AVON FIRE AUTHORITY

MEETING:	Avon Fire Authority
MEETING DATE:	Wednesday, 21 June 2023
REPORT OF:	The Clerk
SUBJECT:	Annual Review of Remuneration of CFO/CE

1. <u>SUMMARY</u>

This paper outlines the National Joint Council's pay award for Brigade Managers for 2022 and 2023, which was belatedly announced on 31 May 2023.

2. <u>RECOMMENDATIONS</u>

The Fire Authority is asked to:

- a) Note the National Joint Council (NJC) pay award for Brigade Managers for 2022 and 2023, which was announced on 31 May 2023.
- b) Note that the Chief Fire Officer/Chief Executive (CFO/CE) does not seek at this stage to engage the two-track approach, which allows for a local pay award.
- c) Refer senior officers pay (Chief Fire Officer/Chief Executive, Assistant Chief Fire Officers, Director of Corporate Services and Statutory Officers) to the Policy and Resources Committee for an independent review to ensure that senior officer salaries are aligned to national averages for the relevant population band and ensure that salary percentages reflect the responsibilities of senior officers.

3. BACKGROUND

- 3.1 The CFO/CEO is engaged subject to the 'National Joint Council for Brigade Managers of Fire and Rescue Services, Constitution and Scheme of Conditions of Service (5th Edition)', otherwise known as the 'Gold Book'.
- 3.2 In respect of salaries, the Gold Book section on 'Scheme of Conditions of Service' provides:

- 9. 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.
- 10. 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.
- 11. 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.
- 12. Advice on implementation of a local salary structure is contained in Guidance at Appendix A.
- 3.3 The Appendix referred to in paragraph 12 above is entitled '*Implementation of a Local Salary Structure Guidance*' and lists factors which should be considered in determining salary levels. It is recommended that this Guidance is considered as part of a formal review of senior officer salaries. Furthermore, the LGA is due to publish a Brigade Managers Salaries Survey with figures for 2022, which would inform a benchmarking review.
- 3.4 The Gold Book also includes a section on the application of other terms and conditions and at paragraph 26 states:
 - 26. In relation to matters not covered herein, a Brigade Manager shall be entitled to terms and conditions of service no less favourable than those relevant terms and conditions applying to an Area Manager under the Scheme of Conditions of Service of the National Joint Council for Local Authority Fire and Rescue Services as set out in Appendix C
- 3.5 The NJC announced a pay award for Grey Book pay (operational staff up to the rank of Area Manager) of 7% effective from 1 July 2022 and 5% effective from 1 July 2023. The recent pay award to Brigade Managers could be considered to be less favourable than that awarded to operational staff.

4. FINANCIAL IMPLICATIONS

4.1 Funding for staffing costs is contained within existing budgets. Any increase agreed nationally will also be met from existing budgets.

5. <u>KEY CONSIDERATIONS</u>

5.1 In 2017 Avon Fire & Rescue Service re-structured its senior management team and removed the role of Deputy Chief Fire Officer. Since then, there have been several changes in officer responsibilities, however, the formula for calculating salaries as a percentage of the Chief Fire Officer's salary has not been reviewed since 2017. It is therefore assessed that a review is overdue and should be considered as part of wider sector benchmarking of senior officer salaries.

National Joint Council (NJC)

- 5.2 Annually the NJC publish minimum rates of pay applicable to CFO/CEO by reference to Population Bands. His Majesty's Inspectorate of Constabulary, Fire & Rescue Services (HMICFRS) publishes key facts for Avon Fire & Rescue Services, including a population of 1.16 million. This equates to NJC Population Band 3 (1,000,001 to 1,500,000); the NJC updated the minimum salary for new appointments effective from 1 January 2022 as £123,189 and from 1 January 2023 as £127,501, see Appendix 1. Prior to the current pay award for 2022 and 2023 being calculated the average basic pay for a CFO in Population Band 3 from 1st January 2021 was £152,038 and from 1st January 2022 was £154,922.
- 5.3 On 31 May 2023, the NJC announced the pay awards for brigade managers of a 4% increase on basic pay with effect from 1 January 2022, and a 3.5% increase on basic pay with effect from 1 January 2023 (also at **Appendix 1**). Both awards will be backdated.
- 5.4 As explained in paragraph 3.2 above, the second part of the two-track approach to the CFO/CE's pay, is determined locally by the Fire Authority, which option was highlighted by National Employers during pay negotiations:

`...it is also incumbent upon us to remind you that the Gold Book does allow for a twin track approach to pay – this means, that a further increase could be applied following a local review should an individual FRA choose to do so... [emphasis added]

- 5.5 As in previous years, the CFO/CE recommends that at this stage there is no local pay award but recommends that senior officer salaries are locally reviewed independently to ensure alignment with the sector.
- 5.6 All Members of the Service Leadership Board (SLB) and the Statutory Officers are currently paid a set percentage of the CFO/CE salary and therefore the pay rates for SLB and Statutory Officers, including both backdated awards, as from 31 May 2023 will be:

Post	New Appointments	01 Jan 22	01 Jan 23
CFO	£148,238	£154,168	£159,564
ACFO (75%)	£111,179	£115,626	£119,673
Directors & Statutory Officers (65%)	£96,355	£100,209	£103,717

NB the Statutory officers earn pro-rata salaries to reflect their part-time roles.

6. <u>RISKS</u>

6.1 The Fire Authority is required to be transparent about its pay to the CFO/CE. Salary levels can impact upon recruitment and retention, particularly when considering pay differentials with Area Managers employed under the Grey Book. It is important that the Fire Authority has quality and talented individuals holding senior roles, to drive its priorities.

7. LEGAL/POLICY IMPLICATIONS

7.1 Under the Localism Act 2011 the Fire Authority is required to publish a Pay Policy Statement by 31 March each year, which includes the pay of the CFO/CE and a comparison of that pay to other members of staff. The Pay Policy Statement for 2022/23 was presented to the Fire Authority meeting on 30 March 2022. Unfortunately, at that time there were no announcements regarding Gold Book pay awards for 2022 and 2023, so the figures only included the CFO/CE pay award from 1 January 2021 (announced 24 June 2021).

8. BACKGROUND PAPERS

- a) National Joint Council for Brigade Managers of Fire and Rescue Services 'Constitution and Scheme of Conditions of Service', known as the 'Gold Book'.
- b) Paper 13, 'Approval of Pay Policy Statement 2022/23' to Avon Fire Authority meeting on 30 March 2022, at the following link:

Avon Fire Authority meeting documents 30 March 2022

9. <u>APPENDICES</u>

1. NJC letter entitled 'Pay Awards – 2022 & 2023' dated 31 May 2023.

10. <u>REPORT CONTACT</u>

Amanda Brown, Clerk to the Fire Authority, extension 231.