This policy is a template and should be adapted to suit your organisational values, needs and requirements. You should check this policy is compliant with the law and your organisation’s governing document. No liability rests with SCVO.

**Please contact the SCVO HR Service for advice if you have any questions relating to this policy template. If you are not a member of HR for Creatives or an HR service subscriber, we may still be able to help. Email** [**hrservice@scvo.scot**](mailto:hrservice@scvo.scot) **and we’ll get back to you within 48 hours.**

**Pay policy**

We are committed to having a fair, equitable and transparent pay policy.

## This policy describes the broad principles which we will follow when setting and reviewing pay.

Pay equality

Our pay policy upholds the principles of equality, ensuring that [Org name] employees are treated equitable and fairly. Pay will be determined according to the skills, experience, duties and levels of accountability associated with the job, in alignment with our job classification system and internal salary structures. This policy extends to all [Org name] staff, whether they are on a casual, fixed term, or permanent contract. Please see our Freelancer policy for details of how we apply these principles to our freelancers.

Job classification

Our job classification system is based on skills, experience, duties and levels of accountability required to do the job.

When we create a new job, we use the job classification system to agree the grade and corresponding salary.

The grade is determined by the requirements of the job and is not determined by the performance or any characteristic of the person doing the job.

Our job classification system is as follows: [for example only]

|  |  |  |
| --- | --- | --- |
| **Grade** | **Job type** | **Definition** |
| 3 | e.g. CEO | These job involve:   * substantial personal autonomy * significant responsibility for the work of others and for the securing and allocation of substantial resources * personal accountability for analysis and diagnosis, design, planning, execution and evaluation. |
| 2 |  | These jobs involve a defined skill or skills and a range of duties with varied tasks carried out in a wide variety of contexts.  Most tasks are complex and non-routine, and there is considerable personal responsibility and autonomy. Supervision or guidance of others is often required. |
| 1 |  | These jobs involve a range of routine and predictable tasks, normally carried out under supervision. |

Each job role has a job description. Changes to the job role may result in changes to the job description and pay grade.

You may appeal if you feel your grade is not representative of your job role. [Include details of who to appeal to here].

**Taking on additional responsibilities [Delete if not applicable]**

If a member of staff is required to take on substantially more responsibility for a long period of time, we may offer a monthly allowance for the relevant period.

**Pay scale**

The salaries attached to each grade are as follows (you could include increments within each grade e.g. min, mid, max):

|  |  |
| --- | --- |
| Grade | Salary |
| Grade 3 | £ |
| Grade 2 | £ |
| Grade 1 | £ |

Pay review – delete if not applicable

We review our pay each year to ensure our salaries continue to reflect market rates and are fair relative to other jobs in the organisation.

Our pay reviews take effect on [insert date e.g. 1 April] each year.

Pay grades are funded from our annual budget and the review considers market changes, both locally and nationally. Industry pay data is considered as part of the review along with affordability and sustainability.

Payment of salary

You will be paid each month, in arrears, by direct credit transfer with payment taking place by [insert date] of each month.

The payment is calculated as one-twelfth of annual salary, less tax, national insurance, pension and any other deductions, which will be detailed on your pay slip.

If an overpayment occurs, you will be notified of the amount overpaid and of the arrangements for reimbursement of the overpaid amount, which will usually involve a deduction from your next salary payment. You can suggest other arrangements if this leaves you in financial hardship.