



LONDON FIRE BRIGADE

LFC-24-084

# Top Management Group 2024/25 Pay Settlement

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**Report to:**

Investment and Finance Board  
Commissioner's Board  
Deputy Mayor's Fire Board

**Date:**

25 July 2024  
14 August 2024  
27 August 2024

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**Report by:**

Andrew Cross – Head of Policy, Pay and Reward

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**Report classification:**

For decision

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**For publication**

I agree the recommended decision below.

**Andy Roe**  
London Fire Commissioner

**This decision was remotely**  
**Date signed on 16 October 2024**

# PART ONE

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

### Executive Summary

This report seeks agreement for the London Fire Commissioner to implement the 2024/25 pay settlement for Top Management Group staff which has been reached with the trade union (Prospect).

#### Recommended decision

#### For the London Fire Commissioner

That the LFC delegates authority to the Director for Corporate Services to commit the revenue expenditure of £420,699 and take all necessary actions for the implementation of the 2024/25 pay settlement for TMG staff as set out in this report following Deputy Mayor approval.

#### 1 Introduction and background

1.1 The annual settlement date for the Top Management Group (TMG) cost of living increase is 1 April and the effective date of the performance related pay (PRP - progression through the salary band) and the non-consolidated payment (PRP for staff at the top of the band) is 1 April.

1.2 For the April 2024 pay settlement, discussions and negotiations have continued since 29 January 2024 and a formal offer was made by the Brigade to the trade union on 20 June 2024. The trade union subsequently accepted the offer on 24 June 2024. The offer accepted by the trade union (based on current salary) is as follows:

##### From 1 April 2024

- A cost-of-living increase to TMG staff up to the grade of Assistant Director of 4 per cent.
- A PRP/non-consolidated payment of 2 per cent to those eligible TMG staff.

1.3 The Brigade's TMG pay settlement is consistent with the pay offer for FRS staff and the national pay settlement reached for operational/control staff within the NJC for the same period.

1.4 The trade union accepting the offer is subject to the Brigade's commitment to reviewing TMG pay progression.

**1.5** The FRS/TMG pay and benefits review that was undertaken independently by QCG consultants to ensure that the pay and reward system for professional services remains competitive, to enable the Brigade to attract and retain talent, has been completed. The review’s recommendations have been received and a Programme plan is being developed to review these. The Brigade shall work closely with stakeholders, including the trade unions, in relation to reviewing the recommendations.

## **2 TMG 2024/25 Pay Settlement**

**2.1** The LFC ‘Final 2024/25 Budget’ report (LFC-24-027) that was approved forecasts a 3 per cent pay award increase for staff. The settlement is for a 4 per cent cost-of-living increase and a 2 per cent PRP/non-consolidated payment increase for 2024/25.

**2.2** The total revenue cost of the 2024/25 pay settlement for the 4 per cent cost of living and the 2 per cent PRP/non-consolidated payment increases is £420,699 based on current staff salaries plus staff eligibility for the PRP/non-consolidated payment. This is broken down in the table below:

|                           | Cost-of-living 4% increase | PRP/non-consolidated payment 2% increase |
|---------------------------|----------------------------|--|
| Operational TMG Staff     | £170,374                   | £85,594                                  |
| Non-operational TMG Staff | £110,086                   | £54,645                                  |

**2.3** The revenue amount already budgeted for the 2024/25 cost of living pay settlement was £210,000. This means the additional revenue expenditure to cover the additional 1 per cent pay increase above the 3 per cent budgeted is £70,460, which will be drawn from the 2024/25 Budget Flexibility Reserve. The additional cost of the 2 per cent for PRP/non-consolidated payment costing of £140,239 is funded through staff turnover within the TMG group.

## **3 Objectives and expected outcomes**

**3.1** The objective of the recommendations within this report and therefore the expected outcomes are to implement the 2024/25 TMG pay settlement that shall apply to all employees within the Top Management Group (up to Assistant Director), irrespective of their union membership, which has been reached with the trade union.

## **4 Equality comments**

**4.1** The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service 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, and after 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, colour or 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 and persons 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 having due 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 that are different from the needs of persons who do not share it.
  - 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.
- 4.6** 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.
- 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 due regard, in particular, to the need to:
- tackle prejudice
  - promote understanding.
- 4.8** An Equality Impact Assessment has been completed which evaluates no negative impact or restrictions on its application to staff with protected characteristics and complies with the Public Sector Equality Duty responsibilities. This is with Inclusion for consideration.
- 4.9** Although a pay increase is generally accepted to be beneficial, it is recognised that the pay increase which is based on a percentage increase across all TMG grades does mean that staff on higher TMG grades receive more money than those on lower TMG grades. It is also recognised that a flat increase to all staff would maintain any existing pay gaps between under/overrepresented groups.
- 4.10** The action plan that is detailed in the London Fire Brigade gender, ethnicity and disability pay gap report 2023 (that includes TMG staff) sets out a range of actions to address the pay gap which include improving data collation, recruitment and career progression. A Senior Leader Development Programme is to be piloted. The TMG pay review shall also consider opportunities to address the pay gap.

## 5 Other considerations

### Workforce comments

- 5.1 The 2024/25 pay settlement has been negotiated with the trade union and represents a fair and consistent approach, whilst also recognising the value of the TMG staff and the work they undertake.

### 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 TMG staff notifying them directly of the pay settlement and other pay arrangements. The TMG pay scales guidance and Policy No. 821 - Pay Policy Statement 2024/25 will be updated and available on Hotwire for all staff to view.

## 6 Financial comments

- 6.1 The report recommends that the 2024/25 Top Management Group pay settlement is agreed to ensure consistency with other staff groups – the national pay settlement reached for operational/control staff which has already been implemented, and the offer for FRS staff. The TMG offer has already been accepted by the trade union.

- 6.2 The proposal is a cost-of-living increase of 4 per cent, at a cost of £280,460 and a PRP/non-consolidated payment increase of 2 per cent, at a cost of up to £140,239 for a total cost of up to £420,699. The 'Final 2024/25 Budget' report (LFC-24-027) included ongoing funding of 3 per cent for the cost-of-living increase and assumes that the PRP/non-consolidated payment increase is funded by staff turnover within the TMG group, as staff leave at the higher end of pay scales and join at a lower point on the scale.

- 6.3 The total revenue cost of the 4 per cent pay award £280,460 of which £210,000 (a 3 per cent award) was budgeted for as part of the 2024/25 budget report. This means the additional revenue expenditure to cover the additional 1 per cent pay increase is £70,460, which will be drawn from the Budget Flexibility Reserve in 2024/25. The revenue cost of the 2 per cent for PRP/non-consolidated payment costing of £140,239 will be met through staff turnover in year.

- 6.4 The Budget Flexibility Reserve had an opening balance of £13,560k at the start of the 2024/25 financial year.

- 6.5 The Budget Flexibility Reserve is forecasted to have an uncommitted balance of £2,883k by March 2025 as per the LFC Quarter 1 2024-25 Financial Monitoring Report. This balance includes the impact of the £70,460 pressure above.

- 6.6 It should also be noted that as a result of the forecast revenue overspend for 2024/25 the

Quarter 1 report proposes that the remaining balance on the BFR after this draw is transferred to the General Reserve to support in-year overspend.

- 6.7** The budget for pay inflation is reviewed annually as part of the budget setting process for future years. The LFB's 2025/26 Budget Submission to the Mayor will also include the ongoing cost of the 1 per cent element of the pay award above the 2024/25 budget position. This pay element of the overall LFB budget will be prioritised over other (and more discretionary) expenditure to ensure ongoing affordability.

## **7** Legal comments

- 7.1** This report seeks approval to implement the TMG pay settlement figures for 2024/25 following agreement reached with representative bodies.
- 7.2** 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. 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 Planning, Regeneration and the Fire Service (the "Deputy Mayor").
- 7.3** 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 commitment of revenue expenditure referred to in this report therefore requires approval from the Deputy Mayor.
- 7.4** 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. Additionally, section 112 of the Local Government Act 1972 empowers the Commissioner to appoint officers and determine their reasonable terms and conditions, including conditions as to remuneration.

## List of appendices

| Appendix | Title | Open or confidential* |
|----------|-------|-----------------------|
|          | None  |                       |

### 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