



LONDON FIRE BRIGADE

Report title

Local Pay Policy 2021/22

Report to

People Directorate Board
Commissioners Board
London Fire Commissioner

Date

25 February 2021
24 March 2021

Report by

Subject Matter Expert, Industrial & Employee Relations,
People Services

Report number

LFC-0508

Protective marking: **NOT PROTECTIVELY MARKED**

Publication status: Published in full

I agree the recommended decision below.

Andy Roe
London Fire Commissioner

This decision was
remotely signed on
Date 11 May 2021

Executive Summary

This report sets out a formal pay policy statement for 2021/22 to be adopted by the London Fire Commissioner (LFC) in accordance with the requirements of the Localism Act 2011, section 38.

Recommended decisions

That the London Fire Commissioner approves the pay policy statement (Local Pay Policy 2021/22) set out in Appendix 1 to the report.

Introduction and Background

1. The Localism Act 2011 (the Act) sets out an obligation on all Local Authorities and all Fire and Rescue Authorities, including the LFC, to publish a formal pay policy statement. This statement must set out the LFC's policies and approach to the remuneration of chief officers and its lowest paid staff, and it must be reviewed and approved annually and applied in practice. The first pay policy statement was set out in FEP 1906 and approved by the former London Fire & Emergency Planning Authority in March 2012; most recently, the LFC approved the 2020/21 pay policy statement (LFC-0332D) on 3 April 2020.

2. The LFC was added to the list of relevant authorities within the Localism Act 2011 required to prepare an annual pay policy via paragraph 120 of Schedule 2 of the Policing and Crime Act 2017. This paragraph however excluded the LFC from being required to prepare and approve the pay policy before the end of the 31 March immediately preceding the financial year to which it relates.
3. DCLG published guidance (the 'guidance') in respect of these provisions of the Act in February 2012, and supplementary guidance in February 2013. The definition of "chief officers" used in the Act includes Directors, Assistant Commissioners, and Heads of Service. In March 2012, LFEPA agreed to extend its pay policy statement to also cover Deputy Assistant Commissioners (DACs) and other non-operational staff who constitute the LFC's 'top management group' (TMG). This goes beyond the strict requirements of the Act but supports the recommendation, set out in paragraph 17 of the guidance, that the LFC should consider whether it "would be appropriate to extend the scope of their pay policy statement to include highly paid members of staff who would not come within the definition of chief officers". All such posts are governed by the same policies applicable to pay and reward, and the extension of the pay policy statement to cover these staff does not affect either their remuneration or conditions of service, nor does it alter the information within the public domain.
4. Pay policy statements between 2012 and 2017 also included the Commissioner for Fire and Emergency Planning within its definition of "chief officers" as the Commissioner for Fire and Emergency Planning was directly accountable to LFEPA. However, with effect from 1 April 2018, the individual holding the office of LFC has been appointed by the Mayor of London and no longer fits within the legislative definition. Nevertheless in accordance with paragraph 15 of the guidance which states that 'it is essential an authority's approach to pay, as set out in a pay policy statement, is accessible for citizens and enables local taxpayers to take an informed view of whether local decisions on all aspects of remuneration are fair and make best use of public funds', the Commissioner's earnings have been included in paragraphs 13.3 and 13.4 of appendix 1 which provide pay multiplier details between the highest paid and median earnings.
5. Changes to the 2020/21 pay policy statement are shown as tracked change for ease of reference for the report submitted to People Directorate Board and Commissioner's Board. These changes will be 'accepted' for the pay policy statement to be approved by the LFC and subsequently published.

Alternative Options Considered and Consultation

6. As stated in paragraph 1 above, the LFC has a statutory obligation to publish a formal pay policy statement on an annual basis; there is no other option in this regard. The proposed Pay Policy statement at Appendix 1 sets out extant arrangements and it is not proposed to amend these through this report. TMG pay and conditions are the subject of consultation/negotiation with the trade union Prospect as set out in the pay policy statement.

Objectives and Expected Outcomes

7. The recommendation within this report is for the LFC to approve the pay policy statement at Appendix 1 in order to meet its statutory obligations under the Localism Act 2011.

Impacts

Equality Impact

8. The London Fire Commissioner and decision-takers are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when exercising our functions and taking decisions.
9. It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
10. The protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), Race (ethnic or national origins, colour or nationality), Religion or belief (including lack of belief), Sex, and Sexual orientation.
11. The Public Sector Equality Duty requires us, in the exercise of all our functions (i.e. everything we do), to have due regard to the need to:
 - (a) Eliminate discrimination, harassment and victimisation and other prohibited conduct.
 - (b) Advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
 - (c) Foster good relations between people who share a relevant protected characteristic and persons who do not share it.
12. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;
 - (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
13. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
14. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - (a) tackle prejudice, and
 - (b) promote understanding.
15. A new Equality Impact Assessment has not been undertaken in preparing the 2021/22 Local Pay Policy. An EIA was not required as this Pay Policy does not, in and of itself, change any existing arrangements; it sets out arrangements which have previously been agreed and adopted. The principal terms and conditions of chief officers, including the policies and approach to remuneration, apply equally to all members of the Top Management Group.

16. Table 1 below sets out the race/gender composition of the TMG staffing group (figures do not include the LFC). It is appreciated that this staffing group is not a diverse group in terms of being reflective of the London population. It is however worth noting that the TMG operational group is almost exactly equally representative of women staff compared to the wider operational workforce (8.7 per cent compared to 8.8 per cent), although it is less representative of BAME staff than the wider operational workforce (8.7 per cent compared to 14.2 per cent). This under-representation is mirrored amongst the TMG non-operational group which is far less representative of BAME than the wider non-operational (FRS and Control) workforce (4 per cent compared to 27 per cent). The number and percentage of women in the TMG non-operational staffing group has increased over the last year and now stands at 40 per cent, however this remains less than the percentage of women in the wider non-operational staff group which stands at 55.1 per cent.

Table 1 – Race/gender composition of the TMG staffing group (as at 11/02/2021). Percentages in round brackets are those of the relevant category within the row total. Percentages in square brackets are those of the relevant category within the operational/non-operational (FRS and Control) workforce as a whole.

	BAME	White	Race not known	Female	Male	Total
Operational	2 (8.7%) [14.2%]	21 (91.3%) [84.2%]	0 (0%) [1.6%]	2 (8.7%) [8.8%]	21 (91.3%) [91.2%]	23 (100%)
Non-operational	1 (4.0%) [27.0%]	22 (88.0%) [70.2%]	2 (8%) [2.8%]	10 (40%) [55.1%]	15 (60.0%) [44.9%]	25 (100%)
Total	3 (8.5%)	43 (89.4%)	2 (2.1%)	12 (25.0%)	36 (75.0%)	48 (100%)

17. Under the Brigade's equalities monitoring self-service tool, in relation to sexual orientation, less than ten per cent of the TMG have identified as lesbian, gay, bisexual or 'other'; and less than ten per cent have stated that they have a disability.
18. There are work streams underway to seek to improve diversity at the senior grades which sit primarily within the LFC's Togetherness Strategy action plan. These include introducing targeted leadership development for underrepresented groups of employees; diversity-focused advertising where underrepresentation of groups has been identified; and all assessors and recruitment panels to be trained on inclusive recruitment. The LFC also publishes annually gender pay gap and ethnicity pay gap action plans which bring together the key steps being taken to tackle the varying gender and ethnicity pay gaps across the Brigade.

Procurement and Sustainability

19. The Pay Policy, at paragraph 12.1, confirms that the pay of the lowest paid permanent Brigade staff always exceeds the London Living Wage which is in line with the requirements of the Living Wage Foundation to which the LFC is a signatory and in line with Mayoral commitments. The LFC's business apprentices are paid at the London Living Wage.

Strategic Drivers

20. The key driver for this report is statutory compliance, see paragraph 1 above, however the LFC is committed to transparency and therefore welcomes the opportunity to publish its policies and approach to the remuneration of its chief officers. The reward structure for the TMG links directly to Pillar One of the Transformation Delivery Plan (TDP) ('The Best People and the Best Place to Work'), and to the TDP overall given the central role of the LFC's leadership team in delivering transformation.

Workforce Impact

21. The subject matter of this report is the LFC's policies and approach to the remuneration of its chief officers. The recognised trade unions were provided with the Pay policy statement after People Directorate Board and given the opportunity to make comments in advance of Commissioner's Board and LFC adoption. As at 18 March 2021 comments had been received from Prospect and no other trade union. As a result of Prospect's comments amendments have been made to paragraph 5.1 of the Pay Policy statement. Prospect wanted this paragraph to state that the agreement in 2020 under which TMG staff received a 2.5% pay progression in April (or to the band maximum if less) pending a replacement to SoLACE pay progression is an ongoing default arrangement. However the view of officers is that this was a one-year agreement only and so Prospect's proposed wording has not been agreed. Nevertheless paragraph 5.1 has been amended so that the Pay Policy now explicitly refers to the 2020 agreement. If further comments are received by the trade unions in advance of Commissioner's Board, they will be reported verbally to the meeting.

22.

Finance comments

23. The Director of Corporate Services has reviewed this report and has no comments.

Legal comments

24. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. The terms and conditions on which the London Fire Commissioner is appointed are determined by the Mayor with any such payments to the occupant of that office made by the London Fire Commissioner per schedule 27A of the Greater London Authority Act 1999.
25. Section 38 of the Localism Act 2011 (the 2011 Act) requires that pay policy statements must be published by a relevant authority. The LFC is a relevant authority by application of s43 (1)(g) of the 2011 Act.
26. Section 38 states, inter alia, that pay policy statements must set out the LFC's policies for:
- the remuneration of its chief officers,
 - the remuneration of its lowest-paid employees, and
 - the relationship between—
 - i. the remuneration of its chief officers, and
 - ii. the remuneration of its employees who are not chief officers.

27. The Government have published statutory guidance (the Guidance) on pay policy statements, this sets out that:

"The definition of chief officers (as set out in section 43(2)) is not limited to heads of paid service or statutory chief officers. It also includes those who report directly to the head of paid service or statutory chief officers (non-statutory chief officers), to those who report directly to non-statutory chief officers (deputy chief officers) and, in the case of a Fire and Rescue Authority, a Deputy Chief Fire Officer. Authorities are reminded that the Act sets out the information that they are required to include in their pay policy statements as a minimum. Authorities should consider whether, in the light of local circumstance and their own reward structure, it would be appropriate to extend the scope of their pay policy statement to include any other highly paid members of staff who would not come within the definition of chief officers."

28. The Pay Policy Statement attached to this report both meets the legislative requirements of the 2011 Act as well as considering and applying the requirements of the Guidance.

29. The Commissioner is also required to comply with the provisions of the Local Audit and Accountability Act 2014 ("2014 Act") and subsidiary legislation and guidance by virtue of Schedule 2 of the 2014 Act. This includes the Accounts and Audit Regulations 2015 issued under the 2014 Act, which require the Commissioner to publish the following information:

- The number of employees whose remuneration is at least £50,000 in brackets of £5,000;
- Details of remuneration and job title of 'senior employees' whose salary is at least £50,000; and
- The names of employees whose salaries are £150,000 or more.

30. The Pay Policy Statement attached includes provision for the LFC to comply with these requirements set out above.

31. The Local Government Transparency Code 2015, issued and applies to the Commissioner under section 2 of the Local Government, Planning and Land Act 1980, places further requirements on the Commissioner to:

"...place a link on their website to these published data or place the data itself on their website, together with a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) and details of bonuses and 'benefits-in-kind', for all employees whose salary exceeds £50,000. The key differences between the requirements under this Code and the Regulations referred to above is the addition of a list of responsibilities, the inclusion of bonus details for all senior employees whose salary exceeds £50,000 and publication of the data on the authority's website."

32. The Pay Policy Statement attached includes provision for the LFC to comply with the aforementioned requirements.

33. The LFC Scheme of Governance (May 2020) gives delegated authority to the Head of Service to approve changes to policies and procedures of which they are the designated custodian. However, given the specific statutory duties outlined above, the pay policy statement attached at Appendix 1 will be presented to the LFC for final approval.

List of Appendices

Appendix	Title	Protective Marking
1.	Pay Policy statement 2021/22	Not Protectively Marked

Pay policy statement 2021/22

New policy number: **821**
 Old instruction number:
 Issue date: **31 March 2013**
 Reviewed as current: **TBC**
 Owner: **Assistant Director, People Services**
 Responsible work team: **HR Advice and Employee Relations Policy Team**

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1 Introduction

- 1.1 This policy sets out the London Fire Commissioner's (LFC's) pay policy statement in accordance with the Localism Act 2011 (the 'Act') and DCLG's guidance under section 40 of the Localism Act 'openness and accountability in local pay' (the 'guidance').
- 1.2 It brings together in one statement and supporting documents the policies regarding pay and core terms and conditions of both the LFC's most senior managers and its lowest paid employees.
- 1.3 Under the Local Government Transparency Code 2015, the provisions relating to senior salaries, the LFC publishes the following:
 - The number of employees whose remuneration is at least £50,000 in brackets of £5,000;
 - Details of remuneration and job title of 'senior employees' whose salary is at least £50,000 (i.e. the top three levels of the organisation, as set out in the last top management review (2015)); and
 - The names of employees whose salaries are £150,000 or more.
- 1.4 This information is also included in the LFC's published annual accounts ('Statement of Accounts') on the LFB website.
- 1.5 In line with the guidance, the LFC's "chief officer" pay policy has been extended from those chief officers defined in the Act to cover all of its top management group.
- 1.6 Links to all relevant LFC documents mentioned in this pay policy statement are set out below in the 'related documents' section of this statement.

2 London Fire Commissioner's strategic objectives

- 2.1 The LFC is committed to transparency in regards to the employment of all its staff. This policy meets the statutory requirements in part 1, chapter 8 of the Act to publish a pay policy statement.

3 Definitions

- 3.1 In this policy "chief officers" means the top management group, i.e.:
 - the deputy commissioners/operational director (1),
 - the non-operational directors (3),
 - the assistant commissioners (6),
 - the deputy assistant commissioners (16)
 - the assistant directors and other non-operational heads of service (11)
 - the other non-operational members of the top management group (14).
- 3.2 In this policy "lowest paid" means the definition set out in paragraph 12.1 below.

Note. Figures in brackets () in this paragraph represent the number of established posts with effect from 1 April 2021.

4 Top management pay determination

- 4.1 The top management group (TMG) pay structure which applies with effect from 1 April 2016 was agreed by the London Fire and Emergency Planning Authority (LFEPA) in March 2016 (FEP 2591). The pay structure is based on a recommended structure submitted by Hay consultants and involves different tiers in the structure. Hay have undertaken a job evaluation of all these senior roles.

- 4.2 All new posts or changes to existing posts arising from changed responsibilities within the top management group are submitted to Hay consultants for evaluation and allocated to the appropriate grade in the structure. Where staff within the grade group take on additional responsibilities they may receive a special responsibility allowance in accordance with the LFC's [Policy number 563](#) – Special responsibility allowances.
- 4.3 The pay structure uses the London public and not-for-profit sector median as the benchmark.
- 4.4 General pay reviews, and increases to salary range maxima and minima, apply on 1 January each year, with the next review taking place on 1 January 2022. The pay formulae are set out within FEP 2591, Appendix B. Under the general pay review, the 2016 agreement was for basic pay for top managers to increase by the Government's public sector pay policy for the duration of the current parliament. Up until September 2017 this was 1%, however in that month the government announced the end of the 1% pay policy. With the ending of Government public sector pay policy, TMG pay is negotiated locally with 'Prospect', the sole trade union recognised for collective bargaining purposes. The pay settlement effective from 1 January 2021 was 0%, i.e. a pay freeze in view of the LFC's and GLA's financial position, and the public sector pay freeze announced by the Government in November 2020. Salary maxima and minima increase by the greater of the long-term trend increase in either (a) the median of London public and not-for-profit sector salaries, or (b) government pay policy¹.

5 Pay progression and performance related pay

- 5.1 The long-term arrangements for pay progression for the TMG are currently under discussion with Prospect. The arrangements for pay progression as set out in FEP2591 are part of ongoing negotiation with Prospect and are subject to change in 2021/22. Due to the pay freeze as outlined in paragraph 4.4 above, the position agreed in 2020 under which all eligible TMG employees received a pay progression of 2.5%, or to the maximum of the scale if less, on 1 April 2020 is not being applied on 1 April 2021.
- 5.2 TMG staff in receipt of a non-consolidated performance payment in 2020/21 under previous arrangements will continue to receive these in 2021/22 to ensure that they are no worse off under the 2021 pay freeze. The existing arrangements for newly-appointed Assistant Commissioners and Deputy Assistant Commissioners to progress to their respective 'competent' rates once signed off in role continue to apply. The majority of ACs and DACs are expected to be signed off in role within 12 months of appointment.

6 Changes to terms and conditions

- 6.1 The terms and conditions of staff within the top management group are determined through the TMG Consultative Forum where, as noted above, paragraph 4.4, the sole trade union recognised for collective bargaining purposes is Prospect.

7 Benefits and expenses

- 7.1 Operational officers within the scope of this statement are required to have a suitable vehicle for the conduct of their operational duties. They are contractually required to either use their own vehicle, in which case they will belong to the essential car user scheme or they will lease a car, in which case they will belong to the LFC's lease car scheme. Non-operational officers who are required to use their vehicle on LFC business normally belong to the LFC's casual car scheme.

¹ Currently under discussion with Prospect, and the Pay Policy will be amended if this changes.

The terms and conditions are as set out in the LFC's car schemes [Policy number 770](#) – Brigade car schemes and mileage rates.

- 7.2 All officers within the scope of this agreement are entitled to receive payment for membership of one professional association in accordance with the LFC's professional associations membership [Policy number 604](#) – Subscriptions to professional bodies/associations policy. Individual staff with a prior contractual agreement to the payment of more than one membership subscription will maintain this commitment on a personal basis.
- 7.3 Officers are entitled to recompense of receipted expenses in accordance with the LFC's expenses [Policy number 514](#) - Subsistence and public transport expenses policy.

8 Enhancement at termination

- 8.1 In cases of redundancy affecting non-operational staff within the scope of this policy statement, such staff are covered by the LFC's redundancy compensation scheme (LFC [Policy number 562](#), section 8). That scheme provides that staff who agree to severance are entitled to receive redundancy pay based on their actual weekly rate of pay multiplied by the statutory multiplier, plus an additional £10,000 lump sum (pro rata for part-time employees). In cases where an employee does not agree to accept severance then they will receive statutory minimum redundancy pay. The LFC has published policies in regard to the exercise of discretion within the Local Government Pension Scheme (LGPS) which could be applied on request to members of the LGPS.
- 8.2 On 12 February 2021 the government announced that it would be revoking the *Public Sector Exit Payments Regulations 2020*, which place a £95,000 cap on public sector exit payments. The announcement also stated that 'HM Treasury will bring forward proposals at pace to tackle unjustified exit payments'. This Pay Policy will be updated as necessary arising from any future regulations in relation to exit payments.
- 8.3 Operational officers have no access to a redundancy compensation scheme and therefore statutory provisions would apply in the event of a redundancy. It has been agreed to extend the scheme applicable to non-operational staff to operational staff in the event that regulations are enacted enabling the LFC to pay enhanced terms (FEP2023).

9 Abatement of pensions

- 9.1 LFC's policy is to abate an employee's pension where the scheme rules provide for it, where the employee is a pensioner of the LFC and the combined remuneration from pay and pension exceeds the final pensionable salary of the employee. Between November 2017 and September 2020 the LFC did not apply abatement to re-employed fire safety inspecting officers and other suitably qualified fire safety specialist officers due to skills shortages and fire safety work volumes following the Grenfell Tower incident. Since September 2020 normal abatement provisions have been re-instated in Fire Safety, and therefore apply across all departments.
- 9.2 In cases where the pensioner is not an ex-LFC employee the LFC will seek to secure employment on terms whereby the rate of pay and pension received by the individual does not exceed their final pensionable salary.

10 Re-employment

- 10.1 The LFC endorses the Home Office's policy position which is included in the Fire and Rescue National Framework (May 2018), i.e. fire and rescue authorities must not re-appoint principal fire officers after retirement to their previous, or a similar, post save for in exceptional circumstances

when such a decision is necessary in the interests of public safety. Any such appointment must be transparent, justifiable and time-limited. In the exceptional circumstance that a re-appointment is necessary in the interests of public safety, this decision should be subject to agreement by a public vote of the elected members of the fire and rescue authority, or a publicised decision by the appropriate elected representative of the fire and rescue authority, taking into account the legislative requirements of PCC (Police and Crime Commissioner) FRA (Fire and Rescue Authority) Chief Fire Officer appointment procedures. The reason why the re-appointment was necessary in the interests of public safety, and alternative approaches were deemed not appropriate, must be published and the principal's fire officer's pension must be abated until they cease to be employed by the fire and rescue authority.

- 10.2 Otherwise, staff who have retired or been made redundant are entitled to apply for any openly advertised role on the same basis as any other potential candidate and will be offered appointment if they are the best candidate for the role.
- 10.3 The Home Office's policy position also states that, to ensure greater fairness and the exchange of talent and ideas, all principal fire officer posts must be open to competition nationally, and fire and rescue authorities must take account of this in their workforce planning, and that fire and rescue authorities are expected to have regard to this principle when re-appointing at any rank. This policy position is also endorsed by the LFC: all operational Director, Assistant Commissioner, and Deputy Assistant Commissioner positions are open to competition nationally.

11 Tax avoidance - 'IR35'

- 11.1 The LFC's policy is not to directly engage staff who work through their own personal service company (PSC). The LFC's policy is to comply with all HM Revenue and Customs (HMRC) guidance and rules, and therefore complies with the 'IR35' (the 'intermediaries legislation') changes, introduced in April 2017. The intention of this legislation is to ensure that individuals who work through their own company in the public sector, but in an employee-type role, whether contracted directly by an organisation or through an intermediary such as an agency, pay employment taxes in a similar way to direct employees. The LFC may engage agency staff who work through their own PSC, but such staff must meet the required HMRC tests, including the HMRC online tool ('Check employment status for tax' – CEST), to ensure their engagement meets the IR35 rules.

12 Lowest paid staff

- 12.1 The lowest grade of non-operational permanent employees is FRS B which has an inclusive salary range of £25,794 to £30,575 p.a. (subject to a pay review wef. 01/04/21). The lowest role/grade of operational staff is Trainee Firefighter which has a spot rate salary of £28,305 p.a. (subject to a pay review wef. 01/07/21),. The lowest grade of Control staff is Trainee Control Room Operator which has a spot rate salary of £30,642 p.a. The LFC's approach to the reward of its lowest paid has been to ensure that its lowest permanent rate of pay exceeds the London Living Wage and that all its non-operational FRS staff are employed on single status conditions of service. It negotiates the remuneration of its lowest paid staff with its recognised trades unions – for non-operational staff this is the GMB and Unison, with the FBU also recognised for Control staff; for operational staff this is the Fire Brigades Union (FBU). The LFC has operated a business apprenticeship scheme and these apprentices are paid at the London Living Wage.

13 Pay multiple

- 13.1 Under the guidance, it is recommended that local authority pay policy statements should include the authority's policy on pay dispersion – the relationship between remuneration of chief officers

and the remuneration of other staff. The guidance recommends that the pay multiple (sometimes called 'pay ratio') is included in these statements as a way of illustrating the authority's approach to pay dispersion.

- 13.2 Under the Local Government Transparency Code 2015, local authorities must publish this pay multiple, defined as the ratio between the highest paid taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the median earnings figure of the whole of the authority's workforce. The measure must:
- cover all elements of remuneration that can be valued (e.g. all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind);
 - use the median earnings figure as the denominator, which should be that of all employees of the local authority on a fixed date each year, coinciding with reporting at the end of the financial year; and
 - exclude changes in pension benefits, which due to their variety and complexity cannot be accurately included in a pay multiple disclosure.
- 13.3 Based on the above, the pay multiple between the highest paid employee and median earnings for 2020/21 (i.e. coinciding with the end of the 2020/21 financial year) was: **4.25**. The pay multiple between the London Fire Commissioner and median earnings in 2020/21 was: **4.99**.
- 13.4 The maximum multiplier in 2021/22 for the relationship between the highest paid employee/LFC and median earnings is set at: **5.0** and **6.0** respectively.
- 13.5 The LFC will seek to keep within these multipliers. These are regarded as sufficient to cover any changes which may naturally occur in regard to staff movements or pay awards which might affect the multipliers during the twelve months.

14 Review

- 14.1 This pay policy statement will be reviewed annually by the London Fire Commissioner (LFC) in April each year, and the pay policy statement may be amended by the LFC at any time during the course of the year and will be updated to reflect any statutory changes between annual reviews.

15 Related documents

- 15.1 The following documents are referred to in this policy statement:
- [FEP2591](#) – Top management pay and grading review (this includes the performance related pay scheme for top managers).
 - [Top Management Group salary bands](#).
 - [Senior officer remuneration](#) published under the Transparency Code.
 - [Policy number 563](#) – Special responsibility allowances.
 - [FEP1578](#) – redundancy compensation scheme.
 - [Policy number 770](#) – Brigade car schemes and mileage rates.
 - [Policy number 514](#) – Subsistence and public transport expenses policy.
 - [Policy number 604](#) – Subscriptions to professional bodies/associations policy.
 - [Policy number 562](#) – Redundancy and redeployment code.
 - [Policy number 676](#) – policy related to flexible retirement in the local government pension scheme.
 - [FEP1397/FEP1311](#) – policy related to flexible retirement in the local government pension scheme.

- [FEP2234](#) – published scheme of delegations in the 2014 local government pension scheme.
- [FEP1856](#) – published scheme of delegations covering discretions applicable within the Firefighters pension scheme (1992), the new firefighters pension scheme (2006) and the 2008 local government pension scheme.
- [FEP2429](#) – includes published scheme of delegations applicable within the 2015 firefighters pension scheme.
- [FEP2280](#) – which sets out the additional voluntary severance payment now incorporated into the redundancy compensation scheme.

Document history

Assessments

An equality, sustainability or health, safety and welfare impact assessment and/or a risk assessment was last completed on:

EIA	13/06/2019	SDIA	11/06/2019	HSWIA	04/06/2019	RA	
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Audit trail

Listed below is a brief audit trail, detailing amendments made to this policy/procedure.

Page/para nos.	Brief description of change	Date
Throughout	This policy has had major changes please read to familiarise yourself with the content.	14/05/2013
Page 2 para 1.5	Related documents section has been reinstated in this paragraph.	15/05/2013
Page 5 para 15	Links updated to related documents.	20/06/2013
Throughout	Head of Communications post has been deleted, content updated to Head of Media and Internal Communications to reflect changes.	28/02/2014
Throughout Page 4 para 6 Page 5 para 9.1 Page 5 para 12.1	Staff numbers, appropriate figures and dates altered to reflect current positions. Heads of Service rolled in to one title and role of CAMS Project Director added. Additional sentence re extension of redundancy enhancement. Altered lowest comparator to FRS B, adding the Apprentices in too.	31/03/2014
Page 5 para 10.1	Typo corrected to accord with FEP2231, para 20.	15/04/2014
Page 7	'Subjects list' table - template updated.	05/12/2014
Throughout	Policy updated throughout, please re-read to familiarise yourself with content.	31/03/2015
Page 6, para 13.3 – 13.5	Minor amendment to update financial year.	21/04/2015
Throughout	Amendments to reflect Authority decisions on the Top Management Pay and Grading review (FEP 2591), plus other minor updates, including for the financial year. Reviewed as current.	31/03/2016
Throughout	General updating as agreed by the Authority (FEP 2712), plus 2016/17 pay multiple data.	31/03/2017
Page 6, para 14.3	Correction of Pay Multiple (Ratio) to be consistent with the Pay Multiple published for the Mayor's Annual Report for 2016/17.	27/10/2017
Throughout	General updating as agreed by the LFC, also reflecting the governance changes implemented on 01/04/18.	20/11/2018
Throughout	This policy has been reviewed as current with minor changes made throughout. Please re-read to familiarise yourself with the content.	23/05/2019

Page/para nos.	Brief description of change	Date
Throughout	Reviewed as current with general updating in line with annual review by LFC. Please re-read to familiarise yourself with the content.	13/05/2020
Throughout	Reviewed as current with general updating in line with annual review by LFC. Please re-read to familiarise yourself with the content.	XX/04/2021

Subject list

You can find this policy under the following subjects.

Pay	Salaries

Freedom of Information Act exemptions

This policy/procedure has been securely marked due to:

Considered by: (responsible work team)	FOIA exemption	Security marking classification