

**BUCKINGHAMSHIRE & MILTON KEYNES FIRE
AUTHORITY**

**EMPLOYEE BONUS PAYMENT SETTING SCHEME AND
PROCESS**

Introduction

The purpose of this document is to set out in outline the principles and process for determining whether or not employees will receive bonus payments, and if so sets out the process to determine the allocation of such payments. Bonus payments will be one-off and paid only to reflect excellent performance; that is performance, which exceeds the standards and targets agreed with the employee during their annual appraisal process, and prior to the start of the financial year, for which any performance scheme is introduced.

Eligibility

Eligibility would be specified as part of any scheme rules, on an annual basis.

Key Principles

The following key principles underpin any bonus and/or performance related reward schemes:

- The Scheme is entirely discretionary and forms no part of the contract of employment
- The Scheme sits in the context of the authority's overall strategic and performance management processes, therefore targets and objectives included in any scheme will align with the Corporate and Public Safety Plan objectives, via the "golden thread" process
- Payments will only be made where the employee's contribution not only reflects excellence but also clearly assists with achieving the Authority's strategic objectives
- It is intended to reward those who can demonstrate sustained, outstanding achievement or excellence in their role
- It is intended to recognise and reward, not only the exceeding of targets and standards, but also the acquisition of the necessary competencies and deployment of behaviours that reinforce the authority's values and norms

- The amount of money available to be paid in bonus payments to employees under the scheme, will be determined as part of the annual budgeting process, and any scheme will be self-funding
- All eligible candidates invited to participate in any scheme must have an agreed appraisal, including core and stretching objectives in advance of the bonus scheme year
- Recommendations for payments under the scheme will be made by the employees line manager, following the annual appraisal round, to the appropriate Director
- Recommendations will be reviewed by a Moderating Panel consisting of:
 - The Chief Operating Officer
 - The Director of People and Organisation Development
 - The Director of Finance and Assets
 - The Director of Legal and Governance

The Moderating Panel may choose to appoint an independent advisor, to assist with the process of ensuring that proposed awards are based on the exercise of consistent judgement, in both the setting of targets and standards and the assessment of achievement against these

- Payments under the Scheme will be authorised by the Chief Fire Officer/Chief Executive on recommendation of the Moderation Panel
- Employees will only be informed of approved awards and not as to whether or not a recommendation was made
- There will be no appeal against recommendations or final decisions
- The Human Resources Sub Committee will receive an annual report summarising the awards, if any, that have been made
- Eligibility criteria will be approved by SMT on an annual basis. This may include decisions not to run a bonus scheme or to extend to other workgroups
- Decisions will comply with the requirements of the authority's pay policy, which is reviewed and approved annually
- If and when an annual bonus scheme is agreed, specific detailed rules will be developed in advance of the scheme year; for example, new staff who become eligible in year, long term absence etc
- Any payments will be subject to statutory deductions.

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Bonus Setting Scheme Process Flow Chart**

