

Report of Head of Legal Services

Principal Officer Salaries

Purpose of report

1. To review the salary of the Chief Fire Officer (and by extension, that of other Principal Officers) in accordance with the previous decision of this Committee in May 2016.
-

Recommendations

It is recommended that:

- (i) the Committee should review the salary of the Chief Fire Officer and determine whether to make any change at this time;***
- (ii) the Chief Fire Officer and other Principal Officers continue to receive annual pay awards (if any) as recommended by the National Joint Council; and***
- (iii) a further review be undertaken in 2 years time***

Introduction and Background

2. The terms and conditions of employment of the Chief Fire Officer and Principal Officers, including fixing the salary for these posts, is delegated to the Appointments Committee.
3. The Authority has an obligation under the nationally agreed conditions of service for Brigade Managers to keep the salary of the Chief Fire Officer under review. When considering the options for appointment of a Chief Fire Officer in May 2016, Appointments Committee resolved (minute 7) that:

“there be no change to the remuneration package of the Chief Officer post at this time, however a review be undertaken within 12 months of the new appointment, the outcome of which to be dependent on the individual’s performance over that period”
4. The current Chief Fire Officer was subsequently appointed with effect from 1st August 2017. Arrangements for the Chief Fire Officer’s performance appraisal are currently in hand and a review of the salary is therefore due. The salaries paid to other Principal Officers are linked to that of the Chief Fire

Officer as a defined percentage and so would also be affected by the outcome of any salary review.

5. A comparison with Chief Officer salaries in other fire & rescue services has been undertaken and the results are attached. Members may conclude that this does not indicate any significant disparity between Principal Officer salaries within this Authority and those in other Services.

Summary

6. The Authority has an obligation to keep the salary of the Chief Fire Officer under review. A formal review is now due in accordance with the Committee's decision in May 2016. The attached comparison of salaries in other fire & rescue services has been prepared to assist members in this task.

Corporate Considerations

<p>Resource Implications (identify any financial, legal, property or human resources issues)</p>	<p>Any increase in the Chief Fire Officers salary would also affect the salaries of the other Principal Officers and would be an additional budget pressure.</p>
<p>Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).</p>	<p>Ensuring that staff salaries are set at an appropriate level will help to fulfil the commitment in 'Our Strategy' to 'ensure we have the right people, with the right skills and training to carry out the right job at the right time'. In order to fulfil this commitment, it is important to ensure that staff salaries remain</p>
<p>Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).</p>	<p>None</p>
<p>Consultation (identify any public or other consultation that has been carried out on this matter)</p>	<p>None</p>
<p>Equalities (has an Equalities Impact Assessment been</p>	

completed? If not, why not?)	
------------------------------	--

Supporting Information

Appendix 1 – Principal Officer Pay Comparison 2017

Background papers –

- NJC Conditions of Service for Brigade Managers (Gold Book)
- Minutes of Appointments Committee – 26th May 2016

Contact Officer

Nigel Snape, Head of Legal Services
(01905 368242)

Email: nsnape@hwfire.org.uk

Principal Officer Pay Comparison

2017

Report of Head of Legal Services

1. Introduction

- 1.1. In accordance with the 'Gold Book' conditions of service applicable to Brigade Managers, there are three elements to pay review:
 - NJC publish recommended minimum salaries for Chief Fire Officers;
 - NJC annually review the level of recommended pay increase, taking into account affordability, other relevant pay deals and the rate of inflation; and
 - fire & rescue authorities determine the level of pay and remuneration to be awarded to individual Brigade Managers and should review these salary levels annually
- 1.2. Appendix 1 to this report is guidance on the implementation of a local salary structure taken from the NJC Gold Book conditions of service.
- 1.3. When appointing the Chief Fire Officer in 2016, the Appointments Committee resolved that a salary review be undertaken within 12 months of the new appointment, the outcome of which to be dependent on the individual's performance over that period.
- 1.4. The salaries of the Deputy Chief Fire Officer, Assistant Chief Fire Officer and Director of Finance are all linked to that of the Chief Fire Officer as a defined percentage.
- 1.5. The Group Leaders' Meeting on 24th April authorised the Head of Legal Services to arrange for a review of senior officer salaries to be undertaken in order to provide the Appointments Committee with information on which to base the required review of the Chief Fire Officer's salary. It had been intended that this work would be commissioned externally but upon further consideration it was determined that information about salaries in other Fire & Rescue Services could be collated from details readily available on the internet. As in initial step, this report has therefore been compiled in-house (but this does not preclude further advice being obtained externally should members so wish).
- 1.6. The purpose of this report is not to provide a recommended salary level for the Chief Fire Officer or other principal officers. It is to provide the Authority with comparative information about salaries for similar posts in other fire & rescue services from which Members can then form a judgement about the appropriate salary levels for posts in this Authority.

2. Methodology

- 2.1. In order to provide a realistic set of comparison data it was decided to start by looking at information for those fire & rescue services within the same 'Audit family group' as HWFRS. The full list of Services within this family group is:

Avon	Kent
Cheshire	Lancashire
Cleveland	Lincolnshire*
Derbyshire	<i>Northern Ireland</i>
Essex	Nottinghamshire
Hampshire	South Wales
Hereford & Worcester	Staffordshire
Hertfordshire*	Surrey*
Humberside	

* Denotes County Council run FRS

- 2.2. However, in order to provide a better comparison with fire & rescue services locally, it was decided to substitute Leicestershire FRS in place of Northern Ireland and also include both Shropshire and Warwickshire*.
- 2.3. All salary information in this report has been collated from the current pay policy statements published by each relevant Service on their respective websites. For the sake of consistency and except where stated, the data in this report does not take account of any changes resulting from the 1% pay award for Brigade Managers announced on 27th July 2017 (see paragraph below).
- 2.4. Population data has been taken from the National Census website.
- 2.5. The full dataset of information is contained at Appendix 1.

3. Relevance of Population

- 3.1. The Local Government Association publishes recommended minimum salary bands for Chief Fire Officers based on the size of population of the authority. The latest recommendations including 1% pay award backdated to 1st January 2017 are as follows:

Population	< 500,000	500,000	1,000,000	>1,500,000
Min. recommended salary	£100,776	£100,776	£109,970	£120,865
Per 10,000 population	£2,016	£2,016	£1,100	£806

- 3.2. Although the suggested salary bands increase with the size of population and reflect the additional responsibilities of running a larger organisation, the increase is not equal when compared per 10,000 head of population. This reflects that population size is only one factor to take into account when determining the salary of a Chief

Fire Officer. It does not necessarily reflect the size of the fire & rescue service in terms of the number of appliances or number of firefighters and that a certain level of responsibility attaches to the role regardless of the size of authority.

- 3.3. These salary bands are intended as a guide only and it is up to individual authorities to determine the appropriate salary for that authority. The data at Appendix 1 shows that all of the authorities compared pay their Chief Fire Officer considerably above the minimum amounts recommended by the LGA.

4. Chief Fire Officer

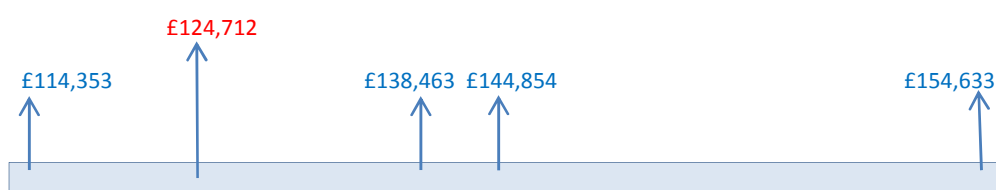
- 4.1. HWFRS ranks 15th out of 19 in terms of population of the authorities that have been compared. The current salary of the Chief Fire Officer coincidentally also ranks 15th among those same authorities:

Rank	Authority	Population	Rank	Authority	£ CFO Salary
1	Hampshire	1,800,500	1	Cleveland	154,633
2	Kent	1,764,617	2	Lancashire	154,545
3	Essex	1,753,052	3	Hampshire	154,450
4	South Wales	1,505,368	4	Cheshire	152,833
5	Lancashire	1,478,115	5	Essex	149,748
6	Surrey	1,168,809	6	Nottinghamshire	149,179
7	Hertfordshire	1,154,800	7	Kent	146,200
8	Nottinghamshire	1,124,749	8	Derbyshire	145,120
9	Avon	1,118,807	9	Staffordshire	144,873
10	Staffordshire	1,102,026	10	Avon	144,854
11	Leicestershire	1,055,800	11	Humberside	139,873
12	Derbyshire	1,032,267	12	Hertfordshire	135,702
13	Cheshire	1,027,709	13	South Wales	128,000
14	Humberside	925,070	14	Leicestershire	126,250
15	Hereford and Worcester	766,982	15	Hereford and Worcester	124,712
16	Lincolnshire	736,700	16	Surrey	122,648
17	Cleveland	562,080	17	Warwickshire	122,264
18	Warwickshire	548,729	18	Shropshire	120,569
19	Shropshire	306,100	19	Lincolnshire	114,353

- 4.2. Of the salaries paid to Chief Fire Officers by these authorities:

- Minimum £114,353 (Lincolnshire)
- Maximum £154,633 (Cleveland)
- Mean £138,463
- Median £144,854
- HWFRS £124,712

- 4.3. This can be represented as follows:



5. Deputy Chief Fire Officer

5.1. The DCFO currently receives a salary equivalent to 80.14% of the CFO salary at HWFRS. Of the 16 fire & rescue services for whom we have the relevant information, expressed as a percentage their Chief Fire Officer's salary:

- Minimum 67% (Cleveland)
- Maximum 86% (Derbyshire)
- Mean 82%
- Median 82%
- HWFRS 80.14%

6. Assistant Chief Fire Officer

6.1. The ACFO currently receives a salary equivalent to 75.13% of the CFO salary at HWFRS. Not all fire & rescue services have an Assistant Chief Fire Officer (or some have more than one) but of the 13 Services for whom we do have information, expressed as a percentage their Chief Fire Officer's salary:

- Minimum 55% (Humberside)
- Maximum 80% (Lancashire & Leicestershire)
- Mean 75%
- Median 75%
- HWFRS 75.13%

7. Director of Finance

7.1. The Director of Finance currently receives a salary equivalent to 80% of that paid to the Assistant Chief Fire Officer (or 60.1% of the CFO salary) plus an honorarium of £3,000 for the role of Treasurer to the authority. Care should be taken when comparing the salary for this post with that in other Services because non-uniform staffing structures differ considerably, particularly in the case of County Council fire & rescue services. It is therefore difficult to draw comparisons.

8. 2017 Pay Award

8.1. The LGA announced on 27th July that the NJC had agreed an annual pay award for Brigade Managers of 1.0% backdated to 1st January 2017. The updated salaries for Principal Officers taking account of this increase will be as follows:

Chief Fire Officer	£125,959
Deputy Chief Fire Officer	£100,942
Assistant Chief Fire Officer	£ 94,633
Director of Finance	£ 75,705 (plus £3,000 honoraria for Treasurer role)

Nigel Snape

Head of Legal Services

August 2017

Extract from NJC Gold Book Conditions of Service for Brigade Managers

IMPLEMENTATION OF A LOCAL SALARY STRUCTURE GUIDANCE

INTRODUCTION

1. Both the employers and Brigade Managers recognise the importance of applying the appropriate skills and developing the competencies necessary to support and embed the cultural change inherent within these new terms and conditions.

LOCAL SALARY STRUCTURES

2. When determining the appropriate level of salaries for all Brigade managers, the fire and rescue authority should refer to the relevant minimum salary of the Chief Fire Officer and the most relevant benchmark data.
3. Normally the fire and rescue authority will wish to begin by determining appropriate salary for their most senior manager.
4. When deciding how these posts should be remunerated the following factors are to be considered:
 - a. The Chief Fire Officer's salary and that of any senior staff not covered by the Scheme of Conditions of Service (Gold Book);
 - b. The relationship of current salary to the appropriate illustrative national benchmark;
 - c. Any special market considerations;
 - d. Any substantial local factors not common to fire and rescue authorities of similar type and size e.g. London weighting; complex local, regional or national responsibilities which bring added value
 - e. Comparative information to be supplied on request by the Joint Secretaries on salaries in other similar authorities;
 - f. Top management structures and size of management team compared to those of other fire and rescue authorities of similar type and size; and
 - g. The relative job size of each post, as objectively assessed through an appropriate job evaluation process or otherwise
 - h. Incident command responsibility and the requirement to provide operational cover within the employing authority and beyond

The process for setting salary levels should include consideration of the following criteria:

- Minimum salary levels for Chief Officers in relevant sized local authorities
- Market rates of pay for senior managers in a range of private and public sector organisations
- Evidence of recruitment and/or retention difficulties with existing minimum rates

There are a range of schemes and approaches available for authorities to use in assessing job size. To assist authorities, advice can be obtained from the Employers' Side Secretary of the NJC.

WORKFORCE PLANNING

5. Fire and rescue authorities should be regularly reviewing their future requirements for employees at all levels, implications for the organisational structure, including availability to cover operational needs and cross authority resilience requirements.

In determining the appropriate structure, Authorities need to be mindful of the potential for Brigade Managers to be absent for extended periods in the event of major civil disruption and the impact this will have on the organisation as a whole, and more specifically, on the remaining corporate team.

Authorities are reminded of the requirement to consult on any proposed changes. In addition, there may be a need to negotiate on some issues that may emerge from the consultation process e.g. a change to terms and conditions of employment

6. Where the changes to the organisational structure will lead to increases in the staffing complement, the authority will need to consider what the relevant grades will be and how best to recruit to the new posts in accordance with the Fairness and Dignity at Work policy.

Where the changes to the organisational structure will lead to a reduction in the staffing complement, authorities should, as far as is practicable, achieve these through natural wastage, the use of temporary appointments or other arrangements to avoid the necessity of making individuals redundant.

7. However, where this is not possible the fire and rescue authority should first seek volunteers for redundancy, where appropriate.
8. Where a Brigade Manager is moved from a higher graded/paid job to a lower graded/paid job, except by virtue of discipline or capability, the fire and rescue authority is recommended to put in place arrangements for pay protection taking into account:
 - a. Other pay protection and redundancy arrangements for employees of the fire and rescue authority.
 - b. Equal Opportunities Commission advice on pay protection and redundancy – protection arrangements can be discriminatory in certain circumstances
 - c. Any other local policies and issues
 - d. Pay protection and redundancy arrangements in other similar organisations
9. Where a Brigade Manager requests to move to a lower graded/paid post then they will receive the pay and conditions applicable to that post and protection arrangements will not apply.

Family Group Officer Remuneration Comparison

(Salaries do NOT include 2017 pay award)

Authority	Population	CFO	LGA Min. salary	DCFO	% of CFO	ACFO		% of CFO	Director of Finance	% of CFO	
		Salary £		Salary £		Salary £			Salary £		Comment on Senior Management Structure
Avon	1,118,807	144,854	109,970	113,600	78	108,640	(x2)	75	94,155	65	
Cheshire	1,027,709	152,833	109,970	130,508	85					0	DCFO drops to 80% at future recruitment.
Cleveland	562,080	154,633	100,776	103,896	67	103,896		67	103,896	67	Note SMB = CFO, Director of Corporate Services,
Derbyshire	1,032,267	145,120	109,970	124,385	86	110,270		76	78,191	54	Note SMB = CFO, DCFO, DCEX, D of Finance
Essex	1,753,052	149,748	120,865	123,524	82	112,312	(x2)	75	112,312	75	Note SMB = CFO, DCFO, ACFO (x2) ACEX
Hampshire	1,800,500	154,450	120,865	123,560	80	113,521		74			
Hereford and Worcester	766,982	124,712	100,776	99,943	80	93,696		75	77,956	63	D of Finance includes honorarium of £3000 for treasurer role
Hertfordshire	1,154,800	135,702	109,970	105,611	78	87,500					Limited data found.
Humberside	925,070	139,873	100,776	118,892	85	76,740	(x3)	55	97,912	70	No Official ACFO but a number (3) of additional
Kent	1,764,617	146,200	120,865	118,800	81				96,200	66	Note SMB = Chief Exec (NU)
Lancashire	1,478,115	154,545	109,970	131,363	85	123,626		80	98,909	64	Note x2 @ 'Director of Level
Leicestershire	1,055,800	126,250	109,970			100,969	(x2)	80			
Lincolnshire	736,700	114,353	100,776	91,573	80	85,850		75			
Nottinghamshire	1,124,749	149,179	109,970	122,925	82	111,829		75	59,492	40	*Also appoint a Treasurer in addition to D of Finance @ 12,153
Shropshire	306,100	120,569	100,776	98,936	82	90,490		75		0	
South Wales	1,505,368	128,000	120,865	98,000	77	95,000		74			Note SMB 3x ACFO @ 92,000 96,000 97,000
Staffordshire	1,102,026	144,873	109,970	119,248	82				88,836	61	
Surrey	1,168,809	122,648	109,970								Limited data found.
Warwickshire	548,729	122,264	100,776								Limited data found.
Mean	1,100,749	138,108		114,078	81	100,438		73			
Median	1,078,913	142,373		118,892	82	100,969		75			