

# BMKFA Pay Policy Principles and Statement 2020/2021 2019/20

This document applies to all employees of Buckinghamshire & Milton Keynes Fire Authority (The Authority).

#### **Principles**

#### 1. Accountability

Decisions on pay policies will be taken by elected members - those who are directly accountable to local communities. We will ensure that all democratically accountable members have a significant input into how decisions on pay are made and that we are open about the policies that determine those decisions.

The annual Pay Policy Statements and any amendments to them will be considered by a meeting of the Fire Authority and will not be delegated to any sub-committee. In scheduling such meetings, we will act in accordance with our responsibilities under part 5A of the Local Government Act 1972. However, we note that the Secretary of State does not consider that any of the grounds for exclusion of the public would be met for discussions of Pay Policy Statements. Such meetings should therefore be open to the public and should not exclude observers. All decisions on pay and reward for chief officers must comply with the current Pay Policy Statement.

The Fire Authority will be offered the opportunity to vote before salary packages (£100,000 plus) are offered in respect of a new appointment. For this purpose, salary packages should include salary, any bonuses, fees or allowances routinely payable to the appointee and any benefits in kind to which the officer is entitled as a result of their employment.

#### 2. Transparency

The Pay Policy Statement along with our approach to the publication of and access to information relating to remuneration will be published on our website.

Although we are not required to use our Pay Policy Statement to publish specific numerical data on pay and reward, we will consider how the information within the Pay Policy Statement fits with that data on pay and reward that we publish separately.

This includes that data required to be published under the Code of Recommended Practice for Local Authorities on Data Transparency and by the Accounts and Audit (England) Regulations 2011.



#### 3. Fairness

We ensure that decisions about senior pay are taken in the context of similar decisions on lower paid staff salaries and that the relationship between those decisions are considered. We will consider our proposals for the pay relationship between the remuneration of chief officers and employees who are not chief officers. We will publish our pay multiple – the ratio between the highest paid employee and the mean average earnings and the lowest paid across the Fire and Rescue Service.

We will set out our approach to the award of other elements of remuneration including bonuses, performance related pay as well as severance payments.

#### 4. Monitoring and assurance

On an annual basis, a review will be undertaken on the previous year's decisions and impacts in relation to this policy and a report will be presented to the appropriate Board.

#### Part One - Pay Policy (all staff excluding SMB)

- 1. All pay decisions will be fair, based on policy and reflecting the requirements of legislation.
- 2. Our systems will be transparent and well known amongst staff groups and we will discuss planned changes to our systems with the appropriate representative bodies.
- 3. We will, where possible, avoid complex pay systems and in determining pay will make reference to market rates in order to secure best value for the taxpayer.

#### Level and elements of remuneration

- 4. The majority of staff are employed under contracts with either; the terms and conditions of the NJC for Local Authority Fire and Rescue Services Scheme of Conditions of Service, 2004 "the Grey Book" incorporated; or with the provisions of the local terms and conditions of Buckinghamshire and Milton Keynes Fire Authority Scheme of Conditions of Service for Support Services staff.
- 5. For Grey Book staff rates of pay are set out in circulars issued by the NJC and entitlements are governed by Part B of the Grey Book. However, the Authority recognises that new employees may be employed on terms and conditions outside of the Grey Book. This includes the operation of the 'Bank System'.



The Authority also recognises that employees in

existing firefighter roles may want to agree rates of pay outside of the Grey Book for the protection of services and provision of enhanced resilience, including agreement to not participate in industrial action.

In addition, and in line with our retention and succession planning, the Authority does agree enhanced remuneration outside of the Grey Book for specific roles, such as Area Commanders, Group Commanders and Station Commanders.

- 6. For other <u>Support Services</u> staff the pay structure takes the form of pay scales with <u>spinal column points two pay points</u>; <u>development and competent</u>, <u>with the exception of employees in post prior to September 2014 who retain three-point scales (until they move posts or are subject to regrading) and those employed within Fleet Management. Progression is based on evidenced performance and would normally occur on 1st April if required criteria are met; at least six months in post, subject to performance and the maximum grade for the post not being exceeded. <u>Incremental</u> Progression may be withheld if performance is not to the required standard.</u>
- 7. The Government introduced a UK wide apprenticeship levy from April 2017. This levy was to help fund the increase in the quantity and quality of apprenticeship training and to give employers greater control of apprenticeships. The levy rate is set at 0.5 per cent of an employer's pay bill over £3 million and is collected via PAYE. At the Executive Committee meeting on 29 July 2015, Members opted to use the apprenticeship training agency (ATA) model for the recruitment of apprentices. The Authority will utilise apprenticeship opportunities wherever practicable as part of a blended approach to improving diversity and refreshing the workforce. We will reward apprentices appropriately, recognising competence and performance during the various development stages of their apprenticeship.
- 8. Pay scales are inserted in the annexes:

**Appendix 1**: Grey Book Pay rates from 1 July 2019

**Appendix 2**: Support Services Staff Pay scales from 1 July 2019

- 9. Some members of staff participate in lease car arrangements.
- 10. The Authority reimburses mileage, travel expenses, subsistence and other expenses (e.g. overnight stays, meals and professional fees) when appropriate and in accordance with the Authority's procedures relating to expenses.

#### **Remuneration on Recruitment**

11. Remuneration will be based on the evaluated rate for the role, either nationally or locally set.

#### Increases and additions to remuneration



- 12. Additional Responsibility Allowance (ARA) payments are used to reward increased responsibilities and duties beyond the normal remit of the role for specific periods, for example to cover managed vacancies for short to medium term periods, enabling successful change management with minimal risk. These payments apply to staff on Grey Book terms and conditions.
- 13. At the discretion of the Authority, honorarium payments can be given to Support Services staff when they are asked to undertake part of the duties at a higher graded post or duties outside the scope of their post, which is particularly onerous. Where the payment relates to an employee undertaking a proportion of the duties of a higher graded post, the calculation of the payment will normally link to the pay scale of the duties of the higher graded post being undertaken. For duties outside the scope of the employee's role, the amount of the payment will be determined by estimating the relative worth of the task in comparison to the employee's substantive grade. These payments are for Support Services staff.
- 14. Any such payments require the signature of two Directors in accordance with current procedures.

#### Use of Performance related pay

15. Performance related pay is not in operation although certain posts attract performance increments based on skill development.

#### Use of bonuses and merit awards

- 16. One-off bonus payments will be considered linked to evidenced and scrutinised delivery of performance management objectives and is outlined in Appendix 3.
- 17. Re-employment/re-engagement

Re-employment/re-engagement will not normally occur following retirement. In exceptional circumstances, where specialist knowledge and expertise are required for a defined period of time re-employment/re-engagement may be considered. In the exceptional circumstance that re-engagement/re-employment were to be necessary in the interest of public safety, any decision will be subject to prior approval at Director level.

#### Approach on ceasing to hold office or be employed by the Authority

18. The Authority's current policies in respect of discretionary payments are in line with recommendations to be found in the minutes of the Fire Authority on 24 June 2014 titled Local Government Pension Scheme 2014 – Employer Discretions, the minutes of the Executive Committee held on 17 July 2013, and a report to the Executive Committee on 18 October 2017 - Scheme Manager Discretions for the Firefighters' Pension Scheme 2015.



#### Publication of and access to information relating to remuneration

19. We publish information in accordance with the Local Government Transparency Code 2014.

#### **Pay Multiple**

20. The pay multiple is the ratio between the highest paid salary and the median average salary of the Authority's workforce. The average salary level is defined as the total of all regular payments made to an individual.

For the financial year 2020/2021 2019/20, the definition of lowest paid staff are those staff we employ who are paid at rates that are maintained in line with the National Living Wage and the lowest rate will be that applicable for workers aged 25 and over.

#### The current BMKFA pay multiples:

The Authority's pay multiple; the ratio between the highest paid employee and the median average salary figure for all employees in the Authority is:

Highest pay: lowest pay: 9.64:1 9.37:1
Highest pay: median pay: 4.77:1 4.77.1

Year	Highest pay : Lowest pay	Highest pay : Median pay
2020/2021	<u>9.37:1</u>	<u>4.77:1</u>
2019/20	9.64:1	4.77:1
2018/19	9.86:1	4.77:1
2017/18	10.17:1	4.77:1
2016/17	10.71:1	4.72:1
2015/16	11.04:1	4.77:1
2014/15	11.5:1	4.87:1
2013/14	11.72:1	4.9:1
2012/13	12.7:1	5.0:1

21. It is our intention that salary multiples do not reach the 1:20 ratio referred to in the Hutton Report.



# Part Two - Pay Policy - Strategic Management Board (SMB)

SMB members pay arrangements are locally determined. Pay progression is performance based, with scope to increase the salary after completion of the annual external SMB remuneration and performance review process. The provisions of the National Joint Council for Brigade Managers of Fire and Rescue Services (referred to as the Gold Book) also apply for remuneration purposes for annual pay awards.

#### Level and elements of remuneration

- 22 Senior management remuneration comprises salary, car provision or car allowance.
- 23. Gold Book Pay is based on a twin track approach of an annual nationally agreed pay deal and a local pay agreement. SMB Pay Policy includes proposals to consider the implementation of Earn Back Arrangements and addresses the requirements of the Localism Act in relation to the SMB.

#### **Remuneration on Recruitment**

24. Remuneration will be based on the evaluated rate for the role.

#### Increases and additions to remuneration

25. Increases and additions for senior management posts will require approval of the appropriate committee of the Authority.

#### **Use of Performance related pay**

26. Performance related pay will be used in the context of the relevant policy, based on "Earn back" principles and will need approval by elected members of the Fire Authority.

#### **Use of Bonuses**

27. One off bonus payments may be considered linked to evidenced and scrutinised delivery of performance management objectives.

#### Approach on ceasing to hold office or be employed by the Authority

28. **Summary dismissal**: Dismissal without notice payments

**Dismissal with notice**: Salary payment in line with contract

**Redundancy**: In accordance with Authority procedures

Resignation or leave date: Normal salary payment until end of notice period



**Redeployment**: In accordance with prevailing Authority procedures

- 29. This Authority does not make payments to senior staff members who leave other than to those who are leaving for the purposes of improved efficiency.
- 30. Re-employment/re-engagement will not normally occur following retirement, however there may be exceptional circumstances where specialist knowledge and expertise are required for a defined period of time in the event of which re-employment/re-engagement may be considered. In the exceptional circumstance that re-employment/re-engagement is necessary in the interest of public safety, this decision will be subject to prior approval at a meeting of the Fire Authority in open session.
- 31. The Fire Authority will be given the opportunity to vote as to the terms of appointment or dismissal of the Chief Fire Officer and Chief Executive and deputy to the Chief Fire Officer and Chief Executive, or equivalent.

#### Publication of and access to information relating to remuneration

32. We publish information in accordance with the Local Government Transparency Code 2015.



### Appendix 1:

FIREFIGHTING ROLES (Wholetime) PAY RATES effective 1 July 2019						
	Basic annual salary	Basic hourly rate	Overtime rate			
Firefighter	-	·				
Trainee	£23,366	£10.67	£16.01			
Development	£24,339	£11.11	£16.67			
Competent	£31,144	£14.22	£21.33			
Development	£33,101	£15.11	£22.67			
Competent	£34,528	£15.77	£23.66			
Development	£35,275	£16.11	£24.17			
Competent A	£36,255	£16.55	£24.83			
Competent B	£38,611	£17.63	£26.45			
Development	£40,161	£18.34	£27.51			
Competent A	£41,367	£18.89	£28.34			
Competent B	£44,297	£20.23	£30.35			
Group Commander						
Development	£46,254	£21.12	Not applicable			
Competent A	£47,641	£21.75	"			
Competent B	£51,275	£23.41	"			
Area Manager						
Development	£54,303	£24.79	Not applicable			
Competent A	£55,930	£25.54	"			
Competent B	£59,565	£27.20	W .			



FIREFIGHTING ROLES (On-call) PAY RATES effective 1 July 2019									
	£ per annum	£ per annum	£ per hour	£ per occasion					
Firefighter									
Trainee	£2,337	£1,168	£10.67	£4.10					
Development	£2,434	£1,217	£11.11	£4.10					
Competent	£3,114	£1,557	£14.22	£4.10					
Crew Command	der	· ·							
Development	£3,310	£1,655	£15.11	£4.10					
Competent	£3,453	£1,726	£15.77	£4.10					
Watch Commar	nder								
Development	£3,528	£1,764	£16.11	£4.10					
Competent A	£3,626	£1,813	£16.55	£4.10					
Competent B	£3,861	£1,931	£17.63	£4.10					
<b>Station Comma</b>	nder	·							
Development	£4,016	£2,008	£18.34	£4.10					
Competent A	£4,137	£2,068	£18.89	£4.10					
Competent B	£4,430	£2,215	£20.23	£4.10					
<b>Group Commar</b>	nder								
Development	£4,625	£2,313	£21.12	£4.10					
Competent A	£4,764	£2,382	£21.75	£4.10					
Competent B	£5,128	£2,564	£23.41	£4.10					
Area Manager									
Development	£5,430	£2,715	£24.79	£4.10					
Competent A	£5,593	£2,797	£25.54	£4.10					
Competent B	£5,957	£2,978	£27.20	£4.10					

Column 1 shows the full annual retainer

Column 2 shows the retainer for employees on the day crewing duty system

Column 3 shows the hourly rate for work undertaken

Column 4 shows the disturbance payment per call-out



### Appendix 2:

SUPPORT SERVICES PAY SCALES effective 1 July 2019							
Pay Scales	Money Value	Pay Point Descriptor					
A (NLW)	£15,840	National Living Wage (Statutory rate reviewed April 2019)					
В	£17,213	Development					
В	£17,642	Competent					
	£18,524	Development					
С	£19,327	Competent					
	£20,164	Exempt					
D	£20,486	Development					
U	£20,999	Competent					
	£21,880	Development					
Е	£22,282	Competent					
	£22,687	Exempt					
	£23,900	Development					
F	£24,437	Competent					
	£24,974	Exempt					
	£26,211	Development					
G	£26,589	Competent					
	£27,117	Exempt					
	£28,632	Development					
Н	£29,149	Competent					
11	£29,932	Competent (Driving Instructors)					
	£29,838	Exempt					
	£32,621	Development					
I	£33,512	Competent					
	£34,414	Exempt					
J	£35,522	Development					
J	£36,410	Competent					
	£40,359	Development					
K	£41,380	Competent					
	£42,563	Exempt					
L	£43,863	Development					
<u>L</u>	£44,959	Competent					
	£47,578	Development					
М	£48,888	Competent					
	£50,189	Exempt					
	£58,349	Development					
N	£59,804	Competent					
	£61,418	Exempt					
0	£63,392	Development					
J	£64,976	Competent					



SUPPORT SERVICES PAY SCALES effective 1 July 2019						
Fleet Management	Money Value	Pay Point Descriptor				
	£28,511	VT Point 1				
	£29,116	VT Point 2 VT Point 3				
Vehicle Technicians (VT)	£29,654					
	£30,178	VT Point 4 VT Point 5				
	£30,682					
	£31,183	VT Point 6				
	£31,691	SU Point 7				
Supervisors (SU)	£32,213	SU Point 8				
	£32,903	SU Point 9				
Fleet Management (FT)	£33,602	FM Point 10				
	£34,302	FM Point 11				
	£34,995	FM Point 12				
	£35,682	FM Point 13				
	£36,572	FM Point 14				
	£37,474	FM Point 15				



#### Appendix 3:

# EMPLOYEE BONUS AND MERIT AWARD PAYMENT SETTING SCHEME AND PROCESS

#### Introduction

The purpose of this document is to outline the principles and process for determining whether or not employees will receive bonus payments and if so, sets out the process to determine the allocation of such payments. Bonus payments will be one-off and paid only to reflect excellent performance; that is performance, which exceeds the standards and targets agreed with the employee during their annual appraisal process and prior to the start of the financial year, for which any performance Scheme is introduced.

#### **Eligibility**

Eligibility would be specified as part of any Scheme rules on an annual basis.

#### **Key Principles**

The following key principles underpin any bonus and/or performance related reward Schemes:

- The Scheme is entirely discretionary and forms no part of the contract of employment.
- The Scheme sits in the context of the Authority's overall strategic and performance management processes, therefore targets and objectives included in any Scheme will align with the Corporate and Public Safety Plan objectives, via the "golden thread" process.
- Payments will only be made where the employee's contribution not only reflects excellence but also clearly assists with achieving the Authority's strategic objectives.
- It is intended to reward those who can demonstrate sustained, outstanding achievement or excellence in their role.
- It is intended to recognise and reward, not only the exceeding of targets and standards, but also the acquisition of the necessary competencies and deployment of behaviours that reinforce the Authority's values and norms.
- The amount of money available to be paid in bonus payments to employees under the Scheme will be determined as part of the annual budgeting process and any Scheme will be self-funding.

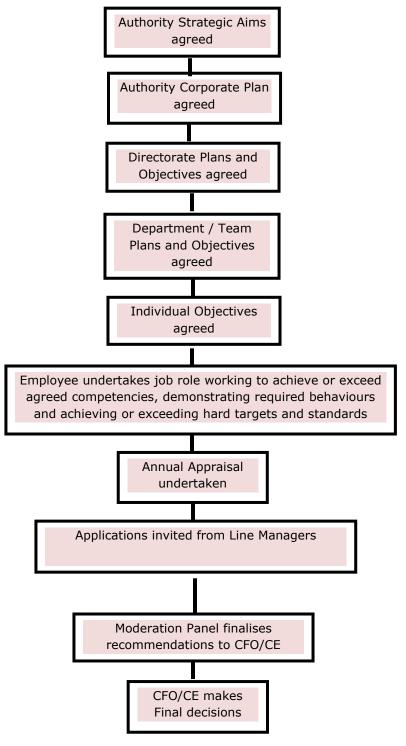


- All eligible candidates invited to participate in any
   Scheme must have an agreed appraisal, including core and stretching objectives in advance of the bonus Scheme year.
- Recommendations for payments under the Scheme will be made by the employee's line manager following the annual appraisal process to the appropriate Director.
- Recommendations will be reviewed by a Moderation Panel consisting of:
  - The Chief Operating Officer/DCFO
  - The Director of People and Organisational Development
  - The Director of Finance and Assets
  - The Director of Legal and Governance
- The Moderation Panel may choose to appoint an independent advisor to assist
  with the process of ensuring that proposed awards are based on the exercise of
  consistent judgement in both the setting of targets and standards and the
  assessment of achievement against these.
- Payments under the Scheme will be authorised by the Chief Fire Officer/Chief Executive on recommendation of the Moderation Panel.
- Employees will only be informed of approved awards and not as to whether or not a recommendation was made.
- There will be no appeal against recommendations or final decisions.
- The Executive Committee will receive an annual report summarising the awards, if any, that have been made.
- Eligibility criteria will be approved by members of the Strategic Management Board (SMB) on an annual basis. This may include decisions not to run a bonus Scheme.
- Decisions will comply with the requirements of the Authority's Pay Policy, which is reviewed and approved annually.
- If and when an annual bonus Scheme is agreed, specific detailed rules will be developed in advance of the Scheme year; for example, new staff who become eligible in year, long term absence etc.
- Any payments will be subject to statutory deductions.



# BUCKINGHAMSHIRE & MILTON KEYNES FIRE AUTHORITY

Bonus and Merit Award Setting Scheme Process Flow Chart





### Appendix 4

### **Equality Impact Assessment (EIA)**

An Equality Impact Assessment should be included to identify any issues which may result in a group being disadvantaged by the process.

To complete the table, tick  $\checkmark$  the likely impact. If you have a tick in any negative box you need to consider why and include this in your assessment. If an EIA action plan is necessary, this can be downloaded from the intranet.

Assessment of impact on groups in **bold** is a legal requirement. Assessment of impacts on groups in *italics* is not a legal requirement, however it will help to ensure that your activity does not have unintended consequences.

Protected characteristic	Positive	Negative	Neutral	If negative, why and how could this be lessened (use action plan if necessary)
Individuals of different ages			<b>/</b>	
Disabled individuals			<b>/</b>	
Individuals transitioning from one gender to another			<b>\</b>	
Individuals who are married or in civil partnerships				
Pregnant individuals and new parents				
Individuals of different race				
Individuals of different religions or beliefs				
Individuals gender identity			<b>/</b>	
Individuals sexual orientation			<b>/</b>	
Individuals living in different family circumstances			<b>/</b>	
Individuals in different social circumstances			<b>\</b>	
Different employee groups			<b>/</b>	



Other			

#### **Data Protection Impact Assessment (DPIA) screening questions**

If the document includes any personally identifiable information (PII) a Data Protection Impact Assessment (DPIA) will be required. This should be discussed with the Data Protection Officer (the Information Governance & Compliance Manager) and the DPIA file location referenced at this point in your document.

Where no PII is involved it should be stated at this point in your document.

The Data Protection Officer holds the master copies of all completed DPIA in N:Common/Information Assets/DPIAs.

The DPIA needs to be reviewed periodically to ensure that any PII is adequately considered.

The DPIA template and guidance can be found <a href="here">here</a>.