

Pay policy statement 2025-26

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Owner: **Assistant Director, People Services**

Responsible work team: **Policy, Pay and Reward**

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1 Introduction

- 1.1 This policy sets out the London Fire Commissioner's (LFC's) pay policy statement in accordance with the Localism Act 2011 (the 'Act') and DCLG's guidance under section 40 of the Localism Act 'openness and accountability in local pay' (the 'guidance').
- 1.2 It brings together in one statement and supporting documents the policies regarding pay and core terms and conditions of both the LFC's most senior managers and its lowest paid employees.
- 1.3 Under the Local Government Transparency Code 2015, the provisions relating to senior salaries, the LFC publishes the following:
 - The number of employees whose remuneration is at least £50,000 in brackets of £5,000;
 - details of remuneration and job title of 'senior employees' whose salary is at least £50,000 (i.e. the top three levels of the organisation, as set out in the last top management review (2015)); and
 - the names of employees whose salaries are £150,000 or more.
- 1.4 This information is also included in the LFC's published annual accounts ('Statement of Accounts') on the LFB website.
- 1.5 In line with the guidance, the LFC's "chief officer" pay policy has been extended from those chief officers defined in the Act to cover all of its top management group.
- 1.6 Links to all relevant LFC documents mentioned in this pay policy statement are set out below in the 'related documents' section of this statement.

2 London Fire Commissioner's strategic objectives

- 2.1 The LFC is committed to transparency in regard to the employment of all its staff. This policy meets the statutory requirements in part 1, chapter 8 of the Act to publish a pay policy statement.

3 Definitions

- 3.1 In this policy "chief officers" means the top management group, i.e.:

- the deputy commissioner/operational director (2)
- the non-operational directors (4)
- the assistant commissioners (6)
- the deputy assistant commissioners (17)
- the assistant directors and other non-operational heads of service (14)
- the other non-operational members of the top management group (19)

- 3.2 In this policy "lowest paid" means the definition set out in paragraph 12.1 below.

Note. Figures in brackets () in this paragraph represent the number of established posts with effect from 1 April 2025.

4 Top management pay determination

- 4.1 The top management group (TMG) pay structure which applies with effect from 1 April 2016 was agreed by the London Fire and Emergency Planning Authority (LFEPA) in March 2016 (FEP 2591). The pay structure is based on a recommended structure submitted by Hay consultants and involves different tiers in the structure. Hay have undertaken a job evaluation of all these senior roles.

- 4.2 All new posts or changes to existing posts arising from changed responsibilities within the top management group are submitted to Hay consultants for evaluation and allocated to the appropriate grade in the structure. Where staff within the grade group take on additional responsibilities they may receive a special responsibility allowance in accordance with the LFC's Policy number 563 – Special responsibility allowances policy.
- 4.3 The pay structure uses the London public and not-for-profit sector median as the benchmark.
- 4.4 General pay reviews, and increases to salary range maxima and minima, apply on 1 April each year; the review scheduled for 1 April 2025 is still under negotiation¹. The pay formulae are set out within FEP 2591, Appendix B. Under the general pay review, the 2016 agreement was for basic pay for top managers to increase by the Government's public sector pay policy for the duration of the current parliament. Up until September 2017 this was 1%, however in that month the government announced the end of the 1% pay policy. With the ending of Government public sector pay policy, TMG pay is negotiated locally with 'Prospect', the sole trade union recognised for collective bargaining purposes. Salary maxima and minima increase by the greater of the long-term trend increase in either (a) the median of London public and not-for-profit sector salaries, or (b) government pay policy².

5 Pay progression and performance related pay

- 5.1 The long-term arrangements for pay progression for the TMG are currently under discussion with Prospect, as are the interim arrangements for pay progression in 2025/26. This includes the arrangements under which TMG staff who have been at the maximum of their pay band for at least 12 months receive a non-consolidated performance payment.¹
- 5.2 The existing arrangements for newly-appointed Assistant Commissioners and Deputy Assistant Commissioners to progress to their respective 'competent' rates once signed off in role continue to apply. The majority of ACs and DACs are expected to be signed off in role within 12 months of appointment.

6 Changes to terms and conditions

- 6.1 The terms and conditions of staff within the top management group are determined through the TMG Consultative Forum where, as noted above, paragraph 4.4, the sole trade union recognised for collective bargaining purposes is Prospect.

7 Benefits and expenses

- 7.1 Operational officers within the scope of this statement are required to have a suitable vehicle for the conduct of their operational duties. They are contractually required to either use their own vehicle, in which case they will belong to the essential car user scheme or they will lease a car, in which case they will belong to the LFC's lease car scheme. Non-operational officers who are required to use their vehicle on LFC business normally belong to the LFC's casual car scheme. The terms and conditions are as set out in the LFC's car schemes Policy number 770 – Brigade car schemes and mileage rates policy.
- 7.2 All officers within the scope of this agreement are entitled to receive payment for membership of one professional association in accordance with the LFC's professional associations membership provisions - <https://londonfire.sharepoint.com/sites/HW-WorkingHere/ SitePages/Claim->

¹ To be updated when this is settled.

² Currently under discussion with Prospect, and the Pay Policy will be amended if this changes.

expenses.aspx . Individual staff with a prior contractual agreement to the payment of more than one membership subscription will maintain this commitment on a personal basis.

- 7.3 Officers are entitled to recompense of receipted expenses in accordance with the LFC's expenses Policy number 514 - Subsistence and public transport expenses policy.

8 Enhancement at termination

- 8.1 In cases of redundancy affecting non-operational staff within the scope of this policy statement, such staff are covered by the LFC's redundancy compensation scheme (Policy number 562 Redundancy and redeployment policy (FRS and control staff) section 8). That scheme provides that staff who agree to severance are entitled to receive redundancy pay based on their actual weekly rate of pay multiplied by the statutory multiplier, plus an additional £10,000 lump sum (pro rata for part-time employees). In cases where an employee does not agree to accept severance then they will receive statutory minimum redundancy pay. The LFC has published policies in regard to the exercise of discretion within the Local Government Pension Scheme (LGPS) which could be applied on request to members of the LGPS.
- 8.2 On 12 February 2021 the government announced that it would be revoking the *Public Sector Exit Payments Regulations 2020*, which place a £95,000 cap on public sector exit payments. The announcement also stated that 'HM Treasury will bring forward proposals at pace to tackle unjustified exit payments'. On 12 May 2022 statutory guidance on the making and disclosure of Special Severance Payments was published. This sets parameters on termination payments within the public sector and includes governance and publication provisions. The LFC is required to adhere to this statutory guidance.
- 8.3 Operational officers have no access to a redundancy compensation scheme and therefore statutory provisions would apply in the event of a redundancy. It has been agreed to extend the scheme applicable to non-operational staff to operational staff in the event that regulations are enacted enabling the LFC to pay enhanced terms (FEP2023).

9 Abatement of pensions

- 9.1 Unless there are exceptional circumstances, LFC's policy is to abate an employee's pension where the scheme rules provide for it, where the employee is a pensioner of the LFC and the combined remuneration from pay and pension exceeds the final pensionable salary of the employee. Between November 2017 and September 2020, the LFC did not apply abatement to re-employed fire safety inspecting officers and other suitably qualified fire safety specialist officers due to skills shortages and fire safety work volumes following the Grenfell Tower incident. From September 2020 normal abatement provisions had been re-instated in Fire Safety, and therefore applied across all departments until October 2023 when abatement was not applied to re-employed fire safety inspecting officers due to skills shortages and work volumes as set out in LFC-23-061.
- 9.2 In cases where the pensioner is not an ex-LFC employee the LFC will seek to secure employment on terms whereby the rate of pay and pension received by the individual does not exceed their final pensionable salary unless there are exceptional circumstances.

10 Re-employment

- 10.1 The LFC endorses the Home Office's policy position which is included in the Fire and Rescue National Framework (May 2018), i.e. fire and rescue authorities must not re-appoint principal fire officers after retirement to their previous, or a similar, post save for in exceptional circumstances

when such a decision is necessary in the interests of public safety. Any such appointment must be transparent, justifiable and time-limited. In the exceptional circumstance that a re-appointment is necessary in the interests of public safety, this decision should be subject to agreement by a public vote of the elected members of the fire and rescue authority, or a publicised decision by the appropriate elected representative of the fire and rescue authority, taking into account the legislative requirements of PCC (Police and Crime Commissioner) FRA (Fire and Rescue Authority) Chief Fire Officer appointment procedures. The reason why the re-appointment was necessary in the interests of public safety, and alternative approaches were deemed not appropriate, must be published and the principal's fire officer's pension must be abated until they cease to be employed by the fire and rescue authority.

- 10.2 Otherwise, staff who have retired or been made redundant are entitled to apply for any openly advertised role on the same basis as any other potential candidate and will be offered appointment if they are the best candidate for the role.
- 10.3 The Home Office's policy position also states that, to ensure greater fairness and the exchange of talent and ideas, all principal fire officer posts must be open to competition nationally, and fire and rescue authorities must take account of this in their workforce planning, and that fire and rescue authorities are expected to have regard to this principle when re-appointing at any rank. This policy position is also endorsed by the LFC: all operational Director, Assistant Commissioner, and Deputy Assistant Commissioner positions are open to competition nationally.

11 Tax avoidance - 'IR35'

- 11.1 The LFC's policy is not to directly engage staff who work through their own personal service company (PSC). The LFC's policy is to comply with all HM Revenue and Customs (HMRC) guidance and rules, and therefore complies with the 'IR35' (the 'intermediaries legislation') changes, introduced in April 2017. The intention of this legislation is to ensure that individuals who work through their own company in the public sector, but in an employee-type role, whether contracted directly by an organisation or through an intermediary such as an agency, pay employment taxes in a similar way to direct employees. The LFC may engage agency staff who work through their own PSC, but such staff must meet the required HMRC tests, including the HMRC online tool ('Check employment status for tax' – CEST), to ensure their engagement meets the IR35 rules.

12 Lowest paid staff

- 12.1 The lowest grade of non-operational permanent employees is FRS B which has an inclusive salary range of £30,167 to £35,584 p.a. (subject to an outstanding pay review wef. 01/04/2025). The lowest role/grade of operational staff is Trainee Firefighter which has a spot rate salary of £33,572 p.a. (subject to an outstanding pay review wef 01/07/2025). The lowest grade of Control staff is Probationer Control Officer which has a spot rate salary of £37,229p.a. (subject to an outstanding pay review wef 01/07/2025). The LFC's approach to the reward of its lowest paid has been to ensure that its lowest permanent rate of pay exceeds the London Living Wage and that all its non-operational FRS staff are employed on single status conditions of service. It negotiates the remuneration of its lowest paid staff with its recognised trades unions – for non-operational staff this is the GMB and Unison, with the FBU also recognised for Control staff; for operational staff this is the Fire Brigades Union (FBU). The LFC has operated a business apprenticeship scheme and these apprentices are paid at the London Living Wage.

13 Pay multiple

- 13.1 Under the guidance, it is recommended that local authority pay policy statements should include the authority's policy on pay dispersion – the relationship between remuneration of chief officers and the remuneration of other staff. The guidance recommends that the pay multiple (sometimes called 'pay ratio') is included in these statements as a way of illustrating the authority's approach to pay dispersion.
- 13.2 Under the Local Government Transparency Code 2015, local authorities must publish this pay multiple, defined as the ratio between the highest paid taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the median earnings figure of the whole of the authority's workforce. The measure must:
- Cover all elements of remuneration that can be valued (e.g. all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind);
 - use the median earnings figure as the denominator, which should be that of all employees of the local authority on a fixed date each year, coinciding with reporting at the end of the financial year; and
 - exclude changes in pension benefits, which due to their variety and complexity cannot be accurately included in a pay multiple disclosure.
- 13.3 Based on the above, the pay multiple between the highest paid employee and median earnings for 2024/25 (i.e. coinciding with the end of the 2024/25 financial year) was: 3.7. The pay multiple between the London Fire Commissioner and median earnings in 2024/25 was: 4.6.
- 13.4 The maximum multiplier in 2024/25 for the relationship between the highest paid employee/LFC and median earnings is set at: **5.0** and **6.0** respectively.
- 13.5 The LFC will seek to keep within these multipliers. These are regarded as sufficient to cover any changes which may naturally occur in regard to staff movements or pay awards which might affect the multipliers during the twelve months.

14 Review

- 14.1 This pay policy statement will be reviewed annually by the London Fire Commissioner (LFC) in April each year, and the pay policy statement may be amended by the LFC at any time during the course of the year and will be updated to reflect any statutory changes between annual reviews.

15 Help and support

- 15.1 Please contact the HR Helpdesk on extension 89100 option 3 and by email to IT.HR@london-fire.gov.uk.
- 15.2 This policy may also be available on request in other alternative accessible formats as set out in Policy number 290 – Guidance note on translation and interpretation. Please contact Communications on extension 30753 and by email to communications.team@london-fire.gov.uk to discuss your needs and options.

Document history

Assessments

An equality, sustainability or health, safety and welfare impact assessment and/or a risk assessment was last completed on:

EIA	30/04/24	SDIA	H – 09/02/26	HSWIA	09/02/26	RA	N/A
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Audit trail

Listed below is a brief audit trail, detailing amendments made to this policy/procedure.

Page/para nos.	Brief description of change	Date
Throughout	Reviewed as current with general updating in line with annual review by LFC. Please re-read to familiarise yourself with the content.	05/07/2022
Throughout	Reviewed as current with general updating in line with annual review by LFC. Please re-read to familiarise yourself with the content. SDIA and HSWIA updated.	12/06/2023
Throughout	Reviewed as current with general updating in line with annual review by LFC. Please re-read to familiarise yourself with the content.	17/06/2024
Throughout	Reviewed as current with general updating in line with annual review by LFC. Please re-read to familiarise yourself with the content.	28/07/2025
Page 7	SDIA and HSWIA updated.	11/02/2026

Subject list

You can find this policy under the following subjects.

Pay	Salaries
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Freedom of Information Act exemptions

This policy/procedure has been securely marked due to:

Considered by: (responsible work team)	FOIA exemption	Security marking classification