

**Strategic Management Board Remuneration and Performance Review,  
and Annual Report on Employee Bonus Scheme**

**Buckinghamshire and Milton Keynes Fire Authority (BMKFA)**

**Report to the Fire Authority February 2017**

**1. Executive Summary**

- 1.1 This report provides information for members' consideration in their review of the corporate and individual performance of the strategic management board (SMB), and whether a bonus payment would be appropriate. A local pay review is conducted annually and any proposed changes are approved by the full Authority in February, to be effective from the preceding January. The last remuneration review was in February 2016.
- 1.2 The senior management posts under consideration in this review are Chief Fire Officer / Chief Executive, Chief Operating Officer / Deputy Chief Fire Officer, Director of People and Organisational Development, Director of Legal and Governance, Director of Finance and Assets, Head of Service Delivery and Head of Service Development. These posts are considered under the 'Gold Book' arrangements of national and local review.
- 1.3 To support members in their considerations, account has been taken of the pay context in which the fire service operates, conditions of employment, local methodology for conducting a pay review, pay policy and corporate plan, financial position, performance data compared with other fire authorities (council tax precept, pay bill, net expenditure), salary benchmarking, deliverables against corporate plan, evidenced achievements.
- 1.4 Context and service performance data has been drawn from management reports to the FRA and from published national data collected by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Government Association (LGA). At the time of writing the report, the CIPFA statistics for 2017 are not yet available, so recommendations are based on previous estimates.
- 1.5 Overall, the data presented continues to reflect a strong and effective leadership team that ensures efficient deployment of assets, has increased operational outputs with wider services to the community and has proactively engaged with

external partners. This is against a backdrop of continuing tighter fiscal measures and fewer resources including a decrease of 57% in revenue support grant received between 2015/16 and 2019/20. There has been an increase in the Government's core spending power for every authority and for BMKFA this is an increase of 1.2%. The Government has set an expectation that council tax will be increased every year during the current spending review and 2016/17 saw an increase of 1.98%.

- 1.6 The cost of providing the fire service compared to other combined fire authorities is one of the lowest in the country yet BMKFA continues to demonstrate improvement in reducing incidents of fire or road traffic collisions through prevention activities and life-saving and health promoting initiatives.
- 1.7 Savings have been made across front line service delivery and back office functions and a consistent underspend against budget is noted. The base salary level of the CFO and the COO are a little above the mean average range for salaries at the population (Band 2) size.
- 1.8 The CFO was appointed in post in January 2015 and senior salaries were revised at this point and provide the benchmark level for consideration each year. The CFO is keen to report on the SMT performance and remuneration position in an open and transparent way.

## **2 Background and context to pay and remuneration**

- 2.1 The Local Government Transparency Code 2015, Department for Communities and Local Government (DCLG) seeks to ensure local people can access data including salary levels for senior staff. A link to this published data is to be provided on the website with a list of responsibilities, details of bonuses and 'benefits in kind' for all staff earning over £50k.
- 2.2 Localism Act, 2011 requires authorities to produce a Pay Policy Statement showing the dispersion of pay (including variable pay, use of performance related pay, bonuses, allowances and cash value of benefits in kind) and the ratio of pay between levels of staff, known as a 'pay multiple'.
- 2.3 Hutton report on Fair Pay, 2011 set out the case for a maximum pay multiple, keeping the pay of top public sector executives bounded to what their staff earn. It was reported that executive pay in much of the public sector has been rising faster than the pay of median and low earners, creating a greater pay dispersion over the last 10 years. A maximum pay multiple of 20:1 was proposed.
- 2.4 The Report from Adrian Thomas, Independent Review of Conditions of Service, England, November 2016, highlights differences between fire authorities including accessibility of pay policy statements, CFO annual salaries and complexity of rank, job evaluation for principal officers. Data for Chief Fire

Officers' salaries 2013 from each FRS is published and BMKFA features at number 20 out of 46 authorities in descending order of CFO salary level. It should be noted that those differentials are no longer relevant following the review of salary levels when a new CFO was appointed in 2015. BMKFA salary figures are now closer to the mean average.

- 2.5 There continues to be significant focus on pay restraint for senior managers and this remains central to the government's deficit reduction strategy. Government guidance to this effect was published on 5 February 2016 as a reminder of the rules in place and the government's expectations on public sector employers, particularly relating to senior pay controls, exit payments, salary sacrifice schemes and other benefits.
- 2.6 The National Living Wage (NLW) was introduced in April 2016 at a minimum of £7.20 / hour and is due to increase in April 2017 to £7.50 / hour. It is still unclear what 60% of the UK median earning will be by 2020 but previous figures proposed remain suggest it will be between £9 - £9.40 / hour. The NLW may present a challenge for local authorities in planning for future pay policies as it may impact on established pay structures and pay differentials.

### **3 Fire Service Conditions of employment**

- 3.1 BMKFA applies national conditions of pay for the majority of operational and senior staff. SMB are contracted under the National Joint Council (NJC) for Brigade Managers of Fire and Rescue Services Constitution and Scheme of Conditions of Service 'Gold Book'. This provides for a national and local review of pay.
- 3.2 Operational staff below Brigade Manager are conditioned to the 'Grey Book'. However, the Authority recognises that new employees may be employed on terms and conditions outside the Grey Book. This includes the operation of a 'Bank System' where staff make themselves available when not on duty for operations. Payment for this is agreed locally.
- 3.3 There is currently a pilot of flexible arrangements for firefighters where terms and rates of pay are agreed outside the Grey Book for the protection of services and provision of enhanced resilience, including agreement to not participate in industrial action, on a voluntary basis.
- 3.4 Support staff are on local terms and conditions of employment and progression through pay scales is determined based on evidenced performance.
- 3.5 Twenty two apprentice firefighters started in August 2016, to be operational from October 2016. Also, four support staff apprentices were taken on. Apprentices do not have 'employed status' during their apprenticeship, as do employees.

- 3.6 At national level annual reviews are considered by the NJC to negotiate on national pay, taking account of affordability, other relevant pay deals and the rate of inflation. There has been an increase of 1% in brigade managers' pay with effect from 1 January 2016 and of 1% with effect from 1 July 2016 for Grey Book staff. At the time of writing, the 2017 pay claim is still awaited. A working assumption, based on public sector pay, is a likely increase of 1% over a one year period for 2017.
- 3.7 The NJC agreement requires Fire and Rescue Authorities (FRAs) to review Principal Officers' salary levels annually and determine this at a local level. 'When determining the appropriate level of salaries for all Brigade Managers, the FRA should refer to the relevant minimum salary of the CFO and the most relevant benchmark data'.
- 3.8 Account is also taken of national benchmarking, special market considerations, substantial local factors or complex responsibilities that bring added value, top management structures and size of management team compared to other Fire and Rescue Services (FRS), objectively assessed relative size of post and incident command responsibility (including beyond own boundaries).
- 3.9 Consideration in setting salary levels locally are likely to include:
1. Minimum salary levels for Chief Officers in relevant sized local authorities
  2. Market rates of pay for senior managers in a range of private and public sector organisations
  3. Evidence of recruitment and/or retention difficulties with existing minimum rates
- 3.10 The revised minimum levels of annual rates of pay for chief fire officers from 1 January 2016 covering Bands 1 – 4 is provided by the Local Government Association (LGA), **Appendix 1**. The relevant Band for BMKFA is Band 2.

#### **4. BMKFA Policies and Plans**

- 4.1 The Pay Policy Principles and Statement 2016/17 set out the factors that are taken into account in determining the recommendations for the future pay position for senior managers.
- 4.2 A revised pay policy for 2017/18 will go to the Fire Authority in February 2017 but the changes will not impact on the SMB remuneration for this year. Decisions on pay policy are taken by elected members as they are directly accountable to local communities and all decisions on pay and reward for chief officers must comply with the current Pay Policy Statement.

- 4.3 Annex C of the Pay Policy refers to bonus payments being *'one-off ... to reflect excellent performance... which exceeds standards and targets agreed with the employee during their annual appraisal process...'*. Recognition does not have to take the form of payment, and where financial awards are proposed, it requires a fair and transparent process to be in place. Objectives are to reward those who demonstrate sustained, outstanding achievement or excellence in role.
- 4.3 In March 2016, eligibility criteria for the payment of "merit/bonus" awards for use by managers was agreed. This decision reflected the high performance and delivery of corporate objectives across the Authority, and mirrored the scheme which ran successfully in 2015.
- 4.5 Bonus payments are not intended as additional reward to staff who are performing at a fully satisfactory level and/or developing in line with normal expectations. Discretionary payments, such as merit awards, are not to be used where the requirements of a job have changed significantly and permanently, as this would be for consideration under job evaluation.
- 4.6 Managers were invited to make applications for merit/bonus awards for staff in line with established criteria provided at **Appendix 2**. The outcome of these considerations for non-SMB staff is also provided at **Appendix 2**.
- 4.7 The Pay Policy 2016/17 defines Strategic Management Board (SMB) levels of remuneration as comprising salary, any bonuses, fees or allowances routinely payable and any benefits in kind. Bonuses will be considered linked to evidenced and scrutinised delivery of performance management objectives. Benefits in kind are listed as car allowance value P11D and private medical insurance. See **Appendix 3**. A car allowance is included in the flexible duty system required by senior operational managers as part of the operational cover provided. This differs from the level of car allowance for support staff.
- 4.8 Payment for bonuses is discretionary and non-contractual. The amount allocated for bonuses will be self-funding linked to savings and performance. This principle is central to the Authority's considerations of reward and remuneration.
- 4.9 A further requirement is the publication of a 'Pay Multiple'. This is the ratio between the highest paid employee and the median average salary figure for all employees. This is provided in **Appendix 4**.
- 4.10 In March 2015 the 2015-20 Corporate Plan was presented to the Fire Authority. The focus was to equip the organisation to meet future challenges, respond to changes in demand and risk to the community, and reduce operating costs in line with planned reductions in government funding. The Plan outlined the strategic objectives and enablers and scheduled key work programmes arising from the 2015/20 Public Safety Plan.

#### 4.11 Objectives focus on:

- Preventing incidents
- Protecting homes, buildings and businesses
- Allocating assets and resources according to risk and demand
- Providing value for money

#### 4.12 Enabled by:

- People
- Information management
- Assets and equipment

4.13 Successful implementation of the Plan was noted as being critical to the achievement of the savings required by the 2015/16 to 2019/20 Medium Term Financial Plan. The Plan identifies issues to be addressed in the Integrated Risk Management Plan (IRMP) and Action Plans. These are underpinned by more detailed Directorate Plans.

4.14 It is intended that the activities to deliver the strategic objectives and actions will be resourced from within the proposed establishment and budgets as outlined in the 2015/16 – 2019/20 Medium Term Finance Plan.

4.15 Directorates will review performance against action plans and monitor progress against agreed performance indicators. Overall performance is scrutinised by Fire Authority members at the Overview and Audit Committee.

## 5 Pay review methodology

5.1 The following performance and benchmarking data have been used as the basis for members to determine any changes to local pay. This requires members to consider various types of qualitative and quantitative data, which may include:

1. Information about the extent to which corporate objectives have been met
2. Chief Fire Officer appraisal data as provided by the Chairman
3. Strategic management board appraisal data as provided by the Chief Fire Officer
4. Progress on any specific projects that members had identified as high priority
5. Performance data provided by the Chief Fire Officer following discussions with the strategic management board.
6. Comparative performance data with other fire services
7. Salary benchmarking data in relation to senior management team salaries for Group 2, Combined South East Region Fire Services
8. Financial data about budget provision for pay / reward costs arising from this review

9. Data about the national pay settlements awarded to Gold, Green and Grey Book employees
- 5.2 Evidence is required to demonstrate delivery of performance management objectives reflecting excellence. Information to support consideration of areas 6-9 above is provided in this report.
- 5.3 Relevant posts for consideration (SMT) are:
- Chief Fire Officer / Chief Executive
  - Chief Operating Officer / Deputy Chief Fire Officer
  - Director of People and Organisational Development,
  - Director of Legal and Governance
  - Director of Finance and Assets
  - Head of Service Delivery
  - Head of Service Development
- 5.4 Any costs arising from the application of the agreed SMT pay review methodology is to be self-funded through savings on the SMT budget and will not impact on the finance available for other staffing budgets.
- 5.5 A range of possible outcomes to this pay review are:
- Non-pay rewards
  - Pay increases that are incorporated into salaries (consolidated and pensionable)
  - Non-incorporated bonuses (non-consolidated and non-pensionable)
  - Pay agreements that span more than one year
  - No change to existing reward arrangements
- 5.6 All statutory deductions will apply (income tax and national insurance contributions) and funds for any uplift are to be taken from savings achieved during the preceding year.
- 5.7 In accordance with the Pay Policy Principles, there is no right of appeal against recommendations or final decisions made.

## **6 Financial position**

- 6.1 The Annual Report to Buckinghamshire County Council 2016 confirmed BMKFA demonstrated sustained improvement regarding reducing fire calls, providing a wider range of services to the local community, making savings across the whole service and delivering this with the lowest council tax level for fire services in the country.

- 6.2 Increased flexibility and modernisation of working practices has created opportunities for further partnership working, developing and piloting new initiatives, for example, attending medical emergencies as co-responders, taking on new firefighter and support staff apprentices, acquisition of a drone to support firefighting operations and investigations.
- 6.3 The Budget Monitoring Performance and Debt Management April – September 2016 report to the Executive Committee stated that managers have positively and proactively controlled spend and forecast an underspend of £655k, against a revenue budget of £28.3m. This underspend figure takes account of £500k transferred to reserves during the year. Excluding this amount the forecast underspend at the time was £1,155k.
- 6.4 Proactive management of finances and a prudent approach to spending public money has reported a consistent underspend against budget from 2011 to 2016.
- 6.5 According to the Annual Financial Statement to end March 2016, a net surplus for the year 2015/16 was due to more efficient and effective ways of working, staffing levels below the budgeted establishment in a number of areas, the over-achievement of interest earned on cash balances.
- 6.6 This presents a consistent pattern of underspend over recent years, although the level of underspend is forecast to reduce by circa £500k between 2015/16 and 2016/17.

## **7 Performance data compared with other fire authorities**

### **7.1 Council tax precept**

- 7.1.1 Council tax was frozen by BMKFA from 2011 to 2015 at £59.13 per household in Band D and was reduced by 1% in 2015/16 to £58.54 per household. A change in Government policy led to BMKFA increasing the Band D equivalent council tax by 1.98% in 2016/17 to £59.70 per household.
- 7.1.2 The Medium Term Financial Plan 2016/17 to 2019/20 is based on the assumption that council tax for BMKFA will be raised by 1.99% for the next three years. The 2016/17 Band D equivalent for BMKFA is £59.70 compared to an average Band D figure of £71.58 for combined fire authorities in 2016/17.
- 7.1.3 **Appendix 5** compares council tax data between BMKFA and 30 other combined fire authorities. This illustrates an average Band D equivalent Council Tax for 2016-17 and evidences the position of BMKFA remaining within the lower quartile and sitting at third lowest figure of the 30 fire services. (and the lowest non-metropolitan CFA).



- 7.1.4 The range of Band D council tax figures for 2016-17 is from £56.03 (West Midlands Fire Authority) to £95.76 (Durham Fire Authority). BMKFA council tax is recorded at £59.7. The range within the lower quartile is from £56.03 to £65.50, and BMKFA is slightly lower than the mean average figure of £60.65.
- 7.1.5 Illustrative figures for the total pay bill against population size in June 2014 compared to average Band D council tax 2016-17 of other fire authorities in the South East are provided in **Appendix 6**

**7.2 Total pay bill expenditure**

- 7.2.1 A breakdown of CFO and SMT members’ remuneration is provided in **Appendix 3**. A number of honoraria / bonus payments are shown paid in 2016 for performance in 2015. Some refer to new appointments.

**7.3 Net expenditure excluding capital charges per 1,000 population**

- 7.3.1 The ‘Budget Monitoring Performance and Debt Management April 2015 – March 2016’ report to the fire authority dated 13 July 2016, reflected a provisional underspend of £1,821k. It reported that work has been progressing to achieve greater financial ownership and accountability for resources attached to the delivery of specific aims and objectives of the Authority.
- 7.3.2 The figures provided in each of the above areas reflect a positive achievement for the fire authority. Performance here has demonstrated consistent improvement or maintenance of these figures in times of financial constraint. This reflects very positively on the financial position of the fire authority and the efficiency and probity with which its resources are being managed and deployed.

**8 Salary benchmarking data in relation to senior management team salaries and LGA fire salary benchmark information**

**8.1 Employee costs**

- 8.1.1 BMKFA is in Population Band 2. The national range of CFO salaries in Population 2 in **2014** is reported\*\* as £100,619 - £157,423 with the average (mean) salary level at £130,832.
- 8.1.2 The national range of DCFO salaries in Population 2 in **2014** is reported\*\* as £89,769 - £125,530 with the average (mean) salary level at £103,840.

	<b>National range**</b>	<b>Mean average</b>
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<b>2014</b>		
CFO	100,619 - 157,423	£130,832
DCFO	89,769 - 125,530	£103,840
<b>2012</b>		
CFO	80,670 – 154,321	124,148
DCFO	82,158 – 123,056	104,494

\*\* LGA Fire salary survey 2014 and 2012

Assumptions in the table below are based on 1% salary increase for 2015 and 2016 on the latest 2014 national figures

	National range +1% x 2	National Mean average	BMKFA	BMKFA difference above mean average
<b>2016</b>				
CFO	102,641 - 160,587	£131,614	£141,284	£9,670
DCFO	91,573 - 128,053	£109,813	£117,312	£7,499
<b>2017*</b>	<b>+1%</b>			
CFO	103,667 – 162,193	£132,930	£142,697	£9,767
DCFO	92,489 – 129,334	£110,912	£118,485	£7,573

\*Anticipated 1% increase

8.1.3 The base salary for the Chief Fire Officer in BMKFA in 2016 is £141,284 and the Deputy Chief Fire Officer is £117,312. In both 2016 and 2017 the CFO figures are 7% higher than the assumed mean average for Population Band 2 fire services and the DCFO figures are 6.6% higher.

## 9 Deliverables against the Corporate Plan

9.1 In addition to successes already outlined in the report, achievements demonstrate positive actions to generate efficiencies and reduce costs by working with other agencies whilst focusing on improved service delivery across communities. These achievements also evidence an awareness of the wider role and benefits that can be provided by taking a broader perspective on such issues as collaborative working with other agencies and the wider health agenda.

9.2 Members will be aware that in the 2017 New Year Honours, the CFO was awarded the Queen's Fire Service Medal. This is recognition of the CFO's

continued distinguished service and also the significant contribution made by SMB and all staff.

- 9.3 The Authority frequently receives ministers and government visitors who have shown interest in the good work being progressed.
- 9.4 There has been innovative and progressive workforce reform, including BMKFA being the only fire service to have taken on apprentice firefighters outside Grey Book terms and conditions.

## **10 Appraisals and evidenced performance management achievements**

- 10.1 A verbal update on the CFO appraisal will be provided by the Chairman of the Fire Authority at the meeting, which will be supported by documentation.
- 10.2 The CFO has indicated his assessment that the strategic management board have performed well and that if members were supportive, they would warrant recognition by way of bonus payments for their contribution to the service's success. Any payments will be based on evidenced performance criteria and will be dealt with by the CFO through normal managerial arrangements.

## **11 Proposal**

- 11.1 There has been a continuous demonstration of success in workforce reform, operational delivery, prudential financial and asset management, growing partnership working to deliver a range of services to the community, a small increase in Council Tax of 1.98% following three years of no increase and one of a small decrease, and comparatively slightly higher than average salary levels for the CFO and DCFO.
- 11.2 I propose therefore that members consider whether or not to award a financial recognition of this achievement to the CFO through a bonus payment, and if so, the level of bonus. Also, the total amount of funds, if any, to be allocated to other members of the SMT based on individual performance reviews, through the delegated authority of the CFO.
- 11.3 Government guidance on public sector pay and terms (5 February 2016) specifically refers to taxpayers' money is not to be used to pay for private health insurance. Very few local authorities are now making this provision and, where this still exists, steps are being taken to remove this.
- 11.4 I am aware that the option of private medical insurance is no longer available for new employees at BMKFA. Following a briefing to staff and consultation process, Bupa membership was removed from Support Service staff at the end of the annual contract in April 2015. A compensatory payment was made to staff affected that equated to 6 months Bupa membership, paid in March 2015.

- 11.5 In 2015/16 there remained 10 employees in receipt of private medical insurance benefit, made up of Gold and Grey book staff. Since then, four left the service, two opted not to renew their membership and one was advised that this would cease on 31 March 2016. Currently, three employees still take up this benefit, all of whom are on the SMB.
- 11.6 In light of the Government guidance and the expectation that tax payers' money is not used in this way, I recommend that the three individuals on SMB are asked to agree to the cessation of this membership at 31 March 2017. This would save the administrative as well as actual cost of renewing this.
- 11.7 These individuals would normally expect 3 months' notice of this ending. However, an early discussion with them in January could seek to secure this change by their agreement. If they do not agree, then BMKFA may have to consider providing this policy to them for a further year due to the annual policy running from 1 April. Given the level of goodwill there appears to be on both sides, I do not think the shorter notice period would be a barrier to ending this arrangement and creating parity with the rest of the workforce.

**List of Appendices:**

- Appendix 1** Minimum annual rates of pay for chief fire officers by population band from 1 January 2016
- Appendix 2** Bonus Awards 2016 non-SMB staff
- Appendix 3** Breakdown of total remuneration of CFO and SMT members
- Appendix 4** BMKFA pay multiples over three years
- Appendix 5** Comparative data provided by 30 other combined fire authorities against data provided by BMKFA for average Band D equivalent Council Tax 2015-16 and for 2014-15 (*source CIPFA and Fire and Rescue Services statistics 2016-17*).
- Appendix 6** Illustrative figures for the total pay bill against population size in June 2014 compared to average Band D council tax 2016-17 of other fire authorities in the South East, CIPFA.

**Annual rates of pay for chief fire officers from 1 January 2016**

Population Band 1	Up to 500,000
Minimum rate of pay	£99,778
Population Band 2	500,001 to 1,000,000
Minimum rate of pay	£99,778
Population Band 3	1,000,001 to 1,500,000
Minimum rate of pay	£108,881
Population Band 4	1,500,000 and above (except London)
Minimum rate of pay	£119,668

## Criteria used by managers when applying for merit/bonus awards for staff March 2016

Criteria	Category
Where an individual consistently demonstrates <b>significant outcomes and achievements</b> that are beyond what is expected for the role, performing at an exceptional standard.	<b>A</b>
Where there is a <b>retention issue</b> with a member of staff who has significant experience, knowledge and/or skills which are of high value to the work of the Authority and without whom its effectiveness would be significantly reduced.	<b>B</b>
Where an individual has contributed to the success of a <b>one-off project</b> to an exceptionally high standard and to the benefit of the Authority, beyond normal expectations.	<b>C</b>
Where an individual has helped to cover the <b>absence of a colleague</b> for a significant period of time whilst not undertaking the role in total.	<b>D</b>
Where an individual has developed or changed a <b>way of working</b> in a way which has had a significant, positive impact on the effectiveness of the service.	<b>E</b>
<b>Other reason:</b> to be described in full	<b>F</b>

**Outcome of managers' recommendations**

Applications were received for 44 individuals, (24 operational staff and 20 support services staff). A team nomination was made for a Station award and was approved.

This was an increase from 19 individual applications submitted in 2015.

In June 2016, applications and supporting evidence (eg performance rating, attendance levels, amounts applied for) were considered by a panel of SMB members.

All applications were supported and recommended for a merit award. In some cases the panel recommended alternative amounts, either a reduction or an increase. Payments are non-pensionable. Total payments made were £ 38,100.

The panel were pleased with the evidence and cases put forward for all nominations. The CFO approved the recommendations and payments were made in July 2016.

## Appendix 3

### CFO Remuneration

Wef 1 January	Base Salary	Bonus / honorary **	Private medical insurance	Car value	Employer Pension contribution	Total cost
2015	138,500	15,000	936	4,670	30,054	189,160
2016	141,284	20,000	936	4,670	20,137	187,027
2017	142,697 *					

### Deputy CFO Remuneration

Wef 1 January	Base Salary	Bonus / honorary **	Private medical insurance	Car value	Employer Pension contribution	Total cost
2015	116,150	10,000	936	4,670	25,205	156,961
2016	117,312	12,000	936	4,670	25,407	160,325
2017	118,485 *					

### Head of Service Delivery – Remuneration

Wef 1 January	Base Salary	Bonus / honorary **	Private medical insurance	Car value	Employer Pension contribution	Total cost
2016	80,000***	4,000		4,670	13,630	102,300
2017	80,800 *					

### Head of Service Development – Remuneration

Wef 1 January	Base Salary	Bonus / honorary **	Private medical insurance	Car value	Employer Pension contribution	Total cost
2014	91,510					
2015	92,425		936	4,670	20,056	118,087
2016	93,350	5,000	936	4,670	20,259	124,215
2017	94,284 *					

### Director People and Organisational Development – Remuneration

Wef 1 January	Base Salary	Bonus / honorarium **	Benefit in Kind Private medical insurance	Benefit in Kind Car value P11D	Employer Pension contribution	Total cost
2014	88,606	3,500				
2015	89,492	8,000	936	6,771	11,902	117,101
2016	90,387	12,000	936	7,416	12,056	122,795
2017	91,291 *					

### Director, Legal & Governance – Remuneration

Wef 1 January	Base Salary	Bonus / honorarium **	Benefit in Kind Private medical insurance	Benefit in Kind Car value P11D	Employer Pension contribution	Total cost
2015	89,492	7,000	936	4,705	11,902	114,035
2016	90,387	10,000	936	9,312	12,056	122,691
2017	91,291 *					

### Director Finance Assets – Remuneration

Wef 1 January	Base Salary	Bonus / honorarium **	Benefit in Kind Private medical insurance	Car allowance	Employer Pension contribution	Total cost
2015	75,750 (Temp)					
2015	83,000 (perm)			5,000	7,787	95,787
2016	83,830 88,000 wef 1.11.16	7,000		5,000	10,490	107,014
2017	88,880 *					

*\*Assumption of a 1% national pay increase 2017*

*\*\* bonus / honorarium for performance in previous year*

*\*\*\* WEF 1 August 2016 – not substantive SMB member until then*



**BMKFA pay multiples – last three years**

<b>Year</b>	<b>Highest pay : Lowest pay</b>	<b>Highest pay : Median pay</b>
2017/18	10.17 : 1	4.77 : 1
2016/17	10.71 : 1	4.72 : 1
2015/16	11.04 : 1	4.77 : 1

The pay multiple is the ratio between the highest paid salary and the median average salary of the Authority's workforce. The average salary level is defined as the total of all regular payments made to an individual.

## Lower quartile authorities

Code	Authority Name	Authority Class	General Data - Average Band D Equivalent Council Tax 2016-17 (£ p)
E6146	West Midlands Fire and CD Authority	FA	56.03
E6142	Greater Manchester Fire and CD Authority	FA	58.78
E6104	Buckinghamshire Combined Fire Authority	FA	59.70
E6147	West Yorkshire Fire and CD Authority	FA	59.71
E6103	Berkshire Combined Fire Authority	FA	61.27
E6124	Leicestershire Combined Fire Authority	FA	61.62
E6117	Hampshire Combined Fire Authority	FA	62.60
E6123	Lancashire Combined Fire Authority	FA	65.50
E6105	Cambridgeshire Combined Fire Authority	FA	65.52
E6127	North Yorkshire Combined Fire Authority	FA	65.88
E6144	South Yorkshire Fire and CD Authority	FA	67.63
E6115	Essex Combined Fire Authority	FA	67.68
E6101	Avon Combined Fire Authority	FA	67.93
E0000	<a href="#">Dorset and Wiltshire</a>	FA	69.21
E6134	Staffordshire Combined Fire Authority	FA	70.33
E6110	Derbyshire Combined Fire Authority	FA	71.18
E6107	Cleveland Combined Fire Authority	FA	71.70
E6106	Cheshire Combined Fire Authority	FA	71.86
E6122	Kent Combined Fire Authority	FA	72.00
E6143	Merseyside Fire and CD Authority	FA	72.89
E6130	Nottinghamshire Combined Fire Authority	FA	73.85
E6160	London F&EPA	FA	73.89
E6145	Tyne and Wear Fire and CD Authority	FA	76.11
E6118	Hereford and Worcester Combined Fire Authority	FA	78.00
E6120	Humberside Combined Fire Authority	FA	78.89
E6161	Devon and Somerset Fire and Rescue Service	FA	79.98
E6114	East Sussex Combined Fire Authority	FA	86.72
E6102	Bedfordshire Combined Fire Authority	FA	91.00
E6132	Shropshire Combined Fire Authority	FA	94.05
E6113	Durham Combined Fire Authority	FA	95.76

Total Number of Fire Authorities (standalone only)

30

1st quartile

7.5

Assume this is rounded up to the first 8

**Combined fire authorities South East region**

<b>Authority name Combined fire authority</b>	<b>Population June 2014</b>	<b>Average Band D council tax 2016-17 £</b>
Berkshire	885600	61.27
Buckinghamshire	781100	59.7
East Sussex	820900	86.7
Hampshire	1800500	62.6
Kent	1784400	72

**Combined fire authorities – similar population size to BMKFA**

<b>Authority name Combined fire authority</b>	<b>Population June 2014</b>	<b>Average Band D council tax 2016-17 £p</b>
Bedfordshire	644000	90.9
Berkshire	885600	61.27
Buckinghamshire	781100	59.7
Cambridgeshire	830300	65.5
East Sussex	820900	86.7
N Yorkshire	805900	65.8

**Jennifer McNeill**  
**Chartered Fellow CIPD, MA, BEd**  
**12 January 2017**

**Regional Director: Jennifer McNeill**

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