

## **MERSEYSIDE FIRE and RESCUE AUTHORITY**

### **Pay Policy - The Role and Remuneration of Senior Managers**

This Statement sets out the Authority's policies in relation to the pay of its workforce, particularly its Senior Officers, in line with Section 38 of the Localism Act 2011. The Statement is approved by the Authority each year and published on the Authority's website demonstrating an open and transparent approach to pay policy.

This Statement draws together the Authority's policies relating to the payment of the workforce, particularly :-

- Senior Officers
- It's lowest paid employees; and
- The relationship between the pay of Senior Officers and the pay of other employees.

For the purposes of this Statement, "pay" includes basic salary, pension and all other allowances arising from employment.

The Authority's operates a pay policy to ensure that:-

- It is competitive and allows the Authority to recruit and retain high quality staff to deliver its mission and to make its staff and its communities safer
- Is fair and equitable both within the organisation, whilst considering relevant comparable data with other similar organisations and roles.
- Is transparent and open to public scrutiny

In deciding pay levels all roles take account of National Conditions of Service as well as undertaking Organisational Job Evaluation using a jointly agreed scheme. This process will take account of a range of measurable factors that ensures organisational continuity and equality in relation to pay. This process where appropriate can also be supplemented to take account of :-

a) Market Forces and comparators

Comparison is undertaken:-

- with other Metropolitan and similar sized Fire and Rescue Services
- with other pan Merseyside and local district organisations

- Other comparator and private sector salaries where appropriate (particularly for professional roles)
- b) the Relative size and efficiency of the management team
- c) The level and breadth of responsibility
- d) The full range of benefits afforded to the individual
- e) Organisational success

The Authority regularly reviews its management structures and pay scales to ensure they remain efficient and applicable. Although there is a national pay framework, the Fire Authority has negotiated a more flexible local agreement which has enabled it to reduce overall numbers and deliver savings.

The Authority has moved to a structure of single pay points for its senior managers. The pay points were introduced as individual roles within the management team became subject to review.

The Authority no longer operates any bonus or performance pay mechanism for its senior managers.

#### Decision Making Process

The Full Fire Authority body ultimately agrees the structure and pay levels for the organisation. The Fire Authority is made up of locally elected Councillors from the five districts of Merseyside. The Authority's responsibility is to ensure that the fire and rescue service is run properly and responsibly. More information about the running of the Fire Authority can be found at [www.merseyfire.gov.uk](http://www.merseyfire.gov.uk)

#### Openness and Accountability

The Authority is committed to openness and accountability to the communities it serves. Information about pay and rewards is published:-

- i) in this pay policy annually
- ii) in its annual accounts statement
- iii) on its website

#### The Strategic Management Group (Senior Officers)

For the purposes of this policy, Senior Officers are defined as the Strategic Management Group (SMG). SMG is responsible for implementing the policies

procedures and decisions of the Fire Authority and carry out a variety of professional advisory roles.

The SMG has three Executive Officers :-

- Chief Fire Officer
- Deputy Chief Fire Officer
- Deputy Chief Executive

This has been very much reduced since 1996 when the executive team comprised of 8 officers (*A Chief Fire Officer, a Deputy Chief Fire Officer and four Assistant Chief Officers (3 of whom were operational) and this operational team were supported by a Clerk to the Authority and a Treasurer.*). The Authority's commitment to continuous review of its efficiency has now reduced the team to 3 members (including the Treasurer).

Alongside the Executive the Authority has a number of strategic managers to deliver its day to day business. The other members of SMG are :-

- Director of Strategy and Planning
- Area manager (AM) Operational Preparedness
- Director of Legal, Procurement and Democratic Services
- Director of People & Organisational Development
- AM Operational Response
- AM Prevention and Protection
- Director of Corporate Communications

The rates of pay above and the reduction in the size of the team have been agreed by the Fire Authority with the most recent changes delivering a 6.3% reduction in executive salary costs and a total executive team cost saving of 33% (£333,000).

The Chief Fire Officer is paid £170,000 (salary only). The DCFO and Deputy Chief Executive are both paid at 85% of the Chief Fire Officer salary. Director/Area Manager role salaries range from £57 – 88K. The policy on other benefits is attached as Appendix A (i).

The pay levels have been frozen between 2012/13 and 2013/14.

#### Definition of Lowest Paid Employee

The Authority defines its lowest paid employees by alignment to the lowest grades of uniformed and non uniformed staff

The lowest paid non-operational role is Grade 1, with a salary of £12.3K pa.

The lowest paid operational role is Firefighter (trainee) £21,369.

Comparison with Lowest Paid Staff

In setting reward structures for Senior Managers, the Authority does not take direct account of multiples of pay, but it is mindful of the Hutton Recommendation, that multiples of over 20 might well be considered excessive.

The current ratios between high and low paid staff are :-

Highest paid Manager/Lowest paid member of all staff = 13.8

Highest paid Manager/Lowest paid operational staff = 7.96

APPENDIX A(i)Policy on Other Benefits

Uniformed firefighters including the CFO and DCFO and the Area Managers are members of the Firefighter Pension Scheme (FPS). This is the scheme that covers the majority of firefighters although newer entrants are now members of the 'New Firefighter Pension Scheme'. FPS is a contributory scheme; this means that the employee contributes to the scheme from his or her own salary. Firefighters contribute 12.9% of their salaries and more senior managers contribute at higher levels up to 15% of salary. Since 2006 there has been an Employer's contribution to the FPS which is currently 26.5% and both employee and employer's contribution are paid into an Authority pensions account and the cost of pensions, when they are taken, are also then paid from this account with the net deficit then reimbursed by Government. The rules governing the pension scheme are contained in regulations made by Parliament and are available at <http://www.gov.uk>

Non-Uniformed staff are members of the Local Government Pension Scheme which is a contributory scheme; this means that the employee contributes to the scheme from his or her own salary. Senior managers contribute 7.5% of their salary and the Employer's contribution to the LGPS is currently 11% (the figure varies depending upon how much is needed to ensure benefits under the scheme are properly funded, and are set independently). The rules governing the pension scheme are contained in regulation made by Parliament and are available at <http://www.lgps.org.uk> .

Other Benefits

All the SMG work such hours as are necessary to ensure the job gets done. This routinely involves evening work as well as the standard Monday to Friday business week. Weekend working is required. No extra payments are made for such extended hours.

In addition the CFO and DCFO work a 'continuous duty' system whereby they have to remain available for operational response for protracted periods. The very nature of a senior officer role also means that they regularly have evening and weekend work commitments.

Where a car is required to carry out their duties each Officer is provided with a lease car arrangement to which the Authority makes a contribution. The individuals are given the flexibility to add to this lease amount at their own expense if they want to exercise their personal choice for a more expensive car. The Authority has clear guidelines on the type of vehicle that can be used given the operational nature of the role.

All officers are taxed on the benefit of their vehicle.

In addition other benefits may be applicable. The Authority strives to be an excellent employer and makes a wide range of benefits and support available to **all** staff. The Executive team may be eligible/take advantage of these benefits in certain instances.

The range of benefits includes

### **Benefits available to all Authority Employees**

- PPC (Employee Assistance Programme)
- Counselling services
- Childcare vouchers
- Health advice clinics
- Specialist Nurse advisor Health assessment
- Physiotherapy services
- Early Intervention Diagnostic Assessment
- Internet access may be provided at home for access to critical Authority computer systems
- Essential Communications equipment may be provided
- Medical Financial Assistance
- Total Fitness Rehabilitation Exercise Referrals
- Massage Rehabilitation Clinic
- Active Sefton
- Smoking Cessation Support
- Absence and Attendance Policy
- Corporate Uniform and clothing allowances
- Flexi time
- Pre-retirement Leave
- Enhance maternity benefits
- Relocation Expenses
- On Site Gym
- Season Ticket Loans
- Home Computer Initiative
- Additional personal Security based on a police risk assessment

### Expenses/Allowances

The Authority reimburses officers for costs incurred when working away from home, when at conferences , regional or National meetings etc. The costs of work travel, accommodation and subsistence are claimable.

The very nature of the role means that SMG members are regularly required to work in different parts of the country and spend nights away from home. Claims are either based upon actual expenditure incurred according to strict controls and rules or, on occasion, can be payable in line with the Authority's scheme for Allowances.