



Annex A

BMKFA Pay Policy Principles and Statement 2018/19

This document applies to all employees of Buckinghamshire & Milton Keynes Fire Authority (The Authority).

Principles

1. Accountability

Decisions on pay policies will be taken by elected members - those who are directly accountable to local communities. We will ensure that all democratically accountable members have a significant input into how decisions on pay are made and that we are open about the policies that determine those decisions.

Our annual Pay Policy Statements and any amendments to them will be considered by a meeting of the Fire Authority and will not be delegated to any sub-committee. In scheduling such meetings, we will act in accordance with our responsibilities under part 5A of the Local Government Act 1972. However, we note that the Secretary of State does not consider that any of the grounds for exclusion of the public would be met for discussions of Pay Policy Statements. Such meetings should therefore be open to the public and should not exclude observers. All decisions on pay and reward for chief officers must comply with the current Pay Policy Statement.

The Fire Authority will be offered the opportunity to vote before salary packages (£100,000 plus) are offered in respect of a new appointment. For this purpose, salary packages should include salary, any bonuses, fees or allowances routinely payable to the appointee and any benefits in kind to which the officer is entitled as a result of their employment.

2. Transparency

Our Pay Policy Statement along with our approach to the publication of and access to information relating to remuneration will be published on our website.

Although we are not required to use our Pay Policy Statement to publish specific numerical data on pay and reward, we will consider how the information within the Pay Policy Statement fits with that data on pay and reward that we publish separately.

This includes that data required to be published under the Code of Recommended Practice for Local Authorities on Data Transparency and by the Accounts and Audit (England) Regulations 2011.



3. Fairness

We will ensure that decisions about senior pay are taken in the context of similar decisions on lower paid staff salaries and that the relationship between those decisions is considered. We will consider our proposals for the pay relationship between the remuneration of chief officers and employees who are not chief officers.

We will publish our pay multiple – the ratio between the highest paid employee and the mean average earnings and the lowest paid across the Fire and Rescue Service.

We will set out our approach to the award of other elements of remuneration including bonuses, performance related pay as well as severance payments.

Part 1 Pay Policy (all staff excluding SMB)

1. All pay decisions will be fair, based on policy and reflecting the requirements of legislation.
2. Our systems will be transparent and well known amongst staff groups and we will discuss planned changes to our systems with the appropriate representative bodies.
3. We will, where possible, avoid complex pay systems and in determining pay will make reference to market rates in order to secure best value for the taxpayer.

Level and elements of remuneration

4. The majority of staff are employed under contracts with either; the terms and conditions of the NJC for Local Authority Fire and Rescue Services Scheme of Conditions of Service, 2004 "the Grey Book" incorporated; or with the provisions of the local terms and conditions of Buckinghamshire and Milton Keynes Fire Authority Scheme of Conditions of Service for Support Services staff.
5. For Grey Book staff rates of pay are set out in circulars issued by the NJC and entitlements are governed by Part B of the Grey Book. However the Authority recognises that new employees may be employed on terms and conditions outside of the Grey Book. This includes the operation of the 'Bank System'. The Authority also recognises that employees in existing firefighter roles may want to agree rates of pay outside of the Grey Book for the protection of services and provision of enhanced resilience, including agreement to not participate in industrial action.
6. For other staff the pay structure takes the form of pay scales with spinal column points. Progression is based on evidenced performance and would normally occur on 1st April if the required criteria are met; at least six months in post, subject to performance and the maximum grade for the post not being exceeded. Incremental progression may be withheld if performance is not to the required standard.



- The Government introduced a UK wide apprenticeship levy from April 2017. This levy was to help fund the increase in the quantity and quality of apprenticeship training and to give employers greater control of apprenticeships. The levy rate is set at 0.5 per cent of an employer's pay bill and is collected via PAYE. At the Executive Committee meeting on 29 July 2015, Members opted to use the apprenticeship training agency (ATA) model for the recruitment of apprentices. The Authority will utilise apprenticeship opportunities wherever practicable as part of a blended approach to improving diversity and refreshing the workforce. We will reward apprentices appropriately, recognising competence and performance during the various development stages of their apprenticeship.

- Pay scales are inserted in the annexes:

Appendix 1: Grey Book Pay rates from 1 July 2017

Appendix 2: Support Services Staff Pay scales from 1 July 2017

- Some members of staff participate in lease car arrangements.
- The Authority reimburses mileage, travel expenses, subsistence and other expenses (e.g. overnight stays, meals and professional fees) when appropriate and in accordance with the Authority's procedures relating to expenses.

Remuneration on Recruitment

- Remuneration will be based on the evaluated rate for the job, either nationally or locally.

Increases and additions to remuneration

- Additional Responsibility Allowance (ARA) payments are used to reward increased responsibilities and duties beyond the normal remit of the role for specific periods, for existing staff to cover managed vacancies for short to medium term periods, enabling successful change management with minimal risk.
- Any such payments require the signature of two Directors in accordance with current procedures.

Use of Performance related pay

- Performance related pay is not in operation although certain posts attract performance increments based on skill development.

Use of bonuses

- One off bonus payments will be considered linked to evidenced and scrutinised delivery of performance management objectives and is outlined in Annex C.



Approach on ceasing to hold office or be employed by the Authority

16. The Authority's current policies in respect of discretionary payments are in line with recommendations to be found in the minutes of the Fire Authority on 24 June 2014 titled Local Government Pension Scheme 2014 – Employer Discretions, the minutes of the Executive Committee held on 17 July 2013, and a report to the Executive Committee on 13 May 2015 - Scheme Manager Discretions for the Firefighters' Pension Scheme 2015.

Publication of and access to information relating to remuneration

17. We will publish information in accordance with the Local Government Transparency Code 2014.

Pay Multiple

18. 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.

For the financial year **2018/19**, the definition of lowest paid staff are those staff we employ who are paid at rates that are maintained in line with the National Living Wage and the lowest rate will be that applicable for workers aged 25 and over.

The current BMKFA pay multiples are:

The Authority's pay multiple; the ratio between the highest paid employee and the median average salary figure for all employees in the Authority is:

Highest pay: lowest pay: **9.86:1**

Highest pay: median pay: **4.77:1**

Year	Highest pay : Lowest pay	Highest pay : Median pay
<u>2018/19</u>	<u>9.86:1</u>	<u>4.77:1</u>
2017/18	10.17:1	4.77:1
2016/17	10.71:1	4.72:1
2015/16	11.04:1	4.77:1
2014/15	11.5:1	4.87:1
2013/14	11.72:1	4.9:1
2012/13	12.7:1	5.0:1

19. It is our intention that salary multiples do not reach the 1:20 ratio referred to in the Hutton Report.



Part 2 Pay Policy – Strategic Management Board (SMB)

SMB members pay arrangements are locally determined. Pay progression is performance based, with scope to increase the salary after completion of the annual external SMB remuneration and performance review process. The provisions of the National Joint Council for Brigade Managers of Fire and Rescue Services (referred to as the Gold Book) also apply for remuneration purposes for annual pay awards.

Level and elements of remuneration

20 Senior management remuneration comprises salary, car provision or car allowance.

21. Gold Book Pay is based on a twin track approach of an annual nationally agreed pay deal and a local pay agreement. SMB Pay Policy includes proposals to consider the implementation of Earn Back Arrangements and addresses the requirements of the Localism Act in relation to the SMB.

Remuneration on Recruitment

22. Remuneration will be based on the evaluated rate for the job.

Increases and additions to remuneration

23. Increases and additions for senior management posts will require approval of the appropriate committee of the Authority.

Use of Performance related pay

24. Performance related pay will be used in the context of the relevant policy, based on “Earn back” principles and will need approval by the appropriate committee.

Use of Bonuses

25. One off bonus payments may be considered linked to evidenced and scrutinised delivery of performance management objectives.

Approach on ceasing to hold office or be employed by the Authority

26. **Summary dismissal:** Dismissal without notice payments

Dismissal with notice: Salary payment in line with contract

Redundancy: In accordance with Authority procedures

Resignation or leave date: Normal salary payment until end of notice period



Redeployment: In accordance with prevailing Authority procedures

27. This Authority does not make payments to senior staff members who leave other than to those who are leaving for the purposes of improved efficiency.
28. Re-employment/re-engagement will not normally occur following retirement, however there may be exceptional circumstances where specialist knowledge and expertise are required for a defined period of time in the event of which re-employment/re-engagement may be considered. ~~In this circumstance, rules on abatement, protected pension age and public sector exit caps and claw backs will be considered.~~ In the exceptional circumstance that re-employment/re-engagement is necessary in the interest of public safety, this decision will be subject to prior approval at a meeting of the Fire Authority in open session.
29. The Fire Authority will be given the opportunity to vote as to the terms of appointment or dismissal of the Chief Fire Officer and Chief Executive and deputy to the Chief Fire Officer and Chief Executive, or equivalent.

Publication of and access to information relating to remuneration

30. We will publish information in accordance with the Local Government Transparency Code 2015.



Appendix 1:

FIREFIGHTING ROLES (Wholetime) PAY RATES effective 1 July 2017			
	Basic annual salary	Basic hourly rate	Overtime rate
Firefighter			
Trainee	22,459	10.26	15.39
Development	23,394	10.68	16.02
Competent	29,934	13.67	20.51
Crew Commander			
Development	31,816	14.53	21.80
Competent	33,187	15.15	22.73
Watch Commander			
Development	33,905	15.48	23.22
Competent A	34,847	15.91	23.87
Competent B	37,112	16.95	25.43
Station Commander			
Development	38,602	17.63	26.45
Competent A	39,761	18.16	27.24
Competent B	42,576	19.44	29.16
Group Commander			
Development	44,458	20.30	Not applicable
Competent A	45,791	20.91	"
Competent B	49,284	22.50	"
Area Manager			
Development	52,194	23.83	Not applicable
Competent A	53,758	24.55	"
Competent B	57,252	26.14	"



FIREFIGHTING ROLES (On-call) PAY RATES effective 1 July 2017				
	£ per annum	£ per annum	£ per hour	£ per occasion
Firefighter				
Trainee	2,246	1,123	10.26	3.94
Development	2,339	1,170	10.68	3.94
Competent	2,993	1,497	13.67	3.94
Crew Commander				
Development	3,182	1,591	14.53	3.94
Competent	3,319	1,659	15.15	3.94
Watch Commander				
Development	3,391	1,695	15.48	3.94
Competent A	3,485	1,742	15.91	3.94
Competent B	3,711	1,856	16.95	3.94
Station Commander				
Development	3,860	1,930	17.63	3.94
Competent A	3,976	1,988	18.16	3.94
Competent B	4,258	2,129	19.44	3.94
Group Commander				
Development	4,446	2,223	20.30	3.94
Competent A	4,579	2,290	20.91	3.94
Competent B	4,928	2,464	22.50	3.94
Area Manager				
Development	5,219	2,610	23.83	3.94
Competent A	5,376	2,688	24.55	3.94
Competent B	5,725	2,863	26.14	3.94

Column 1 shows the full annual retainer
 Column 2 shows the retainer for employees on the day crewing duty system
 Column 3 shows the hourly rate for work undertaken
 Column 4 shows the disturbance payment per call-out



Appendix 2:

SUPPORT SERVICES PAY SCALES effective 1 July 2017		
Pay Scales	Money Value	Pay Point Descriptor
A (NMW)	£12,962	National Minimum Wage (<i>statutory rate reviewed October 2018</i>)
A (NLW)	£14,470	National Living Wage (<i>statutory rate reviewed April 2018</i>)
B	£16,544	Development
	£16,957	Competent
C	£17,805	Development
	£18,576	Competent
	£19,381	Conditions apply, see note below
D	£19,690	Development
	£20,183	Competent
E	£21,030	Development
	£21,417	Competent
	£21,806	Conditions apply, see note below
F	£22,972	Development
	£23,488	Competent
	£24,004	Exempt
G	£25,193	Development
	£25,557	Competent
	£26,064	Conditions apply, see note below
H	£27,521	Development
	£28,017	Competent
	£28,770	Competent (<i>Driving Instructors only</i>)
	£28,679	Conditions apply, see note below
I	£31,354	Development
	£32,211	Competent
	£33,077	Conditions apply, see note below
J	£34,142	Development
	£34,996	Competent
K	£38,792	Development
	£39,774	Competent
	£40,910	Conditions apply, see note below
L	£42,160	Development
	£43,213	Competent
M	£45,730	Development
	£46,989	Competent
	£48,240	Conditions apply, see note below
N	£56,083	Development
	£57,481	Competent
	£59,033	Conditions apply, see note below

Pay Policy



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O	£60,930	Development
	£62,453	Competent

Fleet Management Pay Scales	Money Value
Vehicle Technicians	£24,278
	£25,044
	£25,562
	£26,065
	£26,549
	£27,031
Supervisors	£27,520
	£28,021
	£28,684
Fleet Management	£29,356
	£30,028
	£30,695
	£31,355
	£32,211
	£33,077



Appendix 3:

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 employee's 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/DCFO
 - The Director of People and Organisational 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 Executive Committee will receive an annual report summarising the awards, if any, that have been made.
- Eligibility criteria will be approved by SMB 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

