

UK Fractional Director Rate Report

Day rates, monthly retainers, and total cost of ownership benchmarks across the seven C-suite functions UK SMEs hire most.

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£900–£1,500

Typical day-rate band for SME and mid-market interim and fractional directors in 2026.

50–70%

Year-one cost saving vs. a permanent C-suite hire when fractional engagement matches the workload.

£1,795

Entry-level monthly retainer for a vetted advisory engagement across all seven roles covered.

EXECUTIVE SUMMARY

The UK fractional director market in 2026

Fractional and interim executive leadership is no longer a fringe option for UK SMEs. By 2026 it is a structural feature of the British executive market, with day rates, retainer norms, and professional standards that have converged on a clear set of benchmarks.

This report consolidates day-rate and monthly retainer data for the seven C-suite functions UK businesses hire most often on a fractional or interim basis: CFO, CMO, CIO, CTO, COO, CPO, and Chief People Officer. It draws on five independent 2026 surveys covering more than 1,000 senior practitioners and our own placement data from the 500-director Leadership Services network.

Headline findings

Day rates have stabilised in the £900–£1,500 band for SME and mid-market mandates. The typical fractional or interim engagement falls between £1,000 and £1,400 per day; the top decile sits at £1,500–£2,000 for turnaround, PE-backed, and pre-IPO work.

Monthly retainers cluster around three pricing tiers. Advisory engagements (4–8 hours/month) at £1,795–£3,500; standard 1–2 days/week at £4,000–£8,000; intensive 2–3 days/week at £8,000–£14,000.

Fractional CFOs are the most price-competitive role. Median UK SME spend is £4,500–£6,000/month for two days a week, versus £170,000–£250,000 fully loaded for a permanent CFO — a 50–70% saving on year-one cost.

CTO and CMO rates carry the highest London premium. Specialist FinTech, B2B SaaS, and regulated-product mandates push £1,500–£2,500/day in London versus £900–£1,400 in the regions.

Interim CPO is the fastest-growing function. Reflecting the maturity of UK product organisations between £5m and £100m revenue. Day rates broadly track CTO at £900–£1,400/day.

Methodology

Day-rate ranges are derived from five 2026 sources: a May 2026 Independent Interim Manager Survey of 200 senior finance professionals¹; Robert Walters UK 2026 salary and contractor benchmarks²; Robert Half 2026 UK Salary Guide for executive technology roles³; Payscale UK CTO and CIO salary data updated March 2026⁴; and Exec Capital's 2026 UK Director Salary Guide⁵. Sample sizes and methodology are noted alongside each data point.

All figures are pre-VAT unless stated. Where ranges are quoted as 'SME and mid-market', the reference businesses turn over £1m to £100m. London-specific rates are flagged separately. Monthly retainers assume two days per week of executive time unless otherwise noted.

AT A GLANCE

UK fractional director rates by role, 2026

The table below summarises the SME and mid-market planning ranges for each role. Use it as a starting point for board-level budget conversations; deeper detail and source data for each role follow.

Role	Day rate (£)	Monthly retainer (2 days/wk, £)	London premium	Permanent benchmark (fully loaded, £/year)
Fractional CFO	£900 – £1,500	£4,500 – £6,000	£150 – £300/day	£170,000 – £250,000
Interim CFO (FT)	£1,000 – £1,500	£22,000 – £30,000	£200 – £500/day	£170,000 – £250,000
Fractional CMO	£750 – £1,400	£4,500 – £8,000	£300 – £1,100/day	£140,000 – £200,000
Fractional CIO	£900 – £1,600	£4,000 – £8,000	£200 – £400/day	£160,000 – £350,000
Fractional CTO	£1,000 – £1,600	£4,000 – £6,000	£200 – £400/day	£200,000 – £230,000
Fractional COO	£900 – £1,400	£5,000 – £8,000	£200 – £400/day	£175,000 – £260,000
Fractional CPO	£900 – £1,400	£6,000 – £8,000	£200 – £400/day	£140,000 – £280,000
Fractional CPO (People)	£800 – £1,300	£4,500 – £7,000	£150 – £350/day	£120,000 – £200,000

Notes: Day rates are pre-VAT and represent the SME and mid-market planning band; turnaround, PE-backed, and pre-IPO mandates command 20–40% premiums above the upper end. Permanent benchmarks include base salary plus employer National Insurance (15%), pension contributions, benefits, and typical 20–25% recruitment fees in year one.

"The median UK interim CFO day rate in 2026 is £1,200 per day, based on a May 2026 survey of 200 senior finance professionals. Most SME and mid-market engagements price between £1,000 and £1,500 per day."

Independent Interim Manager Survey, May 2026 · 200 UK senior finance professionals

ROLE DEEP DIVE

Fractional and interim CFO

The most established fractional role in the UK market. Day rates have stabilised and the buyer base — owner-managed SMEs, PE-backed scale-ups, and mid-market businesses preparing for an exit or fundraise — is well defined.

Day rate distribution, 2026

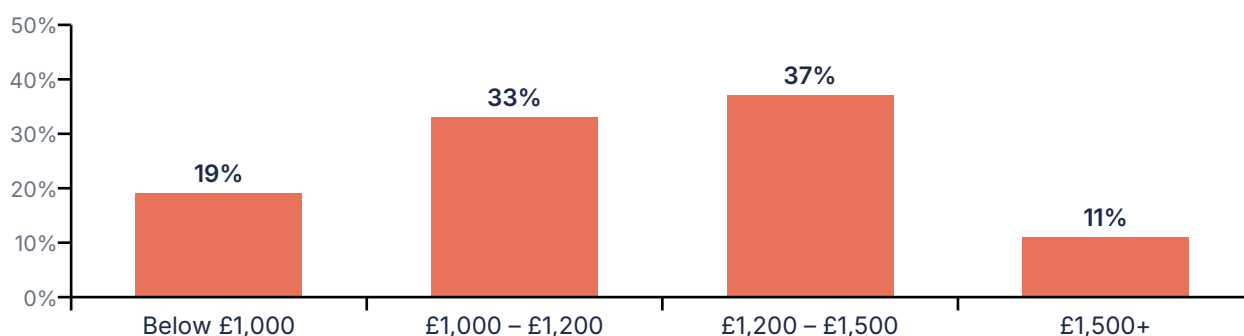


Figure 1. Distribution of UK interim CFO day rates, May 2026. n = 200. The premium tier (£1,500+) reflects turnaround and PE-backed mandates; the entry band (below £1,000) is dominated by part-time outsourced finance operators.

Monthly retainer brackets

Engagement	Days/week	Monthly retainer	Typical brief
Advisory	0.25 – 0.5	£1,795 – £3,500	Board observation, monthly numbers review, ad-hoc cash and KPI support.
Standard fractional	1 – 2	£4,500 – £6,000	Forecasting, board pack, fundraising prep, ERP and process design.
Intensive fractional	2 – 3	£7,000 – £12,000	Embedded CFO with team management; common during fundraise, PE deal, or turnaround year one.
Full-time interim	5	£22,000 – £30,000	Vacancy cover, transformation programmes, PE value creation mandates.
Project fees	Variable	£4,000 – £25,000	Fundraise prep, financial DD, ERP implementation, three-statement model build.

Cost comparison: fractional vs permanent CFO

For a UK business of £5m–£20m revenue, a fractional CFO at two days a week costs £60,000–£96,000/year vs £170,000–£250,000 fully loaded for a permanent hire — a 50–70% year-one saving. The calculation tightens at full-time interim level: £1,200/day across five days a week is £25,000/month, broadly cost-neutral with permanent. The interim premium buys speed of start and zero recruitment fees.

ROLE DEEP DIVE

Fractional and interim CMO

The second-largest fractional market in the UK after CFO. Buyer base concentrated in B2B SaaS, professional services, and consumer brands between £1m and £25m revenue.

Rate ranges and pricing tiers

UK fractional CMO day rates sit between £750 and £1,400 in 2026, with SME and growth-stage engagements averaging around £935–£1,020 per day according to Robert Walters' 2026 UK benchmarks². London tier-one rates for specialist FinTech and B2B SaaS experience push £1,000–£2,500/day. Communications Edge UK puts typical fractional marketing director retainers at £3,000 to £7,000 per month, with three to six month minimum commitments most common.

Business revenue	Typical engagement	Expected monthly cost
£1m – £5m	1 – 2 days a week, monthly retainer	£1,795 – £4,500
£5m – £15m	2 – 3 days a week, monthly retainer	£4,500 – £8,000
£15m – £50m	3 – 4 days a week, or permanent appointment with fractional bridge	£8,000 – £15,000 fractional, or £140,000–£200,000 base permanent

Independent 2025–26 cost analysis puts the fractional CMO model at roughly 67% lower than an in-house equivalent over year one once recruitment fees, NI, pension contributions, and benefits are included. For most UK SMEs between £1m and £15m revenue, the fractional CMO cost UK planning band is £3,000 to £8,000 per month for one to three days a week of senior marketing leadership.

Fractional CMO vs marketing agency

A common confusion at this revenue band is whether a fractional CMO or a marketing agency is the right call. The distinction matters: agencies deliver execution against a brief, fractional CMOs write the brief, manage the agency relationship, own the strategy, and report to the board. For a UK business spending £4,000–£6,000/month on either, the fractional CMO model typically delivers higher leverage because it puts a director-grade accountable owner inside the business; the agency model puts the same money into execution capacity without the strategic ownership.

ROLE DEEP DIVE

Fractional CIO, CTO, and CPO (Product)

Technology leadership commands the largest London premium of any function. SaaS and FinTech buyers should plan for a 30–50% uplift over national rates; manufacturing and professional services buyers can recruit credible operators at the lower end of the bands.

Fractional CIO

Robert Half's 2026 UK CIO salary guidance puts London CIO median total compensation at £204,250, with the 75th percentile at £272,000³. Payscale's January 2026 UK CIO data places the national base average at £118,358. Fully loaded, a permanent CIO costs £160,000 in the regions to £350,000 in London. Fractional CIO fees in 2026 typically range from £1,795 to £14,000/month: advisory (4–8 hours) at £1,795–£3,500; standard 1–2 days/week at £4,000–£8,000; intensive 2–3 days/week at £8,000–£14,000. A fractional CIO at £8,000/month costs £96,000 annually — typically a £70,000–£200,000 saving versus permanent.

Fractional CTO

Fractional CTO cost UK in 2026 runs between £3,000 and £7,000/month on retainer, or £1,000 to £1,600/day for project work. Hourly rates of £150–£350 are reserved for light-touch advisory. The honest planning number for the bulk of the market is £4,000–£6,000/month for two days a week of an experienced fractional CTO with sector relevance. A full-time CTO in the same chair costs £140,000 to £230,000/year all-in once salary, employer NI, pension, equity, and recruitment fees are included. Payscale's March 2026 UK CTO survey gives a base of £101,818 with the 90th percentile at £162,000 and total pay reaching £187,000⁴; London tech-focused roles routinely advertise at £150,000–£200,000 base. Under £1m/year in development spend, fractional almost every time; over £4m/year, full-time pays for itself through better hiring, architecture, and vendor management.

Fractional CPO (Product)

For most UK SMEs and mid-market firms, expect £900–£1,400/day for a credible interim CPO (more for urgent turnaround or complex regulated product), or £6,000–£12,000/month for one to two days a week on retainer. Exec Capital's 2026 guide puts interim director day rates in the £400–£1,000/day range for mid-market businesses, depending on function and seniority⁵; product roles typically sit at the upper end of that range and break through it for FinTech and regulated platforms. Director of Product base salaries sit in the £100k–£280k range depending on company type and scale.

ROLE DEEP DIVE

Fractional COO and commercial roles

The most heterogeneous fractional category — the COO function differs widely by sector, and UK day rates reflect that variance.

A UK-wide vacancy-based benchmark puts the median Chief Operating Officer salary at £190,000, based on the six months to 27 May 2026 (useful as a directional market signal rather than a guaranteed offer)⁶. A practical planning rule: if a permanent COO base is £140,000–£200,000, the all-in first-year cost can easily be 'base + 25–40%' once employer on-costs, benefits, and recruitment fees are included. Executive recruitment fees vary, but UK public-sector procurement examples list permanent introduction fees up to 33% for salaries of £80,000+, providing one published reference point.

Fractional COO day rates in 2026 cluster at £900–£1,400/day for SME and mid-market mandates; monthly retainers for two days a week typically run £5,000–£8,000. Specialist mandates — multi-site operations, regulated manufacturing, post-acquisition integration — push toward the upper end.

Sector premia on the base SME rate

Sector / situation	Premium on base	Why
Regulated FinTech	+25 to +50%	FCA familiarity, PRA reporting, and Consumer Duty obligations narrow the candidate pool.
PE-backed scale-up	+20 to +40%	Sponsor reporting cadence, value-creation plan delivery, and quarterly board discipline.
Pre-IPO	+30 to +50%	ECM-experienced operators are scarce; window risk concentrates value in fast, accurate delivery.
Manufacturing / IT-OT	+10 to +20%	Industry 4.0, MES, and ERP integration require specialist operators.
Turnaround / distress	+30 to +60%	Short notice availability, board-level credibility with lenders, and ICAEW/IPA accreditation are non-negotiable.
Charity / not-for-profit	-10 to -20%	Mission-aligned candidates frequently accept below-market rates; some operators ring-fence pro-bono days.

TOTAL COST OF OWNERSHIP

Day rate is not the cost

Boards routinely under-estimate the total cost of a permanent executive by ignoring the on-costs that surround the headline salary. The figures below assume a UK PAYE hire with standard benefits.

Cost component	% of base	Notes
Base salary	100%	Quoted figure on the offer letter.
Employer National Insurance	15.0%	From April 2025: 15% above the £5,000 secondary threshold.
Pension contribution	3 – 10%	3% minimum by law; 8–10% common for C-suite UK roles.
Bonus / variable	15 – 30%	Discretionary or contractual; typically 20% of base for C-suite.
Benefits	5 – 10%	Private medical, life cover, car or allowance, professional subscriptions.
Recruitment fee (Y1)	20 – 33%	Executive search fees on first-year base; 33% recorded in published UK public-sector procurement contracts.
Equity / LTIP	Variable	Common at C-suite level in PE-backed and VC-backed businesses; not modelled here.
Onboarding & ramp	Opportunity cost	Three to six months before a new C-suite hire is fully effective.
Typical loaded total (Year 1)	140 – 170%	Of base. Excluding equity, onboarding cost, and time-to-effectiveness.

Worked example

A £6,000/month fractional CTO running two days a week costs £72,000/year. The equivalent full-time CTO on a £150,000 base costs approximately £200,000–£230,000 in year one on the loadings above, excluding equity and onboarding opportunity cost. The fractional engagement returns the same strategic ownership at one-third the year-one cost — provided the workload genuinely fits two days a week. Above £4m/year in development spend, the calculation reverses: the full-time CTO pays for themselves through hiring, architecture decisions, and vendor leverage.

DECISION FRAMEWORK

When fractional is the right answer

Three tests determine whether a fractional engagement will work for a given role and business.

1. The workload test

Can the role be done credibly in two to three days a week? Most strategic C-suite work — board reporting, investor relations, roadmap ownership, vendor management, top-of-funnel pipeline review — fits comfortably in two days a week for businesses below £25m revenue. Operational work (hiring, day-to-day team management, customer escalations) scales with team size and is harder to fractionalise. Roles with a high operational component (HR, customer success leadership) typically need three to four days a week even at SME scale.

2. The budget test

Is the line item under £100,000/year? If yes, fractional almost always wins on year-one and year-two cost. Above £150,000/year, a full-time hire pays for itself through additional capacity and accountability — provided the workload genuinely fills the role. The danger zone is £100,000–£150,000: you can hire a junior permanent operator at the bottom of the C-suite band, or a senior fractional director two days a week, for similar money. The fractional option usually delivers more strategic horsepower; the permanent option delivers more execution capacity.

3. The duration test

Is the brief defined and finite? Fundraises, system implementations, post-acquisition integrations, turnaround mandates, vacancy cover, and pre-IPO preparation are all well-suited to fractional or interim engagement because they have a clear start and end point. Open-ended 'we need a CFO' briefs work for fractional too, but boards should expect to convert to permanent within 12–24 months as the business matures.

Decision matrix

If your business is...	...and the role is needed for	Likely best fit
Under £5m revenue	Light-touch oversight (board, audit, fundraise prep)	Advisory retainer (£1,795–£3,500/mo)
£5m – £25m revenue	Strategic ownership of a function	Standard fractional (1–2 days/wk, £4,000–£8,000/mo)
£15m – £50m revenue	Embedded leadership during transition	Intensive fractional or permanent + interim bridge
Any size	Vacancy cover or short-notice need	Interim CFO (full-time, £22k–£30k/mo)
Any size	Defined project (fundraise, exit, ERP)	Project-fee engagement (£4k–£25k)
Over £50m revenue	Ongoing C-suite function	Permanent appointment, with fractional bridge if available

ABOUT THIS REPORT

About Leadership Services

Leadership Services is a UK consultancy providing fractional, interim, and part-time C-suite directors to growing SMEs and mid-market businesses. We embed senior executives with founder-led businesses to deliver strategic leadership without the full-time cost.

Our 500-director network covers finance, marketing, technology, operations, commercial, product, and people functions. Engagements start within one week of brief, run from £1,795/month, and come with no long-term tie-ins. Directors are reference-checked, sector-matched, and supported by a managing director-led account team.

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Media enquiries

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⁴ Payscale UK Chief Technology Officer salary data, March 2026.

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