

Nottinghamshire and City of Nottingham Fire and Rescue Authority Policy and Strategy Committee

PRINCIPAL OFFICER PAY STRUCTURE

Report of the Chief Fire Officer

Agenda Item No:

Date: 02 August 2013

Purpose of Report:

To recommend the application of 3-point pay scale for the roles of Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer and Assistant Chief Officer on appointment.

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1. BACKGROUND

- 1.1 The current salary of the Chief Fire Officer is determined by utilising a two track approach as stated within the National Joint Council (NJC) for Brigade Managers of Local Authority Fire and Rescue Services Scheme of Conditions of Service (Gold Book).
- 1.2 This entails an annual review by the NJC to set the level of pay increase applicable to Brigade Managers covered by this agreement, with all other decisions about pay and remuneration being determined locally by the Fire Authority.
- 1.3 The Gold Book sets out minimum levels of salary for Chief Fire Officers based upon population size. In 2002, following an external pay review by Deloittes, Nottinghamshire Authority moved away from these minimum salary levels and, in 2009, the Authority established a benchmarking process based upon average pay against the salaries of the CFO's of Staffordshire, Leicestershire and Derbyshire. This review is undertaken biennially by the Authority with any implementation taking place in January.

2. REPORT

- 2.1 As set out above, the Fire Authority has established a benchmarking process in respect of the pay of the Chief Fire Officer to ensure that the salary applied remains competitive, is justifiable, and is commensurate with neighbouring Services. It is important for the Fire Authority to set a stable and affordable pay strategy whilst remaining competitive in its recruitment and retention of strategic roles.
- 2.2 The current salary of the Chief Fire Officer is £139,540. This has not been increased since 2010 due to a freezing of cost-of-living awards by the national employers, and a decision by the Fire Authority not to apply any local increase following its biennual review in 2012.
- 2.3 The salary levels of other Principal Officers are set as a % of that determined for the Chief Fire Officer, as follows:

Deputy Chief Fire Officer: 82.5% Assistant Chief Fire Officer: 75% Assistant Chief Officer: 65%

- 2.4 Within the current pay structure, any new appointments to Principal Officer roles are therefore made on the basis of single pay point, with no flexibility to acknowledge development within the role or to establish a link between performance and pay.
- 2.5 Within the next 18 months, there is potential for vacancies at Principal Officer level to arise due to the provisions of the Fire-fighter Pension Scheme which

allow for retirement at the age of 50 after 30 years service. The Chief Fire Officer and Assistant Chief Fire Officer would be eligible to elect for retirement under these provisions, and both are contracted to give a minimum six months' notice of their intentions. It is therefore timely to review the salary structure which might be applied on appointment should this situation arise.

- 2.6 In order to build in some flexibility to the current single salary point arrangement, it is recommended that a 3-point salary structure be established based upon completed years in post. The maximum pay point would be reached, subject to agreement, once the post-holder had been in post for three years. The pay points to be based upon a % of the maximum Chief Fire Officer salary ie: that the appointee would receive 90% of salary in Year One, 95% of salary in Year Two and 100% in Year Three.
- 2.7 The current biennual review by the Fire Authority would continue on the same basis as set out under Paragraph 1.3 above. The next review is due for January 2014
- 2.8 Agreement to progress the post-holder to the next salary point would be undertaken on the anniversary of the appointment. The Policy and Strategy Committee would authorise the progression of the Chief Officer, and the Chief Fire Officer would authorise the progression of other Principal Officers.
- 2.9 The review process will need to be set out within the contract of employment to ensure transparency. Any decision to apply, or to with-hold, salary progression will need to form part of a documented process which will include review meetings to highlight any shortfalls in performance. This would normally form part of the probationary assessment during the first year, and be undertaken as part of the performance and development review (PDR) process in subsequent years. The Chair of the Fire Authority already undertakes an annual PDR with the CFO and targets are set which form the basis of the Strategic Management Team business plan which is presented to the Fire Authority annually. The Human Resources Department will implement the salary review process.
- 2.10 The proposed tiered approach to salary will not impact upon other contractual provisions which will continue to be applied from the commencement of employment. This will include the provision of vehicle based upon the maximum Chief Fire Officer salary rather than the first year salary to take account of the fact that the car leasing scheme is based upon a three year agreement. The value of the provided car is a third of the CFO salary, and 70% of this value for other Principal Officers. It should be noted that car provision will not apply to the appointment of an Assistant Chief Officer as a result of a decision taken by this committee at its meeting on 12 March 2012.
- 2.11 In order to ensure that the Authority retains its competitiveness in the market, it is recommended that the Appointments Committee maintain a discretion to appoint to any point in the salary range to take account of the experience or previous salary of a candidate, in order to effect a successful appointment. Such a decision to be documented as part of the appointments process.

3. FINANCIAL IMPLICATIONS

3.1 The impact of implementing a three point salary structure is set out below (the figures do not include on-costs):

Chief Fire Officer

Year 1 - £125,586

Year 2 - £132,563

Year 3 - £139,540

Saving: £20,931

Deputy Chief Fire Officer

Year 1 - £103,308

Year 2 - £109,364

Year 3 - £115,120

Saving: £17,268

Assistant Chief Fire Officer

Year 1 - £94,189

Year 2 - £99,422

Year 3 - £104,655

Saving - £15,699

Assistant Chief Officer

Year 1 - £81,630

Year 2 - £86,165

Year 3 – £90,701

Saving - £13,607

3.2 The savings arising from the proposed salary structure are set out within the above figures.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

4.1 Salary progression forms part of contractual provisions, and will therefore need to be set out within the Contract of Employment, and will form part of an individual's Terms and Conditions of Employment.

4.2 As the proposed salary structure will only apply to new Principal Officer appointments, it does not affect the contractual provisions of existing post holders.

5. EQUALITIES IMPLICATIONS

As the proposal does not impact upon policy or service provision, an equality impact assessment has not been undertaken.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

The contractual implications are set out within the report.

8. RISK MANAGEMENT IMPLICATIONS

Reducing the starting salary for strategic roles may adversely impact upon the attractiveness of the role to prospective candidates. For this reason, it is recommended that the Appointments Committee maintain discretion to appoint to an appropriate salary within the salary range for the role, to effect a successful appointment.

9. RECOMMENDATIONS

It is recommended that:

- 9.1 The Committee approve the proposed salary structure for appointments to future Principal Officer roles;
- 9.2 The Appointments Committee maintain discretion to appoint to an appropriate salary within the salary range for the role, in order to effect a successful appointment.

10. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Frank Swann
CHIEF FIRE OFFICER