

Marauding Terrorist Attack (MTA) Allowance – Overtime Payments

Report to:

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

Date:

27 June 2024
9 July 2024
23 July 2024

Report by:

Head of Policy, Pay and Reward - People Services

Report classification:

For decision

For publication

I agree the recommended decision below.



Andy Roe
London Fire Commissioner

**This decision was remotely
signed on 21 November 2024**
Date

PART ONE

Non-confidential facts and advice to the decision-maker

Executive Summary

This report seeks agreement for the London Fire Commissioner and the Deputy Mayor to implement and apply the Marauding Terrorist Attack allowance (two percent on basic pay) to the calculation of overtime payments for operational staff with effect from 1 April 2024 that has been agreed with the trade union (Fire Brigades Union).

Recommended decisions

For the London Fire Commissioner

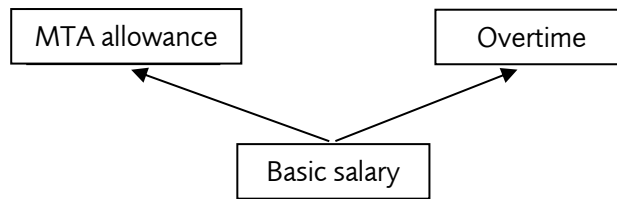
That the London Fire Commissioner approves the expenditure of £295,147 for the purpose of implementing and applying the Marauding Terrorist Attack two percent allowance to the calculation of overtime payments for operational staff with effect from 1 April 2024 as set out in this report and;

That the London Fire Commissioner delegates authority to the Director for Corporate Services to commit revenue expenditure of £295k and take all necessary actions to implement and apply the Marauding Terrorist Attack two percent allowance to the calculation of overtime payments for operational staff with effect from 1 April 2024 as set out in this report.

1 Introduction and background

- 1.1 The London Fire Brigade (Brigade) responds to acts of terrorism as part of its statutory duty as noted in the Fire and Rescue Service Act 2004. The report LFC 0570z 'Marauding Terrorist Attack (MTA) collective agreement' was agreed by the London Fire Commissioner on 7 February 2022. The agreement set out the framework and arrangements that were negotiated and agreed with the Fire Brigade's Union (FBU) for training and responding to MTAs. This collective agreement included the payment of a pensionable two percent allowance of the basic salary for operational staff from the rank of Trainee firefighter up to Group Commander.
- 1.2 A similar agreement was reached at the Greater Manchester Fire and Rescue Service.
- 1.3 The operational overtime pay arrangements are set out in the National Joint Council (NJC) Grey Book Section 4, Policy number 430 – Casual overtime duty, leave and allowances, and public holiday rates policy and Policy number 375 Pre-arranged (determined) overtime. These state that overtime is payable at time and a half or double time on public holidays. Station and Group Commanders are not normally eligible for overtime but can undertake additional duties at a set amount for an extra 9-hour or 24-hour duty performed as set out in Policy number 558 – Operational staff pay rates and sick pay policy.

- 1.4** Therefore, because the MTA allowance is based on the basic salary and overtime is also based on the basic salary, the MTA allowance is not applied to overtime as shown below:



2 Marauding Terrorist Attack allowance overtime

- 2.1** The principle of paying the MTA two percent allowance to all operational staff was to financially recognise the training and duties that are performed.
- 2.2** The Brigade has liaised with Greater Manchester Fire and Rescue Service who have confirmed that they do pay overtime on the combined total of the basic salary and MTA allowance because of the reason set out above. This difference between national fire and rescue services creates a national inconsistency of application.
- 2.3** The Brigade introduced skills payments for operational staff up to the rank of Station Officer between one to three percent which is applied to overtime payments. This difference creates inconsistency between pay related terms and conditions that Payroll have to administer. This also does not align with the People Strategy of simplifying policies and processes.
- 2.4** On an occasion where the Brigade may have to attend an MTA incident that may result, in both or either, operational staff incurring casual overtime or where staff are performing a pre-arranged (determined) duty then the staff would not receive MTA allowance on that overtime, for such attendance. This is inconsistent with the principle of the collective agreement of paying the MTA allowance to perform MTA related duties when needed.
- 2.5** The FBU's position is that they consider that the MTA two percent allowance should be applied to overtime payments and have been engaging in positive and constructive discussions with the Brigade to seek this resolution.
- 2.6** The Finance department have provided estimated increased costs of up to £295k for 2024/25 should the two percent MTA allowance be applied which would be met from the existing overtime budget or from the flexible budget reserve in line with previous overtime overspends.
- 2.7** An implementation date has been agreed with the FBU of 1 April 2024 and therefore falls within this financial year's budget.
- 2.8** It is recommended that the Brigade applies the MTA two percent allowance to the calculation of overtime payments with effect from 1 April 2024 because of the reasons set out above in 2.1 to 2.7. This is to recognise and support operational staff undertaking the important MTA related duties at all times as well as improving consistency of its application nationally and internally across staff terms and conditions.

3 Objectives and expected outcomes

- 3.1** The objective of the recommendation within this report and therefore the expected outcome is to apply the two percent MTA allowance to the calculation of casual, pre-arranged (determined) overtime and additional duties payments from 1 April 2024.

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** The application of the overtime to the calculation of the MTA Allowance shall be applied to all operational staff, including those with protected characteristics, so although there is this positive impact because it is generally accepted to be beneficial, it is recognised that the pay increase which is based on a percentage increase across all grades, does mean that staff on higher grades receive more money than those on lower grades which include the lowest paid. The Equality Impact Assessment for Policy number 558 – Operational staff pay rates and sick pay policy dated 17 April 2024 shows that the policy provisions meet the responsibilities with regards to the Public Sector Equality Duty Act.

5 Other considerations

Workforce comments

- 5.1** This overtime payment calculation has been negotiated with the FBU trade union who report that it will have a positive impact on the operational workforce and represents a fair and

consistent approach.

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 strategy shall be agreed with the communications department.

6 Financial comments

- 6.1** This report recommends that the two percent allowance applying to the MTA allowance is incorporated into the calculation for overtime payments for operational staff. This will result in an ongoing increase in expenditure on overtime of two percent from 1 April 2024.
- 6.2** The total estimated additional cost shall be £295,147 which is calculated by applying a two per cent increase on the operational annual budget for 2024/25, 2023/24 level of overtime overspend and the 2023/24 additional payments spend.
- 6.3** The annual budget for operational overtime, Public Holiday overtime and standby overtime in 2024/25 is £4,926,325. A two per cent increase to this in addition to employers National Insurance would be £112,123. If agreed this increase will be included as part of the budget setting process for 2025/26 and future years. The in year impact of £112,123 will be met through a draw on the budget flexibility reserve.
- 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. However, as a result of the forecast revenue overspend for 2024/25 the Quarter 1 report proposes that this balance is transferred to the General Reserve.
- 6.6** The additional one off revenue funding requirement set out in the paper is proposed to be funded from the Budget Flexibility Reserve, this would reduce the balance available to support the in-year overspend, thereby increasing the pressure on the general reserve by the same amount. It should also be noted that actual expenditure exceeded the available budget in 2023/24, with overtime spend remaining a risk into 2024/25. If overtime spend remained at 2023/24 levels this would result in an increased in overtime expenditure including employer National Insurance of £286,147. The additional duties spend for 2023/24 was £435,000 and a two percent increase on this with employer costs would be £9,900. Therefore, the total estimated cost shall be £295,147. Any in year overspends will be considered as part of the in-year financial monitoring process along with the increased impact of a two per cent increase. 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 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.

- 7.2** Section 1 of the Fire and Rescue Services Act 2004 states the Commissioner is the fire and rescue authority for Greater London.
- 7.3** 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").
- 7.4** 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...".
- 7.5** The Deputy Mayor's approval is accordingly required to implement and apply the MTA two per cent allowance to the calculation of overtime payments for operational staff which has an estimated cost exceeding £150,000.
- 7.6** This report seeks approval to implement and apply the MTA two percent allowance, to the calculation of overtime payments for operational staff following an agreement reached with representative bodies. The arrangements proposed is consistent with the Commissioner's power under section 5A of the Fire and Rescue Services Act 2004 to do anything it considers appropriate for the purposes of the carrying-out of any of its functions. This report seeks approval to implement applying the MTA two percent allowance, to the calculation of overtime payments for operational staff following agreement reached with representative bodies.

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