

Remuneration policy

Agreed 2nd June 2015

This policy sets out AvMA's approach to how it remunerates all of its staff so that staff are remunerated consistently and fairly and that the charity is best able to recruit and retain the staff that it needs to meet its charitable objectives.

Pay scales

AvMA uses its own pay scales, with each member of staff being remunerated the amount specified by the point on the scale at which they are employed. These have historically been based loosely on the pay scales in use in the voluntary sector and public sector (NHS and local authorities). AvMA's pay scales have been developed over the years to take account of changes in AvMA's staffing structure and to take account of pay in other sectors such as the legal profession. AvMA's aim is not necessarily to match what is paid in other organisations but to benchmark against this to inform decisions about what is reasonable to pay in order to attract and retain the right staff. Historically, due to difficulties with generating enough income, AvMA has tended to pay slightly under the rates that might be payable in other parts of the voluntary/ public sector (and considerably lower than what would be payable in the private legal sector) and has sought to compensate for this by offering other attractive terms of service such as holiday entitlement and flexible working (see below).

Spinal Points

The pay scale for each job in AvMA has approximately five spinal points. After each year of employment the employee moves up one spinal point until they have reached the top of their scale (with the exception of the Chief Executive who is on a scale with only three spinal points). Progressing through the scale in this way is part of staff's contract of employment and happens automatically in January each year. The Chief Executive and Deputy Chief Executive have the discretion to authorise new recruits starting on a higher spinal point on the scale than the first point taking into account the experience and qualities of the applicant.

Annual Cost of Living Increases

Each April the trustees have the discretion to award a cost of living increase. This increase is not part of the contract of employment.

The charity will award a cost of living increase to staff salaries each year unless, in the view of the trustees, the charity cannot afford to pay it. The amount will normally be based on the Consumer Price Index, but the trustees have discretion to award more or less than the rate of CPI taking account of circumstances at the time. If a decision about the cost of living increase is made after April the increase is back-dated to 1st April.

Review of Individual Pay scales

When a new post is created and when recruitment to an existing post is necessary, a review of pay scales available in comparable organisations will be conducted (for example by reviewing job advertisements and/or speaking to recruitment agencies) and by reference to the NJC and NHS Pay Scales. If considered necessary, the Chief Executive has authority to change an existing pay scale (within the delegated authority limit for affecting the budget). Increases larger than this or expenditure on new posts need to be approved by the Council following review by the Finance Committee.

On occasions it will become necessary to review an existing member of staff's pay scale or spinal point within the scale at which they are remunerated. For example, if the staff member has been given extra responsibilities, changes to the job description, or if the external roles available have changed significantly. The Chief Executive has authority to authorise such changes (within the delegated authority limit) or if above this, to seek approval from the trustees as above.

In considering changes to individual or group pay scales consideration must be given to how the increase is justified; the knock-on effects for the charity; and whether the decision can be shown to be objective and reasonable. The rationale for each decision must be recorded.

Other terms of service

As discussed above, AvMA has sought to compensate staff for pay which is generally less than they could achieve in other organisations/in other sectors, by being generous and flexible in other ways.

AvMA offers a generous holiday entitlement. For a full time employee this amounts to 25 days a year which increases by one day each full year for five years. After 10 years' service an additional five days of entitlement is added. The office is also closed between Christmas and New Year (and staff are not required to take holiday during this period).

AvMA also tries to be as flexible as possible, bearing in mind the exigencies of the service, to staff working part-time; working flexible hours and working at home. Interest free loans are available for season tickets or bicycle purchase and a Kiddie Voucher scheme is provided to help with childcare costs (at no cost to the charity).

AvMA's pension policy is to pay 2% of the salary as the employers' contribution. (Note: this will need to increase in 2017 in line with the auto-enrolment legislation).

Severance Pay

AvMA has a policy of not paying anything additional to what existing staff are entitled to by virtue of their contract of employment and statutory redundancy rights. The only exceptions to this are when, in the opinion of the trustees, it is necessary in the interests of the charity to offer more in light of an employment dispute or other exceptional circumstances. Any such decision has to be agreed by the Council.

Temporary Staff

Occasionally AvMA will need to take on staff to work on a temporary basis. Remuneration for such appointments will be commensurate with the duties involved and reflect the salary scales in use for permanent staff with similar duties. If a temporary contract is extended it will be updated to take account of any cost of living increase that has been applied to AvMA scales. As a minimum, AvMA will pay the London Living Wage. The chief executive can approve taking on temporary staff if within budget for the relevant department(s) or within the delegated authority limits.

Reporting

In accordance with the Statement of Recommended Practice (SORP) for charities, AvMA will report in its trustee annual report on the number of employees it remunerated at £60,000 or above in the reporting year, in bands of £10,000. AvMA will also publish its remuneration policy (which is discretionary).