

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	POLICY AND RESOURCES COMMITTEE		
DATE:	11 DECEMBER 2025	REPORT NO:	CFO/31/2526
PRESENTING OFFICER	CHIEF FIRE OFFICER, NICK SEARLE		
RESPONSIBLE OFFICER:	DIRECTOR OF PEOPLE AND ORGANISATIONAL DEVELOPMENT, NICK MERNOCK	REPORT AUTHOR:	HEAD OF HUMAN RESOURCES, MIKE PILKINGTON
OFFICERS CONSULTED:	DIRECTOR OF FINANCE AND PROCUREMENT, MIKE REA STRATEGIC LEADERSHIP TEAM (SLT)		
TITLE OF REPORT:	PAY POLICY 2025		

APPENDICES:	APPENDIX A: PODPOL10 – PAY POLICY 2025
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Purpose of Report

1. To request that Members approve publication of the Annual Pay Policy in line with requirements of Section 38 of the Localism Act 2011.

Recommendation

2. It is recommended that Members;
 - a) approve publication of the Authority's Pay Policy; and
 - b) note that pay awards for 2025 have been agreed and implemented covering Grey and Green Book colleagues, however agreement has yet to be reached over a 2025 pay award for our Red Book (Craft) colleagues.

Introduction and Background

3. Members will be aware of the requirements of the Authority to publish a statement setting out its policies in relation to the pay of its workforce, including Senior Officers, in line with Section 38 of the Localism Act 2011.
4. This requirement is discharged via publication of the Pay Policy (PODPOL 10) on the Authority's Website (www.merseyfire.gov.uk).
5. The updated policy is attached as appendix A.

National Minimum Wage / National Living Wage

6. As part of the annual review and update of this policy, officers review rates of pay to ensure continued compliance against legal requirements as outlined within the annually updated regulations for the National Minimum Wage (NMW) for those aged under 21; and the National Living Wage (NLW) for those aged 21 and over.
7. The 2026 rates, announced by the Government as part of the 2025 Budget statement, which will take effect from 1st April 2026 are:
 - For those aged 21 and over **£12.71** per hour (up from £12.21)
 - For those aged 18-20 - **£10.85** per hour (up from £10.00)
 - For those aged 16-17 and apprentices **£8.00** per hours (up from £7.55)
8. At present, the lowest graded permanent support staff roles (Green and Red Book) are those on Green Book terms and conditions whose posts are assessed at Grade 2. Following the deletion of SCP2, as part of the 2025 NJC pay agreement which will take effect 1st April 2026, the lowest Green Book hourly rate will be Grade 2 (SCP 3), which is **£13.59** per hour.
9. This rate is compliant with both current the NMW and NLW, and the rate applicable from 1st April 2026. Any increase agreed as part of the NJC 2026 pay negotiations will further increase the gap between NLW and the lowest paid grade.
10. Following deletion of the trainee grade as part of the NJC Grey Book pay agreement, the lowest graded Grey Book roles are Firefighter Development (FFD) & Firefighter Control Development (FFCD) which currently receive an hourly rate of **£13.87** (FFD) and **£13.18** (FFCD) per hour respectively (2025 rates).
11. These rates are compliant with both current the NMW and NLW, and the rate applicable from 1st April 2026. Any increase agreed as part of the NJC 2026 pay negotiations will further increase the gap between NLW and the lowest paid roles.

Apprenticeship Roles

12. Alongside its substantive posts, the Authority provides for a number of 'non established' temporary apprenticeship roles to enable individuals to gain valuable experience and development in support of securing full time permanent roles either within the Authority or with other employers.
13. For these apprentices (who are employed via the national government apprentice scheme) a review was undertaken in 2022 where it was decided to increase the rate of pay from the National Apprenticeship wage, which mirrors the National Minimum wage for under 18's (this is £7.55 in April 2025) to ensure all apprentices are paid the National Living Wage for their age, which for those over 21 years of age would be £12.21 as of April 2025.

Equality and Diversity Implications

- 14. A full Equality Impact Assessment has been completed for the Pay Policy and is published on the intranet.
- 15. There are no additional ED&I implications arising from this policy.

Staff Implications

- 16. Ensuring pay is competitive is vital to compete for and to retain talent within a labour market that the Office for National Statistics (ONS) estimates suggests currently has 717,000 job vacancies as of October 2025.
- 17. The recent challenges related to inflation and the impact this will have on the cost of living remains a priority for both staff and officers.

Legal Implications

- 18. Section 38 of the Localism Act 2011 places a requirement on the Authority to publish a Pay Policy on its website.
- 19. The Authority is required to comply and ensure employees receive pay in line with the NMW and NLW. A failure to ensure pay is in accordance could result in investigation by HMRC and employees raising an employment tribunal claim.

Financial Implications & Value for Money

- 20. The Director of Finance and Procurement outlines the impact and funding arrangements for the 2025 pay awards in the quarterly financial updates provided to Members.
- 21. There are no other direct financial implications associated with the publication of the Pay Policy.

Risk Management and Health & Safety Implications

- 22. There are no risk management or health & safety implications associated with the Pay Policy.

Environmental Implications

- 23. There are no environmental implications associated with the Pay Policy.

Contribution to Our Vision: *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

24. An effective Pay Policy and grading structure allows us to attract and retain the best staff who enable us to work towards our vision of being 'The best Fire & Rescue Service in the UK'.

BACKGROUND PAPERS

NONE

GLOSSARY OF TERMS

NMW **National Minimum Wage**

NLW **National Living Wage**