

XIBILITY HAMPSHIRE RETAINED FIREFIGHTERS
UNION

RDS SALARY SCHEMES

A DISCUSSIONAL DOCUMENT

HERFUD

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HERFUD

DISCUSSIONAL DOCUMENT

REVIEWING THE WAY THAT RETAINED FIRE FIGHTERS ARE RECOMPENSED

INTRODUCTION

Hampshire Fire and Rescue Service along with other public agencies will expect severe budget restrictions in the following years. Due to this, the service is proactively looking at reducing expenditure throughout the organisation. The bulk of these savings will be made through efficiency gains. As an intrinsic part of HFRS, the RDS cannot be expected to be protected and immune from these actions. The RFU accepts and even supports any efforts to operate the service more efficiently however we do expect a number of important facts to be considered when looking at this specific, unique part of the service. Hampshire Fire and Rescue Service have started discussion with the Representative Bodies to look at reviewing the way which RDS fire fighters are paid. This is primarily supported by them under the principle that a new Hants model would reimburse employees for the cover that they provide rather than paying them for each time they respond to a call.

The HRFU ethic has always been to not throw out any new developments or propositions out of hand but to work with the service to establish new and better systems. However underpinning this ethic when we consider salaries, one of the most sensitive components of any employees contractual ties with a company, we must not forget that:

1. The RDS system is recognised as being one of the most efficient uses of resources and is the envy of many businesses.
2. The service must recognise the unique way that RDS crews integrate their HFRS duties with their private and 'outside' business lives and not try to force on new systems which only benefit the service.
3. Short term savings must not result in demoralising fire fighters so they leave, costing the service more in the long run to recruit and train replacements.

The discussion for looking at savings and creating a more flexible and efficient service will be primarily based around creating new styles of contracts for RDS fire fighters. Certainly it cannot be argued that having a varied range of contracts to offer new and existing employees will benefit both, moving away from the fixed 100% and 75% cover which could be considered outdated. In addition the contract shells should be reviewed – are they still current for the modern requirements of both service and employee?

The RFU believes that every individual fire fighter has a right to fair and accurate pay, recompensing them accurately for the work they undertake as described in the Grey Book.

CURRENT SYSTEM REVIEW

Change is inevitable - except from a vending machine – and can be inspiring and creative, but it can also be uncomfortable and unpalatable. We must not forget that the current system has served us well for 30 or 40 years. It rewards RDS fire fighters for putting themselves forward as available and sometimes rearranging their life to ensure this availability. It recognises that though called to the station, they may not always be required so a disturbance allowance compensates. Finally, if riding they are simply paid the same as their WDS colleagues. Well thought out, developed over many years and rewarding fire fighters for what they actually do-hour by hour.

OK, this may work for the fire fighters and let us stress that we currently know of not one RDS fire fighter who wants it to change, but it is not as convenient for management. The majority of HFRS employees are on an annual salary and the monthly wage is simply a 1/12th of that. Wage processing for RDS employees changes every single month and so is a lot more involved and administratively resource hungry for HFRS.

In addition HFRS have informed us that they do not feel it correctly reflects the RDS fire fighters role, in that payment is made for actual incident activity and not for being available. The “perverse incentive” as it has been coined, espouses the fact that RDS fire fighters wages reflect how many incidents they attend so they are paid in a sense immorally, benefitting off others emergencies. How this is different from WDS fire fighters we are still not very sure.

In addition there is an inbuilt inefficiency when mobilising an RDS crew. The alerters are activated and all available fire fighters report to the station. At a one pump stations 6 riders may be required (although this ridership factor is still under review), but for some stations it may be just two riders if for example a Landrover is required – but the whole station has been tuned out. This has the advantage of ensuring the pump is crewed by the ‘call out all’ method taking into account how people may sometimes not be able to respond at a specific time but has the disadvantage that a disturbance payment may have to be paid to many who attend but are not required.

CONSIDERING CHANGE

It is imperative that any change introduced, maintains or improves the current system for RDS fire fighters and the way they interact with HFRS. The service has just invested a large sum in the RMS system which has replaced the old inefficient system with an online collaborative tool which benefits both fire fighters and the service. This system finally provides a bridge between Service Order requirements and the realities of living an RDS life. We would not expect any new process to hark back to manual manipulation, inefficiencies and high maintenance requirement from the user.

In agreement with the services strategy, we do believe that some financial recognition for availability should be made to fire fighters. This recognises the disruption and management RDS fire fighters have to make, sometimes on an hour to hour basis, to ensure they make themselves available and the pump turns out plus the ill effects that sometimes dropping everything to respond to an alerter can occur in their lives.

NEW SYSTEMS

CONSIDERATIONS

So what alternative systems could be considered? We think that a number of factors should be very carefully included in the evaluation of any new system:

- It must be very easy to understand.
- It must be fair and non discriminatory to all individuals
Transparency and clarity must be an integral part of any system so that individuals can easily understand the payment model and feel they are being treated fairly.
- It must not involve an actual drop in payment.
If by improving an individuals Work/Life balance they are required by the service less often, then we would identify they may be paid less. However, if they undertake the same hours, but get paid less this would be a gross contravention of their employee rights.
- Current agreements must be included.
Items such as disturbance, holiday and sick pay agreements must be honoured.
- It must be better than the current system.
The new RMS system is a great improvement and offers RDS employees a much better enhanced portal to allow individuals to react with HFRS. There must be no reduction in this and in fact it would be great opportunity to improve facilities even more.

We also think that with the integration of a more intelligent system a better work/life balance could be achieved for personnel. This would recognise that rather than all RDS fire fighters at a station making themselves available at a particular time and so all being 'disturbed' by the alerters a station would establish an availability factor and numbers over this would allow individuals to come off the run and not be available.

For example for a one pump station with 12 retained employees it could be established that a reasonable availability factor is 7:

Example times	Showing Available	Availability Factor	No. of employees who can come off the run
Friday 18:00 – 23:59	12	7	5
Monday 09:00 – 15:00	7	7	0
Monday 16:00 – 21:00	9	7	2

THE HANTS MODEL

It is important to establish at the outset, that the Hants Model we have been shown is a 'Possible Solution' only and still under discussion and development.

The service is currently investigating this model, trying to find a system which continues to remunerate RDS fire fighters fairly but is easy to administer. We have a number of concerns with the system we have seen.

- It is extremely complicated and has taken us some hours to understand. Consequently we cannot see it being easily accepted by the workforce.
- It makes a number of 'assumptions' in its formulae. Assumptions are a great tool when hypothesising results for investigation or general forecasting, but should never be used in the black and white world of payments.
- The system is based on a nil budget effect to the service. Which it means it should not cost more or less to the service. This is an understandable condition but has the effect that if the formula ends up paying one fire fighter more than another fire fighter must be paid less to balance the effect. We will never condone a reduction in payment.

The system favoured by HFRS would involve paying RDS employees a fixed monthly salary based on how active their station is, so those working at busy stations will receive a salary which is greater than those at quieter stations. Any formula created to ease the processing overhead of varying monthly salaries must by its very nature contain elements of presumption and so inbuilt inaccuracies.

Banding payments has also been discussed by HFRS. This system (albeit with some finer details), pays RDS fire fighters a fixed amount based on how busy the station is. For example a fire fighter serving at a quiet station would get an hourly rate less than that of a fire fighter who serves at a busier station. It is felt that at the end of the year both individuals will have earned the appropriate annual salary commensurate with their activities so although monthly payments may differ, annual payments would result in similar totals as are currently being received.

There are two issues with this which we feel are unfair, firstly the grey book states the hourly rate that fire fighters earn and we feel that any deviation below this would not be lawful. You could quite easily have the scenario where two fire fighters would be working side by side at an incident, undertaking the same task but earning different hourly rates. We must not forget that fire fighters are individuals and not simple resources. Each and every

individual fire fighters rights are implicit and legally bound. They are not simple 'units' like a product being sold on the general market where some products are sold at cost, some at a profit to generate an overall annual profit for a business!

In addition fire fighters would be available at agreed times with only a standard crew on call. This could change on a weekly basis, so at drill night everyone's hours (when they can fulfil their contractual obligations) will be worked out and a rota with just the right number of fire fighters available at just the right time will be created. We are extremely disturbed by this point as it would bring in an additional management burden on both OIC's and the individuals. If a fire fighter was booked as 'available' and needed to become 'unavailable' they would need to phone around and find a stand in. This is a level of administration which should never be and takes us back to the pre-RMS days and would be a very negative step.

Currently, unless leaving the station area, most people remain available and live their normal lives. Due to an inbuilt surplus in the system, flexibility is allowed for unforeseen contingencies. The minute to minute unplanned changes in an individual's private life which may make them unavailable without prior warning are absorbed. To start tying individuals down to be dedicated and available over set periods of time is an anathema to how they work, in addition, with the expectation that they be 'always available' they become essentially contracted to HFRS for this time and 'on call' so should be recompensed at no less than hourly fire fighter s rates.

BANDING EXAMPLE

The subject of banding the payments is based on stations activities. Banding payments can only pay accurately for the one or two median stations. Those either side of the median stations will essentially be paid an amount which is non-reflective of the work they do. Although it could be argued that the services total wage bill would be the same, there would be individual inaccurate fluctuations within the band.

Station in a specific band:

Station One	These stations are actually busier than the figure calculated from Station Three so fire fighter would be being underpaid
Station Two	
Station Three	Payments calculated off the median station
Station Four	These stations are actually quieter than the figure calculated from Station Three so fire fighter would be being underpaid
Station Five	

Even if the 'median station' to be considered was from the higher band, it still creates an inbuilt inaccuracy.

CREATING AN RDS SALARY SCHEME

It is certainly easy to criticise why systems cannot work but a lot harder to come up with a solution which benefits all. For the service we would identify a new system should:

- Reduce payment administration
- Reduce the cost of disturbance fees
- Recognise that fire fighters make themselves available, currently without a direct link to wages
- Must not cost the service anymore – and ideally, cost it less!

The RFU have risen to this challenge and would like to offer two possible solutions. It is important to note that at this stage we have not had the opportunity to poll all of our members and we would expect the general consensus would be to not change the current system but as a mutually agreeable solution we believe the following is fair, equitable and cost effective.

SOLUTION #1

PART A

Solution 1 works in reverse to the current system and rather than having availability as an arbitrary resource makes it more tangible. It places the onus on the OIC and local fire fighters to manage their hours in a more constructive and mutually useful way. Do note that all figures are assumed and may well need further investigation.

This system is based off the stations actual requirements, in our example we shall consider a one pump station.

First we create an on-call establishment figure: A pump can mobilise with between 4 and 6 riders. Allowing for one more individual would allow a 50% failure to respond before the pump could not actually turnout. So for a one pump station our on-call establishment figure is 7.

Agreeing to this would therefore mean we would need 7 available RDS firefighters throughout the week 24 hours a day, 7 days a week. This equates to a total of 1176 hours being required of the resident RDS employees at the station.

Through an enhanced RMS system only 7 individuals would be available at any point in time.

In addition employees would have their contracted hours available as currency within the RMS system. An employee could only offer their contracted hours to the service – no more. So if you are contracted to supply 120 hours a week, you could only offer 120 hours. This would encourage individuals to manage their time better and actually take themselves off the run to improve the quality of their work/life balance.

This system would encourage employees to self manage their own cover so as their availability would integrate more closely with HFRS requirements. For example, if I make myself available during the weekday, I may as well come off the run in the evenings to allow those are available in the evenings to provide cover and give me the hours to provide my day cover.

PART B

This solution could be completed here, that is to make no further changes and pay fire fighters their traditional, drill night, disturbance and turnout fees additionally. Or the system could have an additional component called the hourly availability rate which essentially pays the fire fighters per hour of availability.

This is simply calculated as the 100% retainer fee divided into the number of hours a fire fighter could be available (144 hours a week x 52 weeks of the year/£2821 (RDS FF on 100% retainer). Added to this figure would be drill nights, a fixed monthly fee, based on 3 hours per week, multiplied by 52 weeks, divided by 12 months for a fixed monthly payment.

In addition the hourly rate could recognise an activity payment taking into account the number of callouts of the station, this component would be built into the hourly rate. The theory being that an increase in available hours will have a direct linear relationship to the number of incidents you attend. The formula for this is quite simple:

Number of shouts a year/hours in a year x hourly rate plus disturbance

Example numbers (for a station with 100 shouts a year/divided by number of possible available hours in a year x fire fighter hourly rate (plus disturbance):

$$100/7488 \times \pounds 16.58 = 60 \text{ pence an hour}$$

Additional hours in attendance over one hour would receive the usual hourly rate.

EXAMPLE FIGURES

Rank	Contract	Retainer	Grey Book Hourly Rate	Availability Hourly Rate	Activity Component	HFRS Hourly Rate	Drill Nts	Avg Month	Avg Year
				$\text{Retainer} / 7,488 \text{ hours}$	$\text{Station activity} / 7,488 \times \text{hourly rate} + \text{disturbance}$	$\text{Avg of hourly rate plus activity component}$	$12 \text{ hours a month} \times \text{GB hourly rate}$	$((\text{HFRS hourly rate} \times \text{Avg weekly hrs}) + 4) + \text{Drill nts}$	$\text{Avg Month} \times 12$
WMD	144	£3,193.00	£14.58	£0.43	£0.24	£0.67	£174.96	£561.19	£6,734.29
WM	144	£3,284.00	£14.99	£0.44	£0.25	£0.69	£179.88	£576.26	£6,915.18
CMD	144	£2,988.00	£13.69	£0.40	£0.23	£0.63	£164.28	£527.90	£6,334.74
CM	144	£3,127.00	£14.28	£0.42	£0.24	£0.66	£171.36	£550.21	£6,602.47
FFT	144	£2,116.00	£9.66	£0.28	£0.18	£0.46	£115.92	£381.46	£4,577.50
FFD	144	£2,204.00	£10.06	£0.29	£0.18	£0.48	£120.72	£396.10	£4,753.26
FF	144	£2,821.00	£12.88	£0.38	£0.22	£0.60	£154.56	£499.10	£5,989.18

Station Activity
Disturbance
Avg Weekly
Hrs

100
£3.70
144

ADVANTAGES OF THIS SOLUTION

- HFRS just pays for what it gets
- Reduces unneeded turnouts
- Would encourage individuals to be more intelligent with the hours they offer the service
- Is resilient
- Ability to forecast shortfalls would be improved
- Better control of WTD
- Fire fighters actually receive an hourly rate plus additions
- All costings are based off 100% cover so no % inequality
- As individuals would be paid an hourly rate for the time they make themselves available, so if they fail to achieve their contracted hours, they get a rate commensurate to what they have offered the service. This would allow the service the facility to offer contracts which offer less than current contractual times i.e. to be more flexible.

From this solution we have calculated savings of £30k an RDS station, not through paying anyone less but by simply paying the right number of people to be available

DISADVANTAGES OF THIS SOLUTION

- More constructive discussion and much stronger station personnel management would be required
- Arguably more opportunity for stations not being able to respond if unmanaged
- Individuals would have to be a lot more conversant with the RMS system
- Slightly stricter contractual control may not suit some individuals
- RMS system may require financing to adapt it to better suit this solution
- This would mean that fire fighters attending an incident from two different stations may arguably be working for an initial different hourly rate which may lead to claims of discrimination

PART C?

There is an additional consideration that could be offered with Solution 1, which is a little radical but would demonstrate the ultimate in a flexible and accommodating fire service. This consideration is simple, RDS fire fighters would be paid as in Solution 1, but there would be no contractual obligation to supply a certain number of hours. Instead all RDS fire fighters would be able to supply up to, but not over 144 hours. Of course it could be argued that this is unmanageable due to the service needing to contractually tie individuals, but we believe this is a misnomer. Individuals would get the hours they offered the service so there is an inbuilt encouragement to make themselves available. Albeit with caveats for certain service expectations.

SOLUTION #2

This solution is based around four main concepts, the retainer, the reduction in administrative costs, reduction in disturbance fees and contract structures.

Firstly I think that a retainer fee, however calculated is essential to keep individuals contractually bound to the service and ensure that it is recognised that they make themselves 'available' irrespective of the amount of calls that they attend. It is also accepted that HFRS have made no mention of changing the retainer fee – however as full evaluation it should be considered.

Reduction in administrative costs associated with paying RDS fire fighters there varying monthly salary.

PART A

HFRS would essentially pay there RDS fire fighters a fixed monthly salary based on a $1/12^{\text{th}}$ of their previous years earnings. The RMS solution would total up the total earnings for an RDS fire fighter over a year and then once a year, this figure would be divide by 12 and would become the fire fighters fixed monthly wage for the following year. This system would have a number of advantages:

- RDS fire fighters will receive a known monthly payment which would enable them to manage their finances better. This fixed amount would change yearly, based on their previous year activities.
- Payment admin would be reduced to the already available totalling of hours worked (from the RMS) and then a once year calculation of the fire fighters individual monthly wage
- Every fire fighter would be paid an accurate amount for the actual time that they worked.
- Finance could monitor the accumulation of the next years wages and plan accordingly.

CHALLENGES WHICH THIS SYSTEM WOULD BRING

- How to introduce new fire fighters to the scheme and pay off those leaving part way through.
- Investigating payment queries would be more challenging.

CONTRACTS

We would like contracts to be more flexible in their design to allow a more dynamic management of time for individuals. It is accepted that the service needs a commitment from the individual to ensure they offer the 'contracted hours' but the system is archaic and ineffective. For example, all RDS fire fighters could make themselves available for a set period and unavailable for another set period thus taking the pump off the run. We believe that a more efficient system would be to remove the contracted hours required completely and allow individuals to offer dynamically

CONSIDERING BOTH SOLUTIONS

There may even be components of each of the above solutions which could be cherry picked to create a user friendly, service efficient solution.

An interesting anomaly arose whilst we were investigating these figures. Whilst researching the retainer paid to RDS employees, designed to recognise the hours they make themselves available, it was established that for those on 75% cover the retainer equates to £2.92 an hour, whereas those on 100% cover it equates to only £2.65 an hour!

IN CONCLUSION

We hope that these two alternative solutions bring a refreshing alternative view to the opportunity of developing fire fighter salaries. We would welcome the opportunity to undertake further investigations to establish a more accurate costing for both systems for the service.

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