

## FRS 2022/23 Pay Settlement

Report to: Date:

Commissioner's Board Deputy Mayor's Fire and Resilience Board London Fire Commissioner 23 February 202328 February 2023

Report by:

Andrew Cross - Senior Organisational Effectiveness Manager - People Services

Report classification:

For decision

For publication

I agree the recommended decision below.

**Andy Roe** 

**London Fire Commissioner** 

Date This decision was remotely signed on 09 March 2023

## **PART ONE**

# Non-confidential facts and advice to the decision-maker

### **Executive Summary**

This report seeks agreement for the London Fire Commissioner and the Deputy Mayor to implement the 2022/23 pay settlement for FRS staff which has been reached with the trade unions (GMB and UNISON).

#### **Recommended decisions**

#### For the London Fire Commissioner

The LFC delegates authority to the Director of People to commit the revenue expenditure and take all necessary actions for the implementation of the 2022/23 pay settlement for FRS staff as set out in this report.

### 1 Introduction and background

- **1.1** The annual settlement date for the FRS general pay increase is 1 April and the effective date of the annual salary progression increase (SPI) i.e. progression through the pay band, is 1 July.
- **1.2** For 2022/23, discussions and negotiations continued from 3 May 2022 and on 26 January 2023, the trade unions, GMB and UNISON which are referred to jointly as Staff Side, informed the LFC of the outcome of their recent Staff Side meeting.
- 1.3 In summary the letter dated 26 January 2023 to the LFC advises that UNISON accepted the Brigade offer of £2265 but that GMB did not. GMB's preference is for a five per cent basic pay and one per cent salary SPI as referred to in the letter to the LFC dated 28 November 2022. It also advises that UNISON was outvoted at the Staff Side meeting by GMB and 'therefore the five per cent plus one per cent was decided'. Although the letter dated 22 December 2002 from the LFC referred that the offer was the final offer, the LFC has considered this latest Staff Side claim and agreed it.
- **1.4** The settlement agreed (based on current salary) is as follows:

#### From 1 April 2022

A pay increase of five per cent

#### From 1 July 2022

- A salary progression increase of one per cent to those eligible staff.
- **1.5** The 5 per cent increase will also apply to the associated allowances.

## 2 FRS 2022/23 Pay Settlement and Salary Progression Increase

- **2.1** A 3 per cent pay increase has been budgeted for in 2022/23 as set out in the the LFC 'Final 2022/23 Budget' report (LFC-0679) that was approved.
- **2.2** The overall cost of the total pay settlement including employer contributions is £2,621,264.
- 2.3 The tender for consultants to undertake the FRS pay review is proceeding through the procurement process and it is anticipated that bids will be invited by the end of February 2023.

#### 3 Objectives and expected outcomes

3.1 The objective of the recommendations within this report and therefore the expected outcomes is to implement the 2022/23 FRS pay settlement which has been reached with the trade unions.

#### 4 Equality comments

- 4.1 The LFC and the Deputy Mayor for Fire and Resilience are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.
- **4.2** 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, andafter the decision has been taken.
- **4.3** 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, colouror nationality), religion or belief (including lack of belief), sex, and sexual orientation.
- **4.4** The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:
  - eliminate discrimination, harassment and victimisation and other prohibited conduct.
  - advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
  - foster good relations between people who share a relevant protected characteristic andpersons who do not share it.
- **4.5** 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 havingdue regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic.
- take steps to meet the needs of persons who share a relevant protected characteristic thatare different from the needs of persons who do not share it.
- encourage persons who share a relevant protected characteristic to participate in publiclife or in any other activity in which participation by such persons is disproportionately low.
- **4.6** The steps involved in meeting the needs of disabled persons that are different from theneeds of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- **4.7** 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 dueregard, in particular, to the need to:
  - tackle prejudice
  - promote understanding.
- **4.8** The pay increase will be applied to all FRS staff, including those with protected characteristics, so although there is this positive impact because it is generally accepted to be beneficial, it is recognised that the pay increase which is based on a percentage increase across all grades, does mean that staff on higher grades receive more money than those on lower grades which include the lowest paid.
- **4.9** The Equality Impact Assessment completed identifies this and that there is a further impact because there is a disproportionate under-repesentation of groups, including black and minority ethnic groups being at the lower grades. The Brigade is taking steps to address this of which some are detailed in the gender pay-gap report (LFC 0603) and the disability pay-gap report (LFC 0635). These steps also include:
  - The delivery of training on equality, diversity and inclusion
  - The delivery of leadership programmes, including Gillian Tanner, Colin Townsley and Frank Bailey, that include supporting leadership development for under-represented groups of staff, including women; black, Asian, and other ethnic minority staff; and staff with a disability
  - The launch of the Coaching and Mentoring programme to improve diversity, career progression coaching, performance coaching and supporting the leadership interventions.

#### 5 Other considerations

#### Workforce comments

**5.1** It is anticipated that there will be a positive impact on the FRS workforce because a pay increase is generally accepted to be beneficial which has been reached with the Staff Side - trade unions who collectively represent FRS staff.

#### Sustainability comments

**5.2** There are no direct sustainability implications arising from the recommendations within this report.

#### **Procurement comments**

**5.3** There are no direct procurement implications arising from the recommendations within this report.

#### **Communications comments**

5.4 A communications message will be sent to the FRS staff notifying them directly of the pay settlement and other pay arrangements. The FRS pay policy no. 716 will be updated and uploaded onto Hotwire for all staff to view. In addition the new Pay 2022/23 Hotwire page will be updated with the settlement details as well as the Frequently Asked Questions (FAQs). Communications will also be sent using the Brigade's internal Yammer social media site.

#### 6 Financial comments

- **6.1** The report recommends that the proposed 2022/23 pay settlement is agreed for FRS staff. The settlement includes a five per cent pay increase from 1 April 2022 and a 1 per cent SPI from 1 July 2022. The LFC budgeted for a three per cent pay increase and assumes that SPI is funded by staff turnover, as staff leave at the higher end of pay scales and join at a lower point.
- **6.2** The total revenue cost of the settlement is £2,621,264 of which £1,401,612 was already budgeted for and also includes one per cent for SPI costing of £285,244, which was also already budgeted for. Allowances are contained within existing department budgets. This means the additional revenue expenditure to cover the additional two per cent pay increase is £934,408, which will be funded from the Budget Flexibility Reserve in 2022/23.
- **6.3** The Budget Flexibility Reserve has a forecast balance of £17,781,000 as at the end of the 2022/23 financial year, which includes the impact of this pay award.
- **6.4** The LFC's 2023/24 Budget Submission includes additional ongoing revenue funding of £1.0m annually to fund the full cost of the pay award in subsequent financial years. The budget for pay inflation is reviewed annually as part of the budget setting process for future years.

#### 7 Legal comments

- **7.1** This report seeks approval to implement the FRS pay settlement figures for 2022/23, following agreement reached with representative bodies.
- **7.2** Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the LFC) is established as a corporation sole with the Mayor appointing the occupant of that office.
- 7.3 Under section 112 of the Local Government Act 1972 (applied to the LFC by s146A of that Act), the LFC "shall appoint such officers as they think necessary for the proper discharge by the authority of such of their or another authority's functions as fall to be discharged by them". A officer appointed under this provision, "shall hold office on such reasonable terms and conditions, including conditions as to remuneration, as the authority appointing him think fit."
- 7.4 The LFC's Scheme of Governance reserves the the LFC matters that result in, "Changes to

- terms and conditions that affect a significant number of staff, or matters which will have a significant impact on significant number of staff."
- **7.5** It therefore falls to the LFC to determine the remuneration for officers employed, or otherwise appointed, by the LFC as set out in the recommendations to this report.
- **7.6** Under section 327D of the Greater London Authority Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- **7.7** By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".
- **7.8** The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to incur the expenditure set out in the recommendation of this report.
- **7.9** 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. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- **7.10** By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...". The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to incur the expenditure set out in the recommendation of this report.
- **7.11** The statutory basis for the actions proposed in this report is provided by the Fire and Rescue Services Act 2004 ('the Act'), under which the Commissioner must secure the provision of personnel. Under the Act the Commissioner may also do anything that they consider incidental or indirectly incidental to his core functions. Accordingly, the recommendations fall within the Commissioners general power.

## List of appendices

Appendix	Title	Open or confidential*
1	Equality Impact Assessment	Open

## Part two confidentiality

Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part Two form, together with the legal rationale for non-publication.

Is there a Part Two form: NO

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

The **purpose** of an EIA is to give **as much information as possible** about potential equality impacts, to demonstrate we meet our **legal duties** under the Equality Act 2010. **Please read the EIA Guidance on Hotwire before completing this form.** 

Once you open the template please save it on your OneDrive or SharePoint site. Do not open the template, fill it in and then click Save as this will override the template on Hotwire.

NOTE – All boxes MUST be completed before the document will be reviewed.

## 1. What is the name of the policy, project, decision or activity? Report to Commissioner's Board and Deputy Mayor Fire & Resilience Board: 2022/23 FRS pay settlement

Overall Equality Impact of this policy, project, decision or activity (see instructions at end of EIA to complete):

	High		Medium		Lo	ow		✓	
2. Adı	ministration								
Name o	of EIA author	Andrew C	ross						
	ou attended an orkshop	Yes ⊠ No							
Department and Team		People Services							
Date EIA created by author		6/2/23							
Date EIA signed off by Inclusion Team		Nadia Bob-Thomas							
Date Actions completed		6/2/23							
Extern	al publication	Are you hexternally	nappy for this EIA t /?	o be publi	shed	Yes ⊠	No	) [	
							If I	No state	why:

3. Aim and Purpose	
What is the aim and purpose of the policy, project, decision or activity?	The purpose of the report is to give authority to implement the 2022/23 pay settlement for FRS staff which is an increase of 5% of basic pay and 1% salary progression increase (SPI).
Who is affected by this work (all staff, specific	All FRS staff for basic pay and eligible FRS staff for the SPI.

department, wider communities?)	
What other	Policy No. 716 – Fire and rescue staff pay rates.
policies/documents are	LFC 0603 – Gender pay gap report
relevant to this EIA?	LFC 0635 - Disability pay-gap report

#### 4. Equality considerations: the EIA must be based on evidence and information.

What consultation has taken place to support you to predict the equality impacts of this work?

Consultation must take place with ESGs (including RB ESGs), Learning Support and affected groups.

Consultation with the trade unions has taken place who also seek the views of their members and their own support groups. It is important to note that UNISON's preference was for a flat amount pay rise to all which means a higher % increase to lower grades/lowest paid staff where as GMB's (the majority union membership) was for a basic and SPI increase. Feedback from staff was also mixed but generally more staff favoured a same % increase for all staff across all grades as fairer.

## **5. Cultural consideration:** the EIA must consider how the work improves the culture of the organisation

How does this piece of work contribute to improving the culture of the organisation? How does this piece of work improves staff divides? Can you provide evidence? A salary increase is a form of recognition and appreciation that demonstrates that the Brigade values its employees and the important work they do. Valuing staff and their contribution is an integral part of improving the culture. This year's pay settlement is consistent with the offer for the other majority staffing group of operational staff, being a percentage increase and is of a similar level improving staff divides between grades within and other staffing groups outside. This provides fairness in that respect.

#### 6. Wellbeing considerations

How will this piece of work impact the physical and mental wellbeing of staff and communities in London?

The pay increase will provide the opportunity to positively impact staff's overall wellbeing by providing additional finance to influence health through the services and goods purchased which can support health.

## 7. Assessing Equality Impacts

Use this section to record the impact this policy, project, decision, or activity might have on people who have characteristics which are protected by the Equality Act.

Protected Characteristic	Impact: positive, neutral or adverse	Reason for the impact	What information have you used come to this conclusion?			
<b>Age</b> (younger, older or particular	Neutral	An analysis shows that 67% of the workforce are aged over 40 with 33% below 40. The flat 5% increase to	<b>Staff:</b> Source H	HR PMI:		
age group)		basic pay is to all staff so improves pay for those who are older and younger. A flat 5% increase to higher	Age range	All FRS (%)	FRS receiving >SPI (%)	
		grades, who form the majority of the older workforce,	Under 30	12	35.0	
		does mean more money than the lower grades, where	30-39	21	21.7	
	the spread of the younger workforce is.	the spread of the younger workforce is.	40-49	24	25.0	
			50-59	29	16.7	
		However, the majority of staff eligible for the SPI are below 40 so receive additional money. This to some	60 and over	14	1.7	
		extent counterbalances the above differential. It is recognised that applying a basic pay increase, although beneficial to all staff, will always have a degree of a disproportionate impact on age depending on the age demographic of that workforce within the grades.	Community/Public: does not apply		t apply	
<b>Disability</b> (physical, sensory, mental health, learning disability, long	Neutral.	The 5% basic increase is applied to all staff including those with a disability which is 13.1% of the FRS workforce. The SPI means that 5% of the staff with a	<b>Staff:</b> Source: HR PMI (staff who have self-de with a disability)			
term illness, hidden)		disability will also receive the additional 1%. The	All FI	RS I	FRS receiving SPI	
		number of staff with a disability is in general equally	13.1		5.0%	
		split amongst higher and lower graded. It is recognised that a flat pay % increase means more money for those staff with and without a disability in higher grades and less for staff with and without a	Community/F	Community/Public: does not apply.		

		disability in lower grades.			
		LFC 0635 - Disability pay-gap report separately sets out steps to attempt to address this.			
Gender reassignment (someone proposing to/undergoing/ undergone a transition from one gender to another)	Neutral.	Although there is no staffing data, the pay settlement does improve pay for all staff noting that higher graded staff receive more money as a %.	No staffing data in relation to this protected characteristic for FRS staff is collated by the Brigade.		
Marriage / Civil Partnership (married as well as same-sex couples)	Neutral.	Although there is no staffing data, the pay settlement does improve pay for all staff noting that higher graded staff receive more money as a %.	No staffing data in relation to this protected characteristic is collated by the Brigade.		
Pregnancy and Maternity	Neutral	The number of staff impacted by the pay rise within this protected characteristic is low and split across the higher and lower grades. Although the pay rise is beneficial to all including those within this protected characteristic group is it recognised that staff within the higher grades would receive more money as a result of a % increase.  The Brigade is also proposing to extend the maternity full pay provisions which subject to negotiation with trade unions and governance approval will positively impact staff on maternity leave.	Year         Num           2017         2018           2019         2020           2021         2022 to date           Total         Community/Public	ber of Staff 6 7 7 16 13 8 57	, Y
Race (including nationality, colour, national and/or ethnic origins)	Neutral	The data identifies that the majority of the workforce is white and this trend is consistent from the lower grades up to the higher grades becoming more disproportionate at the higher end of the higher	Staff: Source: HR PA	All FRS	FRS receiving
		grades, especially at FRS F and G grades. Therefore, the flat 5% increase, although beneficial to all staff, does mean that the other groups that are	Black, Asian and other ethnic	29%	40.0%

		disproportionately represented at the lower grades will	minorities		
		receive less money as %, compared to the higher	White	67%	51.7%
		grades which is recognised. The SPI does impact	Not Provided	3.5%	6.7%
		more under-represented groups than the overall basic	Prefer not to	0.5%	1.7%
		pay rise.	say	0.270	1 75
		The Brigade is addressing the disproportion of under- represented groups through recruitment strategies and leadership programmes that encompass EDI within its core. The launch of the new mentoring and coaching initiative is also designed to address this.	Community/Pu	<b>ublic</b> : does not ap	ply
Religion or Belief (people of	Neutral	The data identifies that the majority of the workforce is	<b>Staff:</b> Source H	R PMI	
any religion, or no religion, or people who follow a particular		Christian or no religion, plus 13% of the workforce are not providing or prefer not to say what their religion	Buddhist Ch	nristian Hindu	Jewish
belief (not political)		may be. Although the pay rise is beneficial to all, the %			
beller (Hot political)		increase means that staff in the higher grades receive more money than lower grades meaning a disproportionate increase is recognised when considering the other religion or beliefs amongst lower grade staff.	0.64%	42.86% 2.889	% 0.43%
			Muclim O	ther Sikh	No
			Muslim O	ther Sikh	Religion
			3.52%	2.24% 0.75%	33.69%
			Prefer not to		Provided 11.09%
Sex	Neutral	The FRS workforce is split 51% female and 49% male	Community/Pu	ublic: does not ap	ply
(men and women)	INCULIAL	and there are more females than males across the each	Stair: Source H	L LIMI	
(s.rana waman)		of the grades other than at the FRS D grade where there are more males than females and at FRS G grade		All FRS	FRS receiving SPI
		where they are the same in relation to the basic pay	Female	51%	65%
		rise. The extent of this trend does reduce, the higher	Male	49%	35%

		up the grades. The SPI impacts more females than males.  It is recognised that applying a basic pay increase, although beneficial to all staff, will always have a degree of a disproportionate impact on sex depending on the demographic of that workforce within the grades. The primary issue to address is so that females are not paid less than male counterparts in society and within the LFC and that staff are paid the same irrespective of their sex. The pay structure does support this.  The Gender pay-gap report LFC 0603 separately sets out steps to attempt to address this.  The Brigade is addressing the disproportion of underrepresented groups through recruitment strategies and leadership programmes that encompass EDI	Con	mmunity/	' <b>Public:</b> does r	not apply	
Sexual Orientation (straight, bi, gay and lesbian people)	Neutral	within its core. The launch of the new mentoring and coaching initiative is also designed to address this.  The number of staff impacted by the pay rise within this protected characteristic is low and split across the higher and lower grades. Although the pay rise is beneficial to all including those within this protected characteristic group is it recognised that staff within the higher grades would receive more money as a result of a % increase.		ff: Source LGB % 5.65% 5.65% mmunity/	Prefer not to say % 0.96% 0.96%  /Public: does r	Not Provided % 18.34% 18.34%	

8. Impacts outside the Equality Act 2010
What other groups might be affected by this policy, project, decision or activity?

Consider the impact on: carers, parents, non-binary people, people with learning difficulties, neurodiverse people, people with dyslexia, autism, care leavers, ex-

offenders, people living in areas of disadvantage, homeless people, people on low income / in poverty.

Although the pay rise is beneficial to all staff, it is recognised that a flat % increase does mean that staff in higher grades will receive more money than those in lower grades who are the lowest paid staff. A pay rise will provide additional money to support staff with caring responsibilities and there is a childcare allowance scheme which provides some assistance for lowest paid staff. The Brigade does also have ESG's and access to information to support and signpost staff for financial support.

<b>9. Legal duties under the Public Sector Equal</b> How does this work help LFB to:	ity Duty (s149 Equality Act 2010)
Eliminate discrimination?	The pay settlement provides for a higher pay increase of 5% and 1% SPI, that includes the lowest paid staff so although it is recognised that staff in higher grades receive more money than staff in lower grades who are the lowest paid, there is an overall positive impact in terms of reducing social economic inequality by the level of increase. However, the impact is also neutral when applying it to under-represented groups because, as the data shows, amongst FRS staff the lowest paid is disproportionately populated by black, Asian and ethnic minority staff. There is an issue in terms of workforce diversity and workstreams are underway to seek to address these imbalances.
Advance equality of opportunity between different groups?	As above.
Foster good relations between different groups?	Reducing economic inequality by awarding a pay settlement across all grades including the lowest paid will generally be seen as fair across the whole FRS workforce based on feedback and the outcome of the consultation with the trade unions, although UNISON's preference was for a lump sum pay rise, but this was not agreed with GMB so that LFB pay offer was rejected.

10. Mitigating and justifying impacts						
Where an adverse impact has been identified, what steps are being taken to mitigate it? If you're unable to mitigate it, is it justified?						
Characteristic with potential adverse impact (e.g. age, disability)						
N/a	N/a	N/a				

#### 11. Follow up, actions and evaluation

Where the Inclusion Team or other stakeholders have recommended <b>actions</b> in order to demonstrate due regard, these must be recorded here and delivered in accordance with time scales. Additionally, what is the organisational learning in relation to this piece of work in regards to the Equality Act 2010.					
Action recommended and person responsible Target date Action to be completed by Date action completed					
for delivery					
None					
Lessons learnt and evaluation					
Free text					

#### Now complete the RAG rating at the top of page 1:

High: as a result of this EIA there is evidence of significant adverse impact. This activity should be stopped until further work is done to mitigate the impact.

**Medium:** as a result of this EIA there is potential adverse impact against one or more groups. The risk of impact may be removed or reduced by implementing the actions identified in box 8 above.

**Low:** as a result of this EIA there are no adverse impacts predicted. No further actions are recommended at this stage.

#### **Document Control**

Signed (lead for EIA / action plan)	Andrew Cross	Date	6/2/23
Sign off by Inclusion Team	Nadia Bob-Thomas	Date	6/2/23
Stored by			
Links			