



Pay & Benefits Policy

Version History		
Version	Date of issue	Author
1	1 st April 2024	Julia Brown
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Lead Officer:	Chief Executive Officer – PKAVS	

1. INTRODUCTION

At PKAVS, we seek to create a supportive and inclusive working environment where employees can reach their full potential and progress their careers and pay without prejudice or discrimination.

This policy sets out our processes and plans in relation to pay and benefits. It describes our reward principles of equality, consistency, market awareness, transparency, and clarity. It informs employees of arrangements for payment, including how pay and benefits decisions are made and other reward-related topics. We are committed to ensuring that we have a competitive and leading Pay & Benefits Policy designed to value and retain the leading employees in our field of work.

2. SCOPE

This policy applies to all employees at PKAVS, including full-time, part-time, permanent, fixed term, and temporary employees of the organisation.

3. PAY AND BENEFITS PRINCIPLES

PKAVS commits to ensuring that no employee is paid less than the Real Living Wage Foundation's recommended rate of pay in any year.

Our Pay & Benefits Policy is created around the following principles:

- **Equality**

We are committed to a culture where we practice respect and understanding, and the diversity of people's backgrounds and circumstances is positively valued.

PKAVS will ensure that all employees have the right to the same contractual pay and benefits for carrying out the same work, work rated as equivalent work, or work of equal value. We are dedicated to the removal of inequality of pay based on gender.

Procedures that determine pay and other conditions should not cause unlawful discrimination and instead will be based on transparent and objective criteria.

'Pay' for the purposes of this policy is not just salary or wages but also other terms and conditions of employment, such as benefits, promotion opportunities and training programmes that may be offered by PKAVS from time to time.

The principle for determining equal pay between roles is where the work being undertaken is substantially similar or of equal value unless there are clear or specific reasons unconnected with gender to explain or justify any difference in pay.

Some of the reasons unconnected with gender that may justify pay differences include factors relating to differences in positions, senior vs. junior roles, qualifications and experience required to be successful in the job.

This policy relates to the other equality and diversity policies that PKAVS operates, which stems from the Equality Act 2010.

- **Consistency**

We have a consistent market-informed approach to job pay rates and benefits that supports our commitments to our employees and enables us to make informed decisions on pay and benefits. We ensure that we will always pay at or above the real living wage.

- **Transparency**

We are transparent in our pay principles and the operation of our Pay and Benefits Policy. However, we make sure that we protect the personal data of all employees.

- **Market Awareness**

We maintain an up-to-date understanding of the levels of performance and skill required in employee positions. As much as we try to match our pay levels to the third-sector market, all pay decisions are dependent upon several factors, including the relative value of the job, the work completed in our organisation and the extent to which the organisation can afford to increase pay levels without compromising our financial stability. This may mean that we pay individuals higher or lower than the market rate from time to time. We will never pay below the real living wage level.

- **Clarity**

We are clear on our pay processes and how our pay reviews are completed. We have clear policies on our salary structure, time off in lieu, annual leave, sick leave, and performance review processes at all levels in the organisation.

4. JOB EVALUATION

All new job roles are evaluated under our job evaluation process. They are assessed against a points-based range of criteria which aligns with the needs of the organisation to ensure job levels and spans of control are set appropriately and job descriptions are remunerated fairly and equally. At this stage, the job role is what is assessed, not the person.

Each job role has a job description that is linked to the type of work, accountability, complexity, and level of operation required by the organisation.

Job descriptions are evaluated firstly by the HR Advisor and then verified in consultation with the Chief Executive Officer (CEO) and Senior Management Team (SMT). The resultant ranking of the job then determines the level of salary range benchmarked against the employment market.

Changes to the job role may result in changes to the job description, which can involve updated job descriptions being re-submitted for further evaluation.

Employees may be included in a review of an existing job description from time to time. They may also request a re-evaluation if they feel the outcome of the evaluation of their job description is not representative of their actual job role and remit in the organisation.

5. SALARY SEARCH

Once the new job evaluation is complete, the ranking in the organisational structure is confirmed, and a salary search is completed against the ranking and job type. The type and size of the organisation, staffing size, as well as regional location and revenue, are used as part of the search criteria. The search compares a minimum of 10 similar but not necessarily like-for-like positions in comparative organisations. The search findings will help the CEO set remuneration not just for the new job but could also inform an annual pay review process.

Existing job descriptions will be reviewed at least every eighteen months or sooner if required to ensure the job and work are properly valued and reward levels remain competitive in the market.

6. ANNUAL PAY REVIEW

PKAVS reviews pay annually, and the Board of Trustees may make the decision to increase pay from time to time at the organisation's discretion without affecting other terms of employment. Pay awards are very much dependent upon the level of funding provided to the organisation; however, the review also considers market changes, both locally and nationally, and sector pay data is also considered.

All pay awards are decided by the Board of Trustees and the CEO, there is no obligation on PKAVS to award a pay increase other than for statutory requirements. There will be no review of salary other than for statutory requirements after notice has been given by either the employee or the organisation to terminate employment.

7. SALARY STRUCTURE

PKAVS has established eight broad salary bands and placed each role and job family in the organisation. The bands are used to determine the salary range for each job, which is dependent firstly upon the ranking or relative value of the job as required by the organisation to fulfil its strategic objectives; and secondly, the level of knowledge, skills, experience, and performance that the employee is expected to demonstrate at a specific salary level to fulfil the requirements of the job successfully.

The salary bands provide transparency and clarity about how pay and career can be progressed at PKAVS. The bands recognise the differences in the relative value of a role carried out by an employee who has joined the organisation into a brand-new position that they need to learn, to those who are established in the role working on their own initiative, and those whose span of control is increasing in the role in preparation for a promoted role. The salary bands will be reviewed and re-communicated each year to the SMT.

Notwithstanding that PKAVS has created and will continue to review and update the salary bands annually, the organisation does not operate a formal individual performance-related pay award scheme.

Incremental salary progression each year is not guaranteed and should not be relied upon by employees; however, the salary bands provide visibility for those who wish to develop their careers and progress their pay to understand and discuss their performance objectives and aspirations with their Service Manager.

8. PAY PROCESS

8.1 Monthly salary payment

Payment is made to employees each month, in arrears, by direct credit transfer, with payment taking place by the last working day of each month.

The payment is calculated as one-twelfth of the annual salary, less tax, national insurance, pension, and any other deductions, which will be detailed on the employee's payslip.

All employees will receive their payslips online via our payroll provider on or before each pay date.

If an employee leaves PKAVS, their P45 will be posted out to their home address shortly after their final payment.

8.2 Pay advance.

New starters whose payment details have not been processed in time for the monthly pay period will usually be paid in the following month; however, in exceptional circumstances, new employees may request a pay advance. The amount of any pay advance awarded will be recovered from the first payment through payroll.

8.3 P60 and P11d statements

A P60 statement will be issued to each employee in May each year. P11d statements will also be given to any employees who have received a benefit in kind from the organisation during the financial year.

8.4 Overpayments and Underpayments

If an overpayment has occurred, payroll will notify the employee of the amount overpaid and set out arrangements for reimbursement to the organisation of the overpaid amount, which will usually be by way of deduction from the next salary payment. Employees can suggest other arrangements if this would leave them in financial hardship.

Occasionally, errors may occur regarding pay to employees. If an employee has been underpaid, the correct payment will be made to them together with any arrears due as soon as the error is discovered.

8.5 County Court Orders, Attachment to Earnings and Student Loan Repayments.

Where an employee is subject to a county court judgment order, or an attachment to an earnings order, or a student loan repayment from pay, the information will be forwarded to payroll and the appropriate deductions will be taken from the employee's pay. The deduction will be indicated on the employee's payslip.

9. BENEFITS

9.1 Sick Pay

The following rules apply in relation to sick pay:

Length of Service	Full Pay	Half Pay
1. Upon Appointment and up to 6 months	SSP only	SSP only
2. 6 months to 1 Year	2 weeks in any 12-month period (i.e., for full time staff, 10 working days, equivalent to 70 hours pro-rated for part time staff)	2 weeks in any 12-month period (i.e., for full time staff, 10 working days, equivalent to 70 hours pro-rated for part time staff)
3. 1 Year	1 month in any 12-month period (i.e., for full time staff, 22 working days, equivalent to 154 hours pro-rated for part time staff)	1 month in any 12-month period (i.e., for full time staff, 22 working days, equivalent to 154 hours pro-rated for part time staff)
4. 2 Years	2 months in any 12-month period (i.e., for full time staff, 44 working days, equivalent to 308 hours pro-rated for part time staff)	2 months in any 12-month period (i.e., for full time staff, 44 working days, equivalent to 308 hours pro-rated for part time staff)
5. 3 Years +	3 months in any 12-month period (i.e., for full time staff, 66 working days, equivalent to 462 hours pro-rated for part time staff)	3 months in any 12-month period (i.e., for full time staff, 66 working days, equivalent to 462 hours pro-rated for part time staff)

9.2 Time off in lieu

PKAVS does not pay for overtime; however, additional time work that is authorised by a manager may be taken at a later date as paid time off in lieu.

9.3 Annual leave entitlement

The holiday year at PKAVS runs from the 1st of April to the 31st of March. Employees are entitled to the following enhanced holiday:

On appointment	238 hours	Full time equivalent of 34 days	
		28 days annual leave	6 public holidays
After 2 years' continuous employment	252 hours	Full time equivalent of 36 days	
		30 days annual leave	6 public holidays
After 3 years' continuous employment	273 hours	Full time equivalent of 39 days	
		33 days annual leave	6 public holidays

Unpaid leave

There may be occasions where employees are granted unpaid leave, e.g., for parental leave or for caring responsibilities. Employees should discuss their needs with their manager.

9.4 Pension

PKAVS will comply with any duties it may have in respect of employees under Part 1 of the Pensions Act 2008. Membership in the scheme is strictly subject to the rules of the scheme as amended from time to time. PKAVS reserves the right to vary or discontinue any scheme in place. The organisation will be entitled to deduct from employees' salaries any amounts payable by them as member contributions to the pension scheme that the organisation is using. Further details will be provided directly to employees by the Pensions Provider.

9.5 Temporary Promotions, Permanent Promotions, and Demotions

- If an employee is promoted into a promoted position temporarily, they will be appointed on a **minimum of a 5% increase to pay**. Following completion of the temporary promotion, the role and original pay level will be re-instated.
- If an employee is promoted into a new position permanently, they will be appointed on a **5% increase of their current pay** within the minimum and midpoint bands at the next level for a probationary period of six months, after which time pay and performance in the role will be reviewed, and any changes to salary agreed.
- There are several reasons why a person may be demoted or stepped down from their current position. In the event of a demotion, pay will be reduced to reflect the employee's role from the date that the demotion or step down occurs.

10. GENERAL

10.1 ACAS guidelines for handling pay and wages.

PKAVS believes that this Pay & Benefits Policy meets the standards set out within the ACAS' Guidelines to handling Pay and Wages'.

10.2 Review

This Pay & Benefits Policy will be reviewed in line with the recognised arrangements at the date outlined on the version's record on the front of this policy or earlier if there is an organisational or legislative requirement.

10.3 Contact details

For further information on any part of the Pay and Benefits Policy contained in this document, please contact the Chief Executive Officer at hr@pkavs.org.uk