LONDON FIRE BRIGADE

Report title

Fire and Rescue Staff (FRS) Pay Settlement 2019/20

Report to	Date
Corporate Services Directorate Board Commissioner's Board Fire and Resilience Board London Fire Commissioner	12 November 2019 20 November 2019 03 December 2019

Report by	Report number
Assistant Director, People Services	LFC-0270x FRB-0092

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Summary

This report recommends formal approval and implementation by the London Fire Commissioner of the pay settlement for Fire and Rescue Staff for 2019/20 which has been agreed by the staff side of the Joint Committee for Support Staff (JCSS), GMB and UNISON, by majority vote.

The London Fire Commissioner Governance Direction 2018 requires the London Fire Commissioner to seek prior approval of the Deputy Mayor for Fire and Resilience before a commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices. The cost of the recommendations within this report will exceed £150,000 as described in paragraph 9.

Recommended decision

That the London Fire Commissioner formally approves and implements the pay settlement for Fire and Rescue Staff for 2019/20 which is set out in paragraph 2 below. This settlement has a budgetary impact of £939k, and is to be implemented in the January 2020 payroll, effective from 1 April 2019 (general pay increase) and 1 July 2019 (salary progression increase).

Background

1. The annual settlement date for the FRS general pay increase is 1 April; the effective date of the annual Salary Progression Increase (SPI) is 1 July.

2. For 2019/20 the original claim was lodged by the trade unions in May 2019, and negotiations then continued for a number of months. Following a joint meeting with the London Fire Commissioner on 18 September 2019, the pay offer below was put to the trade unions. The headline offer was 2% in line with the budgetary provision, with an additional 0.5% for the lowest paid, similar to the 2019/20 GLA pay settlement. The detail of the offer is as follows:

With effect from 1 April 2019 (general pay increase)**:**

- 2% for grades FRSE-FRSG
- 2.5% for grades FRSB-FRSC
- FRSD as follows (as there is an overlap between the minimum of FRSD and the maximum of FRSC):
    - 2.5% for those between the minimum of FRSD (£34,751) and the maximum of FRSC (£35,107)
    - For those above £35,107, the higher of 2% or an increase to the new maximum of FRSC (which will be £35,985).
    - In practice this means those on £35,279 or above will receive 2%.

  (This differential offer is to ensure that no one will end up worse off than someone else who is currently on a lower salary.)

With effect from 1 July 2019 (salary progression increase)**:**

- SPI of up to 2.5%, i.e.:
    - Those on their grade maximum – zero
    - Those within 2.5% of their grade maximum – to grade maximum
    - Those more than 2.5% from their grade maximum – 2.5%.

3. On 5 November 2019 the GMB Branch Secretary notified the Assistant Director People Services (ADPS) that the JCSS Staff Side had met on 30 October 2019, and a resolution to accept the pay offer had been carried. This was on a majority vote, with GMB accepting the resolution, and UNISON voting against. The notification also advised that UNISON would be holding a branch meeting on 11 November to consider a ballot for strike action. Officers were subsequently advised that the UNISON branch meeting had voted to take the next steps in organising such a ballot: a 'consultative' ballot of UNISON members is currently being conducted to see if their members wish to hold a full statutory strike action ballot. The outcome of this consultative ballot is expected in the second week in December.

4. This is the first occasion that officers can recall when both trade unions have not respected the outcome of the joint Staff Side meeting to vote on the pay offer. The breakdown of this arrangement has put the Brigade in a difficult position as ordinarily an employer would not implement a pay offer when an independent trade union is contemplating industrial action in connection with that offer. GMB has however been extremely insistent that the Brigade should now be implementing the pay increase based on the majority JCSS Staff Side decision.

5. Having considered all of the circumstances, the recommendation to the Board is that the London Fire Commissioner approves and implements the pay offer which the JCSS Staff Side majority have accepted. It is recognised that this is not ideal as this removes a key incentive for UNISON to settle their dispute, however it is felt unlikely that any industrial action by UNISON will have a significant impact, and the pay offer is not going to change given that it has been accepted by GMB, the majority trade union. In this situation it is unfair to penalise FRS staff by delaying implementation of the pay increase.

Strategic Drivers

6. Approval of the proposed pay increase, and adherence to the annual uprating of salaries, is consistent with Pillar 1 of the Mayor's Good Work Standard, Fair Pay and Conditions. The LFC meets the 'Excellence' criteria 1.5 within this Pillar, as it applies a London premium to its

employees to reflect higher pay rates and the costs of living in London. The separate London Weighting allowance was consolidated into basic pay in 2011, but this London premium still exists as a consolidated sum. This would be eroded if annual pay increases were not applied.

7. The proposed pay settlement maintains comparability with the GLA: the settlement is identical to the 2019/20 GLA pay settlement of a headline 2%, with an additional 0.5% for the lowest paid.

8. The LFC recognises the importance of having good industrial relations, as stated in the 2017 London Safety Plan. Part of this is the commitment to annual pay bargaining with the recognised FRS trade unions.

Budgetary impact

9. The estimated budget for a 2% pay award for FRS staff in 2019/20 is £867k. Provision of an additional 0.5% to FRSB and FRSC staff (and FRSD staff within the FRSC overlap) increases the budget requirement to £939k, an increase of £72k.

10. There is a notional budget for the SPI based on a 2.5% increase, however the actual funding for this is generated through staff turnover.

Finance comments

11. This report recommends the approval and implementation of the pay offer made to the Fire and Rescue Staff. This includes the provision of an additional 0.5% for FRSB and FRSC staff, at a total additional cost of £72k. If agreed this additional cost will be included as part of the regular financial position reporting and also as part of the budget process for future years.

Workforce comments

12. This report concerns negotiations with GMB and UNISON over the 2019/20 FRS pay settlement. Details of the negotiations, and the dialogue with the trade unions, are set out in paragraphs 2-5 above. Details of the workforce equalities implications are set out in paragraphs 24-26 below.

Legal comments

13. 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.

14. 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 to this report.

15. The statutory basis for the actions proposed in this report is provided by the Fire and Rescue Services Act 2004, under which the Commissioner must secure the provision of personnel and may take any action they consider appropriate to do this.

Sustainability implications

16. The report recommends approval and implementation of a proposed FRS pay settlement which supports continued fair employment. The minimum FRS rate (increasing from £13.53 to £13.86 per hour) will continue to be above the London Living Wage (recently increased to £10.75 per hour). The LFC's lowest paid staff are the Business Apprentices who are paid at the London Living Wage rate, a commitment within the LFC's pay policy (PN821).

Equalities implications

17. 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.

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. 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.

24. An Equality Impact Assessment (EIA) was undertaken on 25 November 2019. The impact assessment found positive and neutral impacts identified in respect of the differential pay offer (2% and 2.5%). The fundamental positive impact is in respect of people on low income, in that an extra 0.5% is being paid to the lowest paid FRS staff. Whilst low income is not a protected characteristic, those on low income are one of the additional groups identified in the LFC EIA as meriting an impact assessment.

25. Table 1 below sets out the race/sex/staff with disabilities composition of the workforce by grade groups in light of the additional 0.5% being paid to FRSB and FRSC staff, and those FRSD staff within the FRSC overlap. FRSD staff have been treated separately in the table as under the pay offer, they will be receiving a pay award of between 2% and 2.5% depending on their position within the FRSD pay band.

26. It will be seen that the additional 0.5% has a negligible impact in terms of sex, with the percentage of women in the FRSB/C and FRSE/G bands broadly mirroring that of the FRS workforce as a whole. It is in the FRSD band where women are less well-represented. However there is a strong impact in terms of race as BAME staff are significantly more highly represented within the FRSB/C band (38.4%) compared to the FRSE/G band (17.0%). A higher proportion of FRS BAME staff will therefore be receiving the additional 0.5%, however this is because BAME staff have a higher representation amongst the lower paid FRS grades. There is a smaller, but discernible, similar impact amongst FRS staff with disabilities who are more highly represented within the FRSB/C band (16.5%) compared to the FRSE/G band (10.7%). A higher proportion of FRS staff with disabilities will be receiving the additional 0.5%, however again this is because staff with disabilities have a higher representation amongst the lower paid FRS grades.

Table 1 – Race/sex/staff with disabilities composition of (a) FRSB/FRSC; (b) FRSD; (c) FRSE/FRSG; and (d) Total FRS workforce (as at 31 October 2019). Percentages shown are those of the total workforce within the given grade range.

	Staff with disabilities	**BAME**	**White**	**Race not known**	**Female**	**Male**	**Total**
FRSB/FRSC	58 (16.5%)	135 (38.4%)	211 (59.9%)	6 (1.7%)	196 (55.7%)	156 (44.3%)	352 (100%)
FRSD	26 (12.7%)	68 (33.3%)	135 (66.2%)	1 (0.5%)	84 (41.2%)	120 (58.8%)	204 (100%)
FRSE/FRSG	29 (10.7%)	46 (17.0%)	220 (81.2%)	5 (1.8%)	143 (52.8%)	128 (47.2%)	271 (100%)
Total	113 (13.7%)	249 (30.1%)	566 (68.4%)	12 (1.5%)	423 (51.1%)	404 (48.9%)	827 (100%)