#### **SOUTH YORKSHIRE FIRE & RESCUE AUTHORITY**

Meeting	APPOINTMENTS COMMITTEE
Meeting Date	24 JANUARY 2024
Report of	CLERK TO THE FIRE AND RESCUE AUTHORITY
Report Sponsor(s)	MONITORING OFFICER
Subject	GOLD BOOK PAY AWARD AND TWIN TRACKING

#### **EXECUTIVE SUMMARY**

This report asks members for a decision on 'Gold Book' employees of fire service pay (i.e. Brigade Managers).

The National Employers for the Fire Service (the NJC for Brigade Managers of Fire and Rescue Services) has proposed a final pay award for all 'Gold Book' employees of fire services (i.e. Brigade Managers).

The Pay award was agreed on 31st May 2023 (Appendix 1 – NJC Circular). This proposes a settlement of 4.0% and 3.5% per annum from January 2022 and January 2023 respectively. Caps on annual increases proposed in the previous (4th March) offer have now been removed (Appendix 2).

'Gold Book' includes the Chief Fire Officer, the Deputy Chief Fire Officer and the Assistant Chief Fire Officer (the Principal Officer Team), and consequentially the Director of Finance & Procurement and the Director of People & Culture as their pay is linked to that of the Chief Fire Officer.

Alternate options for Gold Book pay are set out in the paper and the Members of the Appointments Committee are requested to approve their preferred option.

# **RECOMMENDATION(S)**

Members are recommended to:-

- a) Consider and comment on the Gold Book Pay draft Annual report
- b) Determine which Twin Track approach to implement.

#### **CONTENTS**

Main Report
Appendix 1 – NJC Circular 31 May 2023
Appendix 2 – NJC Circular 4 March 2023

#### Introduction

Pay and remuneration for Brigade Managers is determined by a twin-track approach. The first track is by the National Joint Council (NJC) of the Local Government Association (LGA) who annually review the level of pay increase applicable to all those covered by the agreement. In doing so, the NJC considers affordability, other relevant pay deals and the rate of inflation at the appropriate date. Any increase agreed by the NJC is communicated to fire authorities by a national circular. The NJC also provides minimum salary level for CFOs.

The second track is undertaken by the local FRA who will consider the NJC advice and all other circumstances to determine the level of pay and remuneration to be awarded to individual Brigade Managers annually.

In addition to this twin track approach, SYFRA determined some years ago that Brigade Managers in SYFR are paid on the following basis:

- The DCFO's salary is 85% that of the CFO's salary
- The ACFO's is 80% that of the CFO's salary

And in 2022 also determined that:

- Director of Finance & Procurement (corporate) is 60% that of the CFO's salary (pro rata to hours worked – 0.6fte)
- Director of People & Culture (corporate) is 60% that of the CFO's salary (pro rata to hours worked 0.8fte).
  - SYFR produces an annual Pay Policy statement that is approved by the FRA. The policy states:

"When determining pay, for consistency, the Authority considers a number of factors. These are:

- current level of pay published annually by NJC (Gold Book):
- current level of pay published annually by JNC/NJC;
- operational responsibility;
- number of staff managed and direct reports;
- fire risk;
- population of the area serviced; and
- budget responsibility

This Authority normally engages the services of external specialists to carry out salary reviews for their Brigade Manager positions. The specialists will compare salaries amongst other Brigades as well as the wider public sector and will draw conclusions from their findings to assist the Authority in determining base pay for its Brigade Managers."

It has been several years since the FRA has engaged the services of external specialists to carry out salary reviews for Brigade Managers.

## 2022 & 2023 Pay Agreement and twin track

On 26 May 2023, following an extended period of negotiations, the Brigade Managers pay offer from the NJC for 2022 & 2023 was agreed, with a 4% and 3.5% uplift respectively (see Appendix 1 – NJC Circular).

This was agreed with some degree of reluctance by the Fire Leaders Association (FLA) due, in their view, the inability to have regular access and meaningful discussion throughout the period of the pay claim resulting in an ineffective pay negotiation mechanism.

#### The FLA have stated:

"The pay offer for 2022 and 2023 falls significantly shorter than that agreed with those employees employed under the Grey Book Conditions of Service. The reference to the twin track option to compensate for a reduced pay offer rather than compensate for market forces in areas of higher cost of living undermines collective pay negotiations.

The erosion of terms and conditions will have longer term impacts on pay differentials, recruitment and retention and Brigade Managers now achieving salaries that have very little pay difference to that of Grey Book roles in comparison to role and responsibility."

The FLA go on to request further discussions with the NJC on the twin track approach in relation to the 2024 pay negotiations, which the NJC have agreed to.

The alternative option to the NJC Employers award is one that has prevailed until recently across the whole of the fire service in that the Brigade Managers receive the same pay award as all other firefighters as this would then ensure that the pay differentials in role and responsibilities is maintained across the whole of the firefighter staffing structure.

## Impact of the 2022 & 2023 Pay Offer

The concerns highlighted above by the FLA has resulted in a number of Executive teams around the country seeking to utilise the local element of the twin track approach to obtain a further uplift to the 2022 & 2023 pay offer to the same level as the Grey Book pay award (7% + 5%). We are aware of a number of FRA's who have approved that approach, including within the Yorkshire & Humber region. We are also aware that many FRA's have recommenced an annual review of Brigade Manager salaries using external specialists.

It is important that the FRA are aware of the implications of these variations, particularly within our region and the potential impact on future recruitment and retention, morale and the ability to deliver continuous improvement in particularly challenging times.

## **Options**

There are the following options for members to consider in this report

- 1. The Authority adopts the NJC Gold Book pay award only 4% and 3.5% from January 2022 and January 2023 respectively
- 2. The Authority adopts NJC Gold Book pay award and engages external specialists to undertake a review of Brigade Manager salaries at a cost of circa £5k + VAT.
- 3. The Authority determines Brigade Managers receive the same pay award as their Grey Book (firefighter) counterparts. This would mean an increase of 7% from 1st January 2022 and then an increase of 5% from 1st January 2023.

Option 3 provides equity with the pay award for all of the different levels of firefighter staffing throughout the fire service structure and would thereby maintain the pay differentials that are in place to reflect the special roles and responsibilities of the Principal Officer Team.

# **Financial implications**

Table 1: showing the CFO and ACFO salary before the proposed increase and what it will be under the proposed options compared to the Maximum grey book salary.

Date	January 2021	January 2022	Option 1 revised Jan 2023	Option 2 revised Jan 2023	Option 3 revised Jan 2023
A- CFO salary per annum	£159k	£166k	£171k	Unknown*	£179k
B- ACFO Salary per Annum (80% of CFO)	£127k	£132k	£137k	Unknown*	£143k
C- Maximum Grey Book Salary **	£86k	£92k	£97k	£97k	£97k
Differential B-C	£32k	£33k	£34k	-	£36k

Table 2: shows the budget for Gold Book pay vs the cost of the proposed options

<sup>\*</sup> under option 2 the salary would be subject to an external recommendation

<sup>\*\*</sup> Includes 7.5% local uplift, 8.8% Continuous Duty, 20% Flexi-duty.

Note: only CFO salary and the ACFO salary is shown in this illustration the other Gold Book associated salaries are a percentage of the CFO salary as shown above.

Date	Budget	Budget		Option 1 –		Option 2 – revised		Option 3 –	
			revised		costs		revised		
			C	osts			C	osts	
	22/23	23/24	22/23	23/24	22/23	23/24	22/23	23/24	
Gold					Unknown*	Unknown*			
Book									
Pay									
Total	£530k	£618k	£545k**	£587k			£564k**	£612k	

<sup>\*</sup> under option 2 the salary would be subject to an external recommendation.

Table 3: shows the backpay costs for Gold Book pay under the proposed options

Date	Option 1	_	Option 2 – revised		Option 3 –	
	re	evised	budget		revised	
	b	udget			b	udget
	22/23	23/24	22/23	23/24	22/23	23/24
Gold			Unknown*	Unknown*		
Book						
Pay						
Budget	£28k	£33k			£47k	£58k

# The above tables show that:

- 1) The financial value of the differential between Grey Book and CFO pay is maintained under either option within SYFR, however other FRS's offering Grey Book pay arrangements may still impact on SYFR recruitment and retention.
- 3) The costs of option 1 are within budget when 21/22 back pay is excluded (Table 2). While operational costs are slightly higher than budget due to current backfill arrangements, these are offset by reduced corporate directors savings due to vacancies in the period.
- 4) The total backpay is £44k higher for option 3 compared to option 1.

## Recommendation

The Authority is recommended to comment on the report and approve their preferred option to be applied to the remuneration of the service's Gold Book staff and applicable Director positions for both the 1st January 2022 and 1st January 2023 pay periods (where applicable).

<sup>\*\* 22/23</sup> includes back pay relating to 21/22

CONT	CONTRIBUTION TO OUR ASPIRATIONS (tick all that apply)					
$\boxtimes$	Be a great place to work- we will create the right culture, values and behaviours to make this a brilliant place to work that is inclusive for all Put people first- we will spend money carefully, use our resources wisely and					
$\boxtimes$	collaborate with others to provide the best Strive to be the best in everything we do of technology and develop leaders to become	o- we will work with others, make the most				
_	RIBUTION TO SERVICE IMPROVEMENT II that apply to your report and add supporti					
	HMICFRS Inspection Framework e.g. Dia	gnostic area and/ or diagnostic questions				
	SYFR Inspection report Areas for Improve	ment (AFIs)				
$\boxtimes$	Fit for the Future Improvement Objectives					
	Professional Standards for Fire & Rescue	Services in England				
	SYFR Service Plan 2023-24 Priorities					
	SYFR Community Risk Management Plan					
	issues identified in the Gold Book Pay Awa ed to Fit for the Future Improvements and S					
OPPC	ORTUNITIES FOR COLLABORATION (tick	relevant box)				
	Yes					
<u>                                     </u>	No					
•	have ticked 'Yes' please provide brief detai parties it would involve:	is in the box below and include the third				
CORF	PORATE RISK ASSESSMENT AND BUSIN	IESS CONTINUITY IMPLICATIONS				
10.	The pay of Principles Officers and roles w and retention of key Executive Manageme leadership strategic roles, through which t assessed, monitored and reviewed.	ent Team personnel holding corporate				
EQUA	ALITY ANALYSIS COMPLETED (tick releva	ant box)				
If you	Yes have ticked 'Yes' please complete the belo s:	w comment boxes providing details as				
Sun	nmary of any Adverse Impacts Identified:	Key Mitigating Actions Proposed and Agreed:				
	No N/A					

If you have ticked why an EA is not		/A' please complete the comments box below providing details of soutstanding:
This report doe decision impac		e to the introduction of a new policy, strategy or procedure. The post holders.
HEALTH AND S	AFETY RIS	SK ASSESSMENT COMPLETED
☐ Yes ☐ No ☑ N/A		
		/A' please complete the comments box below providing details of sk Assessment is not required/is outstanding:
This report cov		Book Pay Award and Twin Tracking and associate roles and does not ssment.
SCHEME OF DE	LEGATIO	N
		rkshire Fire and Rescue Authority <u>Scheme of Delegation</u> a  I / *has been approved at Service level.
Delegated	d Power	☐ Yes ⊠ No
If yes, please cor	nplete the	comments box indicating under which delegated power.
This report is no	t submitted	d under delegated powers. The constitution requires the to determine the Gold Book pay award.
IMPLICATIONS		
them belo Sustainab Collabora	w:, Diversi ility, Fleet,	is report has any of the following implications and if so, address ity, Financial, Asset Management, Environmental and Communications, ICT, Health and Safety, Data Protection, and Industrial Relations implications have been considered in
List of backgro	und docu	ments
N/A		
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