employees” adopted by the Authority for the purposes of the statement; and
- (b) the Authority’s reasons for adopting that definition.

9 The statement must also include the Authority’s policies relating to:

- (i) the level and elements of remuneration for each chief officer;
- (ii) remuneration of chief officers on recruitment;
- (iii) increases and additions to remuneration for each chief officer;
- (iv) the use of performance-related pay for chief officers;
- (v) the use of bonuses for chief officers;
- (vi) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority; and
- (vii) the publication of and access to information relating to remuneration of chief officers.

INFORMATION

10 The purpose of this Pay Policy Statement is to provide transparency with regard to the 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.

IMPLICATIONS

Wellbeing Objectives	The Pay Policy Statement provides a framework for decision making on pay and in particular decision making on senior pay, contributing to securing the Authority's financial sustainability and to being able to demonstrate the fair and equitable allocation of pay.
Budget	Pay awards agreed and published by the National Joint Councils are taken into consideration when setting the Authority's annual budget.
Legal	Under section 38(1) of the Localism Act 2011 the Fire and Rescue Authority has a legal duty to produce an annual Pay Policy Statement by 31 March preceding the year of the statement.
Staffing	The Pay Policy Statement supports the principles of transparency, equal pay and support for staff.
Equalities/Human Rights/ Welsh Language	Equal treatment in respect of pay is an important part of the FRA Equality objectives.
Risks	Non-compliance with legislation leads to legal and reputational risk.

North Wales Fire and Rescue Authority Pay Policy Statement 2023/24

1.0 Introduction

1.1 North Wales Fire and Rescue Authority's (the Authority) primary role is to:

- perform all the duties and responsibilities of a Fire and Rescue Authority in accordance with appropriate legislation and regulations, in particular the [Fire and Rescue Services Act 2004](#), and the [Regulatory Reform \(Fire Safety\) Order 2005](#) (which came into force on 1 October 2006), and the [1995 Combination Scheme](#);
- agree the annual service plans the revenue and capital budgets and the contribution for the constituent councils; and
- monitor the revenue and capital budgets and deal with any significant variations, including decisions on any supplementary contributions.

1.2 In order to fulfil its role, the Authority appoints staff to undertake duties on its behalf and in doing so must follow all relevant employment legislation. The Authority also follows a number of key principles which ensure affordability, equal pay, transparency and support for low pay.

1.3 The purpose of this document is to meet the Authority's legal obligations under the Localism Act 2011 and to provide information regarding the Authority's approach to setting the pay of its employees. It provides information on the remuneration of Chief Officers and employees on the lowest pay scale. It also provides information on the methods by which salaries are determined for all staff.

1.4 The document covers the period 1 April 2023 - 31 March 2024 and provides a framework for decision making on pay and in particular decision making on senior pay.

1.5 The Pay Policy Statement is an annual document prepared and approved by the Authority prior to the commencement of the financial year to which it relates.

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 2012/13 and for each financial year after that. The Act also requires the Authority to have due regard for any guidance issued by Welsh Ministers. The Welsh Government updated the guidance in November 2021, "Pay Accountability within Local Government in Wales".

- 2.2 The Act defines remuneration widely and includes pay, 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 Authority is required to 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 The Authority ensures that there is no pay discrimination within its pay structures to meet its obligations under the equal pay requirements of the Equality Act 2010. Job evaluation processes are embedded across the organisation to ensure that pay differentials between employees can be objectively justified and salaries directly relate 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 Authority advocates collective bargaining arrangements and supports existing national level provisions that govern pay and conditions of service for the following employee groups:
- National Joint Council (NJC) for Brigade Managers of Fire and Rescue Services, Constitution and Scheme of Conditions of Service (Gold Book)
 - Joint Negotiating Committee for Chief Officers of Local Authorities; Constitution, Conditions of Service, Salaries (Blue Book)
 - National Joint Council for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book)
 - National Joint Council (NJC) for Local Government Services (Green Book).
- 3.3 Pay levels are reviewed annually through these collective bargaining arrangements and any “cost of living” award associated with contractual conditions is implemented upon receipt of notification from the relevant negotiating body.
- 3.4 The Authority will consider any contractual ‘cost of living’ award for its chief officers in the context of similar decisions on lower paid employees and in accordance with the outcome of collective bargaining outlined above.
- 3.5 All roles conditioned to the NJC for Local Government Services are subject to the 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 In accordance with the constitution, the Authority is responsible for approving the annual financial budget including the affordability of employee costs.

4.0 Role of the Chief Fire Officer

4.1 The Chief Fire Officer is the Head of Paid Service and is responsible for the Service. The role is a full-time appointment and the post holder is appointed on merit and against objective criteria following an open competitive process. The selection process is overseen by an Appointment Panel comprising of members of the Authority.

4.2 The Chief Fire Officer works closely with elected members to deliver the strategic aims of the Authority. The organisation has an annual revenue budget of approximately £43 million and a capital budget of £3 million and is responsible for a wide range of services under the Fire and Rescue Services Act 2004, employing some 900 staff.

5.0 Chief Officers' Pay

5.1 The Authority's pay policy for the remuneration of chief officers, including the Chief Fire Officer, is aligned to the National Joint Council arrangements. Under these arrangements, Brigade Manager pay is reviewed annually at national level which provides the minimum salary for chief fire officers.

5.2 Remuneration of chief officers on appointment will be to the market-related base pay prevailing at the time of appointment and approved by the full Authority. In addition, a car will be provided in order to carry out the roles.

5.3 The remuneration of chief officers is also subject to a pay review undertaken on a periodical basis. This process benchmarks the chief officer salary levels against relevant comparators in other fire and rescue authorities. The pay review was undertaken by the Monitoring Officer during 2021 and the following principles were approved by the Authority:

- i. pay scales will be linked to the average basic pay rates collated and published by the National Joint Council for Brigade Managers of Local Authority Fire and Rescue Services in order to give appropriate sector-specific comparisons;
- ii. each seniority level will be employed on a three-point scale with progression up the scale to be subject to satisfactory annual appraisal. Each increment in scale will be based upon £1,500 for the CFO; and a relative proportion for the other posts;
- iii. the Authority will pay, at the bottom of the three-point scale, the average basic pay for an authority in Population Band 2, which will be inclusive of all duties;

- iv. the nationally negotiated and agreed annual pay awards will be automatically applied, as currently happens in the case of “grey book” and “green book” employees (subject to an employee choosing to forego any part of it);
- v. the pay relativities between the roles of CFO, DCFO, ACFO and ACO will be restored. The salary of each seniority level will be calculated as a proportion of the Chief Fire Officer’s salary as follows:

	Salary relative to CFO
Chief Fire Officer	
Deputy Chief Fire Officer	80%
Assistant Chief Fire Officer	75%
Assistant Chief Officer	60%

- vi. posts will be sized appropriately, relative to their seniority level, and will be of equal size across all at that level in order to ensure that officers receive equal pay for work of equal value; and
 - vii. pay will be reviewed at regular intervals in line with the requirements under the ‘two- track’ approach for determining levels of pay for Brigade Managers as prescribed by the National Joint Council. Three years is the accepted interval.
- 5.4 The 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.
- 5.5 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 of notice, pension benefit entitlements and holiday pay.
- 5.6 In circumstances where a severance package is being considered upon an agreed cessation of duties other than for the reasons outlined above, the full Authority will be offered the opportunity to vote before any severance package is approved for chief officers.
- 5.7 Information on the remuneration of chief officers is published as part of North Wales Fire and Rescue Authority’s annual Statement of Accounts. These are published on the Authority’s website.
- 5.8 Business 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.

5.9 Chief officers are members of the relevant pension scheme. The Authority does not permit increases or enhancements to the pension outside of standard arrangements.

5.10 The notice period for chief officer roles is 3 months.

6.0 Senior Staff

6.1 For the purposes of this Pay Policy Statement the term “chief officer” is not limited to Head of Paid Service and includes those who report directly to the Chief Fire Officer. This includes the Monitoring Officer, the Section 151 Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officers and Assistant Chief Officers.

6.2 These posts are covered by a range of terms and conditions:

Employee Group	Terms and Conditions	Other benefits	Pension arrangements
Chief Fire Officer	Gold Book	Car provided	Local Government Pension Scheme
Monitoring Officer	Provided by a named officer from Flintshire County Council under a contracted out arrangement		
Treasurer (section 151 officer)	Part time contract negotiated outside of national terms and conditions.		
Deputy Chief Fire Officer	Gold Book	Car provided	Local Government Pension Scheme or Firefighters' Pension Scheme
Assistant Chief Fire Officer	Gold Book	Car provided	Local Government Pension Scheme or Firefighters' Pension Scheme
Assistant Chief Officer	Blue Book	Car provided	Local Government Pension Scheme

7.0 Talent management

7.1 The Authority's strategic focus is on supporting and developing the quality of leadership in the Service. This includes increasing 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.

8.0 Performance related pay

8.1 There is currently no performance related pay scheme in operation for any role across the Service.

9.0 Remuneration of other staff other than chief officers

- 9.1 The Authority's pay policy for the remuneration of employees who are not chief officers is aligned to nationally agreed salary rates negotiated through the National Joint Council comprising of national employer and employee representatives.

Employee Group	Terms and Conditions	Other benefits	Pension Arrangements
Officers (Station Managers, Group Managers and Area Managers)	Grey Book	A lease car is provided for staff on the flexi duty rota	Firefighters' Pension Scheme
Head of Corporate Departments	Blue Book	NONE	Local Government Pension Scheme
Firefighters	Grey Book	NONE	Firefighters' Pension Scheme
Apprentice Firefighters	Grey Book	NONE	Firefighters' Pension Scheme
Control Staff	Grey Book	NONE	Local Government Pension Scheme
Fire Safety and Prevention	Green Book	NONE	Local Government Pension Scheme
Corporate Services	Green Book	NONE*	Local Government Pension Scheme
Apprentices	Green Book	NONE	Local Government Pension Scheme
* A lease car is provided on an optional basis for a small number of posts where significant or frequent travel is undertaken			

- 9.2 The lowest paid employee is engaged on the National Joint Council (NJC) for Local Government Services (Green Book) spinal column point 4 which equates to £21,189 per annum from 1 April 2022. The Authority occasionally employs apprentices who are not included within the definition of 'lowest paid employees' as they are not employed under contracts of employment.
- 9.3 The statutory guidance under the Localism Act 2011 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).
- 9.4 The 2022/23 pay levels within the Authority define the multiple between the lowest paid (full time equivalent basic pay) employee scale and the Chief Fire Officer as 1:6.59 and between the lowest paid employee.

- 9.5 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. The multiple between the median full time basic equivalent earnings and the Chief Fire Officer is 1:4.33 (excluding RDS). Please note this figure includes full time salaries only and excludes allowances.
- 9.6 The Authority publishes 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.

10.0 Support for lower paid staff

- 10.1 All employees of the Fire and Rescue Service are paid above the living wage. A range of further support measures are offered including a cycle to work scheme, Employee Assistance Programme, counselling, Occupational Health services and childcare vouchers.
- 10.2 A physiotherapy scheme is also offered to all employees. Employees receive financial assistance to refer themselves for therapy arising from muscular-skeletal injury or other ailments.
- 10.3 A range of flexible benefits have also been introduced including corporate discounts. Non-pay benefits and rewards 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 Additions to Salary of Other Employees

- 11.1 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.

12.0 Honoraria

- 12.1 A member of staff who performs duties outside the scope of his or her post over an extended period may be granted a one-off additional 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; or
 - 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.
- 12.2 Any determination relating to a proposed honoraria for chief officers would require approval by the Authority.
- 12.3 Decisions relating to all other staff will be considered by the appropriate Head of Department in consultation with the Assistant Chief Fire Officer (Finance and Resources).

13.0 Exit policy

- 13.1 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 of notice, pension benefit entitlements, holiday pay and any fees or allowances paid.
- 13.2 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.
- 13.3 The Service has a policy for severance or exit arrangements.
- 13.4 Former employees are, on occasion, re-employed by the Fire and Rescue Service. Where the combined earnings and pension exceed the inflation adjusted final salary in the original employment the pension is subject to abatement in accordance with the scheme regulations.

14.0 Off payroll arrangements

- 14.1 The Authority does not routinely engage with individuals using off payroll arrangements. These are only considered on an exceptional basis for specialist pieces of work for which there is no internal capacity or expertise. The Authority has arrangements in place to ensure that the employment status indicator tool published by HMRC is completed for each supplier before payments are made.

15.0 Appendices

Appendix 1 Chief Officers' salary matrix

Appendix 2 NJC salary rates

2.1 Firefighter Roles

2.2 Retained Duty System

2.3 Control Roles

Appendix 3 NJC for local government services, salary matrix

Appendix 1

North Wales Fire and Rescue Service Chief Officers Pay Rates (as at Jan 2021, pay negotiations outstanding)

Post	Salary	Salary	Salary	% of CFO
	Year 1	Year 2	Year 3	
CFO*	£138,060	£139,560	£141,060	
DCFO*	£110,448	£111,648	£112,848	80%
ACFO*	£103,545	£104,670	£105,795	75%
ACO	£82,836	£83,736	£84,636	60%

* includes remuneration for continuous duty arrangements

External provision of service	Value (per annum)
Monitoring Officer	£16,878 (excluding VAT)
Section 151 Officer	£7,812

FIREFIGHTING ROLES - PAY RATES FROM 1 JULY 2023

	Basic annual £	Basic hourly rate £	Overtime rate £
Firefighter			
Trainee	27,178	12.41	18.62
Development	28,310	12.93	19.40
Competent	36,226	16.54	24.81
Crew Manager			
Development	38,501	17.58	26.37
Competent	40,161	18.34	27.51
Watch Manager			
Development	41,031	18.74	28.11
Competent A	42,170	19.26	28.89
Competent B	44,911	20.51	30.77
Station Manager			
Development	46,712	21.33	32.00
Competent A	48,116	21.97	32.96
Competent B	51,525	23.53	35.30
Group Manager			
Development	53,801	24.57	Not applicable
Competent A	55,415	25.30	Not applicable
Competent B	59,642	27.23	Not applicable
Area Manager			
Development	63,163	28.84	Not applicable
Competent A	65,056	29.71	Not applicable
Competent B	69,283	31.64	Not applicable

FIREFIGHTING ROLES – PAY RATES FROM 1 JULY 2023 (RETAINED DUTY SYSTEM)

	(1) £ per Annum	(2) £ per annum	(3) £ per Hour	(4) £ per occasion
Firefighter				
Trainee	2,718	1,359	12.41	4.77
Development	2,831	1,416	12.93	4.77
Competent	3,623	1,811	16.54	4.77
Crew Manager				
Development	3,850	1,925	17.58	4.77
Competent	4,016	2,008	18.34	4.77
Watch Manager				
Development	4,103	2,052	18.74	4.77
Competent A	4,217	2,109	19.26	4.77
Competent B	4,491	2,246	20.51	4.77
Station Manager				
Development	4,671	2,336	21.33	4.77
Competent A	4,812	2,406	21.97	4.77
Competent B	5,153	2,576	23.53	4.77
Group Manager				
Development	5,380	2,690	24.57	4.77
Competent A	5,542	2,771	25.30	4.77
Competent B	5,964	2,982	27.23	4.77
Area Manager				
Development	6,316	3,158	28.84	4.77
Competent A	6,506	3,253	29.71	4.77
Competent B	6,928	3,464	31.64	4.77

Column 1 shows the full annual retainer (10% of the full-time basic annual salary, as set out in Appendix A)

Column 2 shows the retainer for employees on the day crewing duty system (5% of the full-time basic annual salary, as set out in Appendix A)

Column 3 shows the hourly rate for work undertaken

Column 4 shows the disturbance payment per call-out

CONTROL SPECIFIC ROLES - PAY RATES FROM 1 JULY 2023

	Basic annual* £	Basic hourly rate £	Overtime rate £
Firefighter (Control)			
Trainee	25,819	11.79	17.69
Development	26,895	12.28	18.42
Competent	34,415	15.71	23.57
Crew Manager (Control)			
Development	36,576	16.70	25.05
Competent	38,153	17.42	26.13
Watch Manager (Control)			
Development	38,979	17.80	26.70
Competent A	40,062	18.29	27.44
Competent B	42,665	19.48	29.22
Station Manager (Control)			
Development	44,376	20.26	30.39
Competent A	45,710	20.87	31.31
Competent B	48,949	22.35	33.53
Group Manager (Control)			
Development	51,111	23.34	Not applicable
Competent A	52,644	24.04	Not applicable
Competent B	56,660	25.87	Not applicable

*(95% of the respective firefighting role basic annual salary, as set out in AppendixA)

PAY RATES FROM 1 APRIL 2022 FOR STAFF EMPLOYED ON GREEN BOOK TERMS AND CONDITIONS (pay negotiations for 23/24 ongoing)

SCP	01-Apr-22	
	per annum	per hour*
1	£20,258	£10.50
2	£20,441	£10.60
3	£20,812	£10.79
4	£21,189	£10.98
5	£21,575	£11.18
6	£21,968	£11.39
7	£22,369	£11.59
8	£22,777	£11.81
9	£23,194	£12.02
10	£23,620	£12.24
11	£24,054	£12.47
12	£24,496	£12.70
13	£24,948	£12.93
14	£25,409	£13.17
15	£25,878	£13.41
16	£26,357	£13.66
17	£26,845	£13.91
18	£27,344	£14.17
19	£27,852	£14.44
20	£28,371	£14.71
21	£28,900	£14.98
22	£29,439	£15.26
23	£30,151	£15.63
24	£31,099	£16.12
25	£32,020	£16.60
26	£32,909	£17.06
27	£33,820	£17.53
28	£34,723	£18.00
29	£35,411	£18.35
30	£36,298	£18.81
31	£37,261	£19.31
32	£38,296	£19.85
33	£39,493	£20.47
34	£40,478	£20.98
35	£41,496	£21.51
36	£42,503	£22.03
37	£43,516	£22.56
38	£44,539	£23.09
39	£45,495	£23.58
40	£46,549	£24.13
41	£47,573	£24.66
42	£48,587	£25.18
43	£49,590	£25.70

*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')

**PAY RATES FROM 1 APRIL 2022 FOR STAFF EMPLOYED ON
BLUE BOOK TERMS AND CONDITIONS
(pay negotiations for 23/24 ongoing)**

SCP	01-Apr-22	
	per annum	per hour
48	£54,382	£28.19
49	£56,356	£29.21
50	£57,341	£29.72
51	£58,327	£30.23