

REQUEST FOR DEPUTY MAYOR FOR FIRE DECISION – DMFD275

Extension of the market rate supplement and abatement subsidy for technically qualified protection staff

Executive summary:

First introduced in 2023, the market rate supplement (MRS) and abatement subsidy (AS) have been key tools in addressing severe recruitment and retention challenges in London Fire Brigade's (LFB's) protection function. The MRS has enabled LFB to retain experienced, technically qualified staff and attract new talent. The AS has allowed LFB to bring back skilled retirees, without financial implications for the retiree. The approval for both payments is due to expire in March 2026.

The London Fire Commissioner (LFC) is seeking approval to extend both the MRS and AS payments for an additional three years (April 2026 to March 2029). This is to mitigate against the ongoing risks to the service posed by a highly competitive recruitment market.

The extension is affordable within existing financial trends – including continued salary underspends, and the availability of protection-specific government funding.

The LFC Governance Direction 2018 sets out a requirement for the LFC 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".

Decision:

That the Deputy Mayor for Planning, Regeneration and the Fire Service authorises the London Fire Commissioner to commit revenue expenditure of:

- up to £1,920,000 for the payment of a market rate supplement, for staff with specific accredited qualifications
- up to £1,200,000 for the payment of an abatement subsidy, for specific and relevant prevention and protection staff.

This expenditure is for three years (April 2026 to March 2029). It follows a previous decision, DMFD208, which was approved in October 2023 for the same purpose.

Deputy Mayor for Planning, Regeneration and the Fire Service

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

16/09/2025

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. Report LFC-25-058 to the London Fire Commissioner (LFC) provides an overview of the proposal. This is a summary and expansion of that report.
- 1.2. DMFD208: Protection Staff Retention was approved in October 2023 by the previous Deputy Mayor for Fire and Resilience. That decision paper referenced the significant uplift in protection work for London Fire Brigade (LFB), as well as a protracted and significant market demand for competent technical fire safety staff from the public and private sectors.
- 1.3. Following the approval to pay a market rate supplement (MRS) to specific fire safety staff, who have the relevant technical qualifications, staff retention in LFB's prevention and protection teams has improved.
- 1.4. The approval to pay relevant staff an abatement subsidy (AS) has also enabled LFB to retain staff with the relevant skills and expertise, post-retirement, who may otherwise have sought employment elsewhere. As of July 2025, LFB has confirmed that 13 staff members are receiving the subsidy; and that there are no plans to increase this beyond 15 staff members.
- 1.5. The LFC is considering undertaking a pay and grading review in 2026-27, which is anticipated to negate the need for an MRS. Discussions between LFB and central government on changes to pension legislation, to address the abatement issues, are ongoing. The proposed extension will provide essential continuity and stability during this interim period. The intention is that the MRS will be incorporated into any new pay and reward arrangements, following completion of the review.
- 1.6. Sustained investment in skilled technical staff – particularly fire safety inspecting officers and fire engineers – is critical to delivering on LFB's drive for improvement; meeting enhanced regulatory expectations under the Building Safety Act; and maintaining public confidence in LFB's ability to protect Londoners. The MRS and AS are vital enablers in this strategic context.

2. Objectives and expected outcomes

- 2.1. Continuing the MRS and AS payments beyond March 2026 will allow LFB to keep retaining and attracting qualified staff in its prevention and protection teams.
- 2.2. The MRS and AS offer benefits to individual staff members and LFB more broadly. Competitive pay via the MRS helps bridge salary gaps with external roles, while the abatement subsidy removes financial disincentives for retired operational staff to return. Increased job satisfaction and security for technically skilled staff is also a likely benefit.
- 2.3. Organisational benefits include:
 - improved retention, and reduced attrition, of skilled staff
 - potentially faster onboarding of experienced professionals into high-risk inspection roles
 - increased delivery capacity for statutory duties – supporting the Building Safety Regulator's (BSR's) multidisciplinary teams, and remediation oversight
 - greater continuity, knowledge retention and mentoring for newer staff.

3. Equality comments

- 3.1. The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service (the Deputy Mayor) 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.
- 3.2. 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.
- 3.3. 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.
- 3.4. 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.
- 3.5. 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 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.
- 3.6. 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.
- 3.7. 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
- 3.8. An Equality Impact Assessment (EqIA) has previously been completed (see LFC – 23 061y: Protection Staff Retention). The EqIA attached to this report concluded that MRS and AS were entirely based upon roles undertaken, and added:

“There is no anticipated negative impact on any staff group within LFB. Any identified personal need i.e. caring responsibilities, neurodiversity, non-binary recognition will be discussed and

supported on an individual basis, utilising LFB policy, specific group support (internal and external) and any other identified support mechanisms.

“LFB recognises that there is some disparity in relation to provision and delivery within society across many services, some born out of discriminatory practices. The Protection Staff Retention paper and the recommended uplift in pay contained within that paper, is solely based upon the role undertaken and not in relation to any characteristic.”

- 3.9. The ‘overall equality impact of this policy, project, decision or activity’ was scored as low.
- 3.10. By removing the negative pay barrier, and therefore being in the position to recruit and retain sufficient staff, data should show a reduction in work-related stresses; an increase in productivity (benefitting the community); and an increase in retention.

4. Other considerations

Key risks of not extending the payments

- 4.1. Competition in the market for skilled staff continues to grow while remaining unpredictable, with salaries for managers particularly high. Without MRS, staff may leave for higher-paying roles, and LFB may lose its ability to attract high-calibre candidates. This may lead to lengthened recruitment cycles that impact delivery. Failure to maintain adequate staffing may undermine LFB’s compliance with the Fire Safety Order, and may hamper progress on high-risk remediation projects. This is because a failure to deal with enforcement notices in a timely manner may cause them to lapse, and remain unactioned for periods beyond statutory deadlines. Reduced capacity may also lead to criticism from LFB’s external stakeholders, especially as LFB plays a key role in the London Local Remediation Acceleration Plan.

The evolving employment landscape

- 4.2. Private sector and local authorities now routinely cover the cost of professional qualifications and training, making them more attractive employers for retired fire professionals. This has intensified competition for experienced personnel, particularly those with specialist protection and engineering skills. The pay gap also remains a national fire and rescue service issue – staff are free to go to other fire and rescue services without the burden of abatement.

Strategic benefits of rehiring retired staff

- 4.3. The reduced training burden linked with bringing back existing technical staff significantly reduces the need for foundational training. LFB has also introduced a new training provider, resulting in a shortened time to reach operational competence. Pairing this with experienced returnees accelerates workforce readiness even further.
- 4.4. In addition, the majority of returnees possess valuable leadership and supervisory experience, enabling them to mentor junior staff and support complex decision-making processes. These individuals understand LFB’s systems, culture and risk landscape, which enhances operational effectiveness and reduces onboarding friction.

Operational and safety implications

- 4.5. The inability to offer competitive post-retirement packages continues to limit LFB’s capacity to meet the ambitions of the BSR – particularly in high-risk building inspections and fire safety enforcement.
- 4.6. Without intervention, LFB risks losing out on a critical pool of talent – and at a time when demand for technical fire safety expertise is increasing.

Conflicts of interest

- 4.7. There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

5. Financial comments

Market rate supplement

- 5.1. There are currently 159 staff receiving the MRS. This number has remained steady since November 2023.
- 5.2. Spend to date on the MRS:
- November 2023 to March 2024 – £176,948.79
 - April 2024 to March 2025 – £478,009.09
 - Predicted costs 2025 to 2026 – £525,809.99
- 5.3. Based on projected staff growth of 10–12 per cent annually, the cost of continuing the MRS will increase proportionally:

Year	Estimated staff count	Estimated cost (cumulative)
2026-29	160-212	£1,920,000

Abatement subsidy

- 5.4. There are currently 13 members of staff in receipt of the AS. At an annual cost of approximately £400,000.
- 5.5. The predicted cost of continuing the abatement subsidy will be as follows:

Year	Estimated staff count	Estimated cost (cumulative)
2026-29	13-15	£1,200,000

Funding

- 5.6. Where necessary, a vacancy gap of up to 10 posts will be maintained to cover the annual cost of the MRS and AS (£526,000), along with any natural department underspend. Where it exceeds the underspend (created by the vacancy gap and any natural underspend), the £300,000 that has been ringfenced from the 2022-23 budget will be used to ensure that costs do not exceed the department budget.
- 5.7. There is also an option to access Government Protection Uplift funding to cover the cost of MRS. Additionally, as the recruitment for new inspecting officers and fire safety advisers progresses, the LFC will no longer pay the MRS for staff where costs are being met by the BSR. This is because as these ongoing costs will be covered through government (BSR) grant funding. The National Fire Chiefs Council has confirmed that for reimbursement through grant funding (for which a maximum charge has been set); and for charging on a 'bill back of hours' basis, they have included a 10 per cent 'allowance' to account for salary uplifts for technical staff.

6. Legal comments

- 6.1. The LFC's General Counsel's Department have confirmed the following.
- 6.2. Under section 9 of the Policing and Crime Act 2017, the LFC is established as a corporation sole with the Mayor appointing the occupant of that office. Section 327D of the Greater London Authority Act 1999, as amended, the Mayor may issue to the LFC specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 6.3. By direction dated 1 April 2018, the Mayor set out those matters, for which the LFC would require the prior approval of either the Mayor or the Deputy Mayor.
- 6.4. Paragraph (b) of Part 2 of the said direction requires the LFC 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 decision to extend the MRS and the AS will therefore require approval from the Deputy Mayor.
- 6.5. Section 1 of the Fire and Rescue Services Act 2004 (FRSA 2004) states the LFC is the fire and rescue authority for Greater London. The statutory basis for the actions proposed in this report is provided by sections 7 and 5A of the FRSA 2004. Section 7 (2)(a) of the FRSA 2004 provides the LFC has the power to secure the provision of personnel, services, and equipment necessary to efficiently meet all normal requirements for firefighting. Section 5A allows the LFC to procure personnel, services and equipment they consider appropriate for purposes incidental or indirectly incidental to their functional purposes.

Appendices and supporting papers:

Appendix 1 – LFC-25-058 – Extension of market rate supplement and abatement subsidy for technically qualified protection staff

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will be published either within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form? NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer

Soeli Dayus has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Chandru Dissanayeke has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Planning, Regeneration and the Fire Service for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

✓

Mayoral Delivery Board:

A summary of this decision was reviewed by the Mayoral Delivery Board on 8 September 2025.

✓

CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

17/09/2025