

Employment Committee

Date: Thursday 5 October 2023

Time: 12 noon

Venue: Council Chamber, County Hall, Martineau Lane, Norwich NR1 2DH

Membership

Cllr Kay Mason Billig (Chair) Cllr Andrew Jamieson Cllr Bill Borrett Cllr Stuart Dark

Cllr Steve Morphew Cllr Saul Penfold Cllr Carl Smith

Advice for members of the public:

This meeting will be held in public and in person.

It will be live streamed on YouTube and members of the public may watch remotely by clicking on the following link: <u>Norfolk County Council YouTube</u>

We also welcome attendance in person, but public seating is limited, so if you wish to attend please indicate in advance by emailing <u>committees@norfolk.gov.uk</u>

Current practice for respiratory infections requests that we still ask everyone attending to maintain good hand and respiratory hygiene and, at times of high prevalence and in busy areas, please consider wearing a face covering.

Please stay at home <u>if you are unwell</u>, have tested positive for COVID 19, have symptoms of a respiratory infection or if you are a close contact of a positive COVID 19 case. This will help make the event safe for attendees and limit the transmission of respiratory infections including COVID-19.

1. To receive any apologies.

2. Minutes

To agree the minutes of the meeting held on 12 July 2023

3 Members to Declare any Interests

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects, to a greater extent than others in your division

- Your wellbeing or financial position, or
- that of your family or close friends
- Any body -
 - Exercising functions of a public nature.
 - Directed to charitable purposes; or
 - One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);

Of which you are in a position of general control or management.

If that is the case then you must declare such an interest but can speak and vote on the matter.

4. To receive any items of business which the Chair decides should be considered as a matter of urgency

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5. Senior Fire Roles – salary review

Report by the Chief Executive Officer

6 Exclusion of the Public

The Committee is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the item below on the grounds that it involves the likely disclosure of exempt information as defined by paragraphs 3 and 4 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Committee will be presented with the conclusions of the public interest test carried out by the report author and is recommended to confirm the exclusion.

7 Senior Fire Roles - salary review: Appendix A and Appendix B

Tom McCabe Chief Executive Officer Norfolk County Council County Hall Martineau Lane Norwich NR1 2DH

Date Agenda Published: 27 September 2023



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Employment Committee

Minutes of the Meeting Held on 12 July 2023 at 3.30pm in the Council Chamber, County Hall

Present:

Cllr Kay Mason Billig (Chairman) Cllr Andrew Jamieson (Vice-Chairman)

Cllr Bill Borrett Cllr Stuart Dark **Cllr Steve Morphew**

Substitutes present: Cllr Brian Watkins for Cllr Saul Penfold

Also Present:

Kat Hulatt Tom McCabe Director of Legal Services and Monitoring Officer Chief Executive

1. Apologies for Absence

1.1 Apologies were received from Cllr Saul Penfold (Cllr Brian Watkins substituting). Cllr Carl Smith was also absent.

2. Minutes

2.1 The minutes of the meeting held on 31 May 2023 were agreed as an accurate record and signed by the Chairman.

3. Declarations of Interest

- 3.1 No interests were declared.
- 4 Urgent Business
- 4.1 None

5 Senior Structure

5.1.1 The Committee received the report setting out plans for appointing a new Executive Director – Community and Environmental Services and requesting approval of changes to the corporate senior structure

- 5.1.2 The Chief Executive introduced the report to the Committee:
 - This report included three recommendations
 - Firstly, there was a recommendation proposing that Legal and Democratic and Regulatory Services report into the Chief Executive. The reason for the change in this reporting route was because these two services were responsible for assisting the legal and effective running of the organisation and were part of the core team.
 - It was also proposed to move the Growth and Investment Service to Strategy and Transformation. There would be capacity in this team caused by Legal and Democratic and Regulatory Services moving to report into the Chief Executive. Growth and Investment Services was key to the wider work of the council and external facing liaison with the business community.
 - The Committee were also being asked to put in place a process to seek a permanent Executive Director of Community and Environmental Services.
 - Future changes may be made to the senior structure; if so then reports would be either brought to the Employment Committee or taken under delegated powers, as appropriate.
- 5.2 The following points were discussed and noted:
 - A Committee Member noted their support for the recommendation, particularly the movement of Growth and Investment Services to Strategy and Transformation, which he believed seemed like a more natural fit which would allow better access to Government funding streams.
 - A Committee Member **requested** that it was made clear in the structure chart where the Head of Paid Service would sit. The Chief Executive confirmed that the Head of Paid Service would be incorporated into the Chief Executive role.
 - Officers were asked what changes there would be under section 10A of the constitution and which officer appointments would be reserved to Council and which would be made under Member appointment. The Monitoring Officer **agreed** to make clear this information in section 10A of the constitution.
 - A Committee Member noted that the recommended changes would support the Chief Executive to carry out his role.
 - The Chair noted that paragraph 3.1 of the report showed there was an intention to meet the cost of the proposals in the overall staff budget so there was no further cost to the council. Power had been handed over to the new Chief Executive and it was positive that he had made these changes which would assist Councillors in their roles as Members and in the smooth running of the Council.
- 5.3 The Committee
 - 1. **NOTED** plans for appointing a permanent Executive Director Community and Environmental Services and agreed to set up an appointment panel to facilitate this.
 - 2. **AGREED** that with effect from Monday 7 August 2023 the Governance (Legal Services) and Democratic and Regulatory Service will directly report to the Chief Executive.
 - AGREED that with effect from Monday 4 September 2023 the Growth and Investment Service will report to the Executive Director – Strategy and Transformation

6 Exclusion of the Public

6.1 The Committee agreed to exclude the public for the discussion of Exempt minutes of the meeting of 31 May 2023 on the grounds that they contained exempt information as defined by paragraph 1 of Part 1of Schedule 12A to the Local Government Act 1972 due to containing personal data which outweighed the public interest in disclosure.

7 Exempt minutes of the meeting of 31 May 2023

7.1 The Committee agreed the exempt minutes of the meeting held on the 31 May 2023.

The meeting concluded at 15:44

Chair

Employment Committee

Report Title: Senior Fire Roles – salary review

Date of Meeting: 05 October 2023

Responsible Cabinet Member: Cllr Kay Mason Billig (Leader and Cabinet Member for Strategy & Governance)

Responsible Director: Tom McCabe, Chief Executive Officer

Is this a Key Decision? No

If this is a Key Decision, date added to the Forward Plan of Key Decisions: Not applicable

Executive Summary / Introduction from Cabinet Member

This report updates the Employment Committee on the pay reviews of the three senior roles in the Norfolk Fire and Rescue Service.

It explains that there is a two-track approach for determining levels of pay for Fire and Rescue Service Brigade Manager roles, which at Norfolk covers the Deputy and Assistant Chief Fire Officers. At national level, the National Joint Council reviews annually the level of pay increase applicable to all those covered by the agreement (at Norfolk the Deputy and Assistant Chief Fire Officers). All other decisions about the level of pay and remuneration to be awarded to individual Brigade Manager roles are taken by the local Fire and Rescue Authority (Norfolk County Council), who annually review these salary levels.

Norfolk County Council's Director of Fire (Chief Fire Officer) is covered by Norfolk County Council salary scale R which currently pays below the market rate for the job.

This report reviews the pay of the three senior fire roles and recommends a locally agreed pay uplift is added to existing salaries, to maintain Norfolk's place in the job market and to ensure adequate pay differences between these roles and those they manage. In the case of the Director of Fire the recommendation is that this is achieved through a market pay supplement.

Recommendations:

- 1. To agree that with effect from 1 July 2022, allowances are included when determining the minimum salary for the Assistant Chief Fire Officer (ACFO) and Deputy Chief Fire Officer (DCFO).
- 2. To agree that with effect from 1 July 2022 the salary level of the Director of Fire (Chief Fire Officer (CFO)) will be set at 25% above that of the Deputy Chief Fire Officer to reflect national benchmarks for the role. This will be achieved by applying a market pay supplement. The market supplement will be reviewed annually to ensure the pay for this post remains in line with national benchmarks and does not go below the minimum differential of 22.5%.
- 3. To give the Chief Executive in consultation with the Director for People discretion to amend the pay for these roles to maintain the minimum differential levels of salary and reflect national benchmarks when future pay awards are agreed, with any decisions to go outside these agreed parameters reserved for the Employment Committee.

1. Background and Purpose

- 1.1 NCC has the following sets of terms and conditions in use in the Fire and Rescue Service:
 - Director of Fire covered by Norfolk County Council (NCC) chief officer terms and conditions (set by the Joint Negotiating Committee for Local Authority Chief Officers Conditions of Service). This pay is set by job evaluation at Scale R and it receives nationally negotiated pay awards set by the National Joint Council for Local Government Services (known as the Green book) pay awards.
 - Deputy and Assistant Chief Fire Officers covered by the National Joint Council (NJC) for Brigade Manager of Fire and Rescue Services Conditions of Service (known as the Gold Book). Pay is set locally within national boundaries. The Gold book contains provision for both a national pay award and a local review in addition.
 - Operational firefighters and managers are covered by the NJC for Local Authority Fire and Rescue Services, known as The Grey Book. Most pay decisions are made nationally but there is provision for local authorities to add pay supplements where justified (eg in recognition of extra working time and duties). This group is out of scope of this report but referred to in it.
 - Non-operational roles covered by NCC and nationally negotiated terms and conditions, including pay awards set by the National Joint Council for Local Government Services (known as the Green book) pay awards. This group is out of scope of this report.
- 1.2 The Grey and Gold book pay awards for 2022-23 and 2023-24 were recently agreed as follows:

Grey book

- 7% increase on basic pay with effect from 1 July 2022
- 5% increase on basic pay with effect from 1 July 2023

Gold book

- 4% increase on basic pay with effect from 1 January 2022
- 3.5% increase on basic pay with effect from 1 January 2023
- 1.3 The Gold Book includes a requirement to maintain salary differentials between the lowest paid Brigade Manager and the highest pay role it manages (called an Area Manager B) as well as between Brigade Manager roles as follows:
 - a. The minimum salary level of the Assistant Chief Fire Officer (or equivalent title) will be set at 12.5% above that of the basic salary of a competent Area Manager 'B', plus the flexible duty supplement, under the NJC for Local Authority Fire and Rescue Services
 - b. The minimum salary level of the Deputy Chief Fire Officer (or equivalent title) will be set at 7.5% above that of the Assistant Chief Fire Officer.
 - c. The minimum salary level of the Chief Fire Officer (or equivalent title) will be set at 22.5% above that of the Deputy Chief Fire Officer.
- 1.4 Norfolk County Council (NCC) is required to make sure these differentials are maintained for the Deputy and Assistant Chief Fire Officers.
- 1.5 As well as basic pay, Area Managers get a flexible duty system payment under national terms to recognise the work involves a mix of 24 hours shifts, day shifts and rota days (rota days are days off). Under the national provisions these are factored into the above-mentioned pay differentials.
- 1.6 In addition to the flexible duty system, there is a requirement for some Area Managers at NCC to provide level 4 incident command cover. When on this cover they are available 24/7 across the week. To compensate they are paid a Level 4 rota allowance which is a locally agreed allowance.
- 1.7 Current pay rate differentials either meet or exceed the current differentials when using Area manager pay + flexible duty supplement. When the level 4 rota allowance is included, ACFO, DCFO and CFO fall below the minimum differentials.
- 1.8 The Director of Fire (CFO) role was graded using the Korn Ferry Job Evaluation Scheme in line with other NCC roles where pay is not set

nationally, and is paid at NCC salary scale R. As the role is paid on NCC salary scales and not covered by Brigade Manager terms, the minimum 22.5% difference set out above does not have to apply.

2. Proposal

Deputy and Assistant CFO

- 2.1 The Deputy and Assistant CFO salary rate includes a requirement to work outside normal working hours and at short notice where required.
- 2.2 The national Gold Book terms contain provision for a 'two-track' annual review of the pay of Brigade Managers. Following the publication of the national outcomes for 2022 and 2023 a local review of pay has been undertaken. It is proposed that all supplements and allowances relating to pay are included in the pay differential calculations, enabling NCC to ensure a fair comparator to the full salary of the top paid Grey book post and to ensure an appropriate level of difference is maintained. This results in a proposed pay uplift being required for Assistant, Deputy and Chief Fire Officers.

Director of Fire

- 2.3 The salary of the Director of Fire/Chief Fire Officer has historically varied between:
 - Brigade Manager (Gold book) with a spot rate salary set locally and national pay increases applied plus at times a local review on top.
 - NCC's senior manager pay graded at Scale R and pay increases awarded in line with other senior managers at NCC. The role is currently subjected to NJC for Local Government Services (Green Book) national pay awards.
- 2.4 There is no right approach a CFO can be aligned to other chief officers, or Brigade Managers, depending on the focus of the role at the given time. No change to the use of Director of Fire terms and conditions is recommended and a review of the salary scale awarded under the grading scheme used by NCC has identified it is set at the right grade.
- 2.5 However, a review of market rates shows that NCC pays lower than other authorities of a similar size (see section 4). Also given the responsibilities and the time commitment involved with regular out of hours work over and above what we would expect from other NCC chief officers, it is considered appropriate to align the role to the Brigade Manager pay structure approach by maintaining at least the minimum 22.5% difference between the role and its Deputy. To bring pay broadly comparable to comparator authorities of a similar size a difference of 25% to its deputy is required at this time. This also ensures the Director is not disadvantaged from being on chief officer, rather than Brigade Manager terms.
- 2.6 NCC's Market Pay Supplement policy allows payment above the salary for the grade where the market dictates this is necessary and where this can be

justified in equal pay terms. Market pay is temporary, reviewed annually and continued, amended or stopped depending on market factors at that time.

- 2.7 At the current scale point, 22.5% would still mean pay below the national average and comparator authorities of a similar size, therefore the proposal is to pay the Director of Fire a market pay supplement that provides a 25% differential between its salary and the DCFO's to be broadly comparable This equates to a 6.84% increase on current pay.
- 2.8 The Chief Executive in consultation with the Director for People would review the salary of the three roles annually, or sooner if the differentials fall below the minimum due to Grey book or Gold national pay award uplifts, to ensure they remain appropriate and the agreed minimum differences are maintained.
- 2.9 Any additional proposed changes to pay would be dealt with as required under the Constitution.
- 2.10 Any pay arrears or adjustments due for the period 1 July 2022 to 30 June 2023 will be applied.
- 2.11 No payment would apply to former postholders who have left NCC.
- 2.12No impact outside the Fire and Rescue Service has been identified. Other NCC roles are eligible for market pay supplements where this can be legally justified.
- 2.13The proposal aims to seek fairness of pay within the Norfolk Fire and Rescue Services.

3. Evidence and Reasons for Decision

3.1 Salary comparison

- 3.2 The Local Government Association's recent research of Brigade Manager pay (see appendix A table 1) shows that pay at NCC currently pays below the average of similar sized authorities in population band 2:
 - £138,623 Director/Chief Fire Officer
 - £111,117 Deputy
 - £101,333 Assistant.
- 3.3 Most Fire and Rescue Services are 'Combined' that is, the Service is not part of a County Council structure and the Director of Fire is more like a Chief Executive in terms of managerial accountability. The above figures are not split by Combined and non-Combined but give a general indication of what other similar roles are paid.

- 3.4 Recent benchmarking (see appendix A table 2) also shows NCC's Director of Fire current salary below similar size non-Combined council West Sussex, and more in line with smaller non-Combined councils (Lincolnshire, Suffolk and Cornwall).
- 3.5 This demonstrates a retention risk if NCC's salaries remain at current levels.

4. Alternative Options

- 5.1 For the Deputy and Assistant CFO an alternative would be to use the national definition to calculate the differences but this is not recommended for fairness and market reasons.
- 5.2 For the Director of Fire there are options to maintain pay at salary scale R without applying the market supplement, but this is likely to cause a retention issue. Another option is to move the role to Brigade Manager terms and conditions and set a spot salary within the minimum difference required, but this seems unnecessary when the same outcome can be achieved within existing contractual arrangements. There would also be a requirement to review pension scheme access if this was done.

5. Financial Implications

- 6.1 The additional cost of maintaining the differentials outlined is £26,149 including oncosts for 2023-24 (excluding arears).
- 6.2 There are no other financial implications.

6. Other Implications

7.1 Legal Implications:

Market supplement pay is temporary to remain in place while the market dictates this is justified to meet equal pay requirements under the Equality Act. This would be made clear in the contractual documentation.

7.2 Any Other Implications: None.

7. Recommendations

1. To agree that with effect from 1 July 2022, allowances are included when determining the minimum salary for the Assistant Chief Fire Officer and Deputy Chief Fire Officer.

- 2. To agree that with effect from 1 July 2022 the salary level of the Director of Fire (Chief Fire Officer (CFO)) will be set at 25% above that of the Deputy Chief Fire Officer to reflect national benchmarks for the role. This will be achieved by applying a market pay supplement. The market supplement will be reviewed annually to ensure the pay for this post remains in line with national benchmarks and does not go below the minimum differential of 22.5%.
- 3. To give the Chief Executive in consultation with the Director for People discretion to amend the pay for these roles to maintain the minimum differential levels of salary and reflect national benchmarks when future pay awards are agreed, with any decisions to go outside these agreed parameters reserved for the Employment Committee.

8. Background Papers

None

Officer Contact

If you have any questions about matters contained within this paper, please get in touch with:

Officer name: Derryth Wright Telephone no.: 01603 222912 Email: Derryth.wright@norfolk.gov.uk



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