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Blue Triangle (Glasgow) Housing Association Ltd

Pay Policy

HR 023 REV 0

6 December 2018

Our Mission Statement

“Blue Triangle exists to support, accommodate and assist vulnerable people achieve better lives.”

Contents

Section 1	Introduction	4
1.1	Rationale for the policy	4
1.2	Risk assessment statement	4
1.3	Policy context	4
Section 2	Policy content	4
2.1	Equal Pay for Equal Value	4
2.2	Market supplements	7
2.2.1	Definitions	7
2.2.2	Principles	8
2.3	Transitional arrangements from NJC scales	8
Section 3	Consultation	8
Section 4	Monitoring and review/link with KPIs	9
Section 5	Publishing and availability of policy	9
Section 6	Accessibility	9
Section 7	Other relevant policies and procedures	9
Section 8	Complaints	9
Section 9	Impact Assessments	10
Section 10	Legal and Regulatory standards	10
10.1	Legal framework	10
10.2	Regulatory standards – The Scottish Housing Regulator (SHR)	10
10.3	OSCR (Office of the Scottish Charity Regulator	11
10.4	The Scottish Social Housing Charter	11
10.5	The Scottish Social Housing Charter Indicators	11
10.6	Regulatory standards – Health and Social Care	11
Appendix	Pay Procedures	12
1.0	Market Supplement Procedure	13
2.0	Job Evaluation – Terms of Reference Agreement	21

Revision history

Rev No.	Rev. Date	Consultation Requirements (See Section 4 – Consultation)	Lead Officer	Committee	Approved by COM
0	6 Dec 21	New Policy	FS	COM	6 Dec 2018

Chairman



Signed:.....

Dated: 6 December 2018

Chief Executive Officer



Signed:.....

Dated: 6 December 2018

Section 1 Introduction

1.1 Rationale for the policy

This policy sets out the Association's approach to pay for all employees and workers.

The purpose of the policy is to inform employees and workers of the Association's arrangements for pay, including how pay increases are determined, arrangements for salary payments and other pay related issues.

The Association is committed to ensuring that its pay system operates as effectively, efficiently and equitably as possible.

The Association recognises UNISON as the union with which it will consult and negotiate on matters as set down within the Recognition Agreement and the Job Evaluation Terms of Reference Agreement. All relevant decisions will be made according to these requirements.

This pay policy is effective from 1 April 2018.

1.2 Risk assessment statement

This policy relates to a high area of risk as it is a major part of terms and conditions and impacts significantly on the retention and recruitment of the right people across all functions both in the projects and Head Office to fulfil our mission.

1.3 Policy context

Our current operating environment reflects political and social pressures around the concepts of equal pay for work of equal value. There are legal challenges around men and women doing jobs of equal value which should attract the same rate of pay for the post. These legal challenges reflect an inequality that in many cases is historic in nature and has resulted in backdated payments for women who have been treated unequally for many years.

In developing this policy, we have ensured as much as possible that we have eliminated any inequality through adopting principles and processes which comply with best practice around pay structures and policies to ensure equal pay for work of equal value.

This policy is also required to assist us being able to both retain and recruit the very best quality staff that we can within our funding constraints.

Section 2 Policy content

2.1 Equal Pay for Work of Equal Value

Job Evaluation

In line with good employment practice, all jobs within the Association will be evaluated using the negotiated and agreed job evaluation scheme. This is to ensure that jobs are graded fairly and equitably, and that the Association complies with the

Equal Pay Act. The principle adopted throughout is “equal pay for work of equal value”.

All revised and new jobs are assessed by the relevant manager in conjunction with a senior manager and/or the HR Manager using the Job Evaluation Scheme documentation and in line with the Job Evaluation Terms of Reference. Written questionnaires are then forwarded to the Association’s Job Evaluation Committee for evaluation. All managers and Job Evaluation Committee members are fully trained in how to fulfil their respective duties.

Every job, following the departure of the post holder, will be reviewed in line with business needs, alongside the staffing structure around it.

Pay Grades

All jobs are evaluated into a relevant pay grade, which determines the salary scale for each post. The overall pay system details the pay ranges for each grade level.

Records of the rationale for decisions made by the Job Evaluation Committee, which then determines the pay grade for a particular post, are kept and monitored by the HR department.

Pay Structure

The grading structure consists of 10 grades with three points in each band: first, middle and top. Employees progress through their pay grade each year until they reach the top point. No member of staff will be paid above the top point of their pay grade.

In implementing this pay policy, the Association is delivering on its commitment to pay the Scottish Living Wage as a minimum to its employees and workers.

As part of good governance, the Committee of Management will assess and take a view on senior executive salaries on an annual basis (as part of the overall review of the pay system) to ensure they are benchmarked appropriately for the sector.

Equality Impact Assessment

The job evaluation template, the resultant grading structure and the transitional arrangements from one salary scale to another has had an equality impact assessment carried out on it by the Association to ensure that discrimination is removed as much as possible.

New/Revised Posts

Where a new or substantially revised post arises, it will be necessary to have the role evaluated by the Job Evaluation Committee to ensure that it is placed in the correct pay grade.

New jobs are defined as follows:

- a) Jobs where there is no current post-holder and where a grade of the job is required to allow recruitment to proceed; or

b) Jobs where there is a current post-holder, which change as a direct result of changing organisational need and where the new grade is required before any change can be made to the contract of employment.

This job evaluation process will be completed before the post is advertised.

Remuneration on Recruitment

It is the policy of the Association to appoint all new employees on the first point of the salary scale for their appropriate pay grade.

Pay Grade Increments and Cost of Living Increases

Pay variations within the Association have two separate elements: increments and cost of living increases.

Cost of living increases are reviewed on 1 April each year in negotiation with the Association's recognised trade union, UNISON. Where salary reviews have not been agreed or finalised in time to enable salaries to be increased on 1 April, negotiations will take place with UNISON to determine the appropriate date from which pay awards will take effect.

The proposals for pay increases, and their subsequent settlement, must be affordable to the Association in the current financial year and in the longer term. Good control over costs associated with sickness absence, agency use and voids increases the ability of the Association to implement cost of living increases.

It is the standard practice of the Association to award an increment when the employee has accrued one full financial year of service (ie, 1 April to 31 March).

Backdated pay will not be made to employees who have left before any pay increases are implemented.

Qualification Bars

At Grades 4, 5 and 6, all direct project staff are required, upon entry to the organisation, to have the appropriate SVQ qualifications as specified in the person specification for the role.

Grades above Grade 6 will be expected to have appropriate qualifications for the function of the role and it is not expected that anyone would be recruited without the required qualifications.

It is recognised, however, that there may be exceptional circumstances where the local labour market is unable to yield an appropriately suitable candidate with the specified qualifications. In this case, the recruiting manager may appoint an unqualified candidate on the basis that the candidate will be asked to achieve their SVQ qualification(s) within a set period of time. This will usually be within 12 months of the individual passing their probationary period and achieving their SVQ qualification.

The employee will be given financial support to achieve their SVQ, on the proviso that they successfully achieve their qualification(s) within the set timeframe and do not leave the employment of the Association for a set period of time following the achievement of their qualification(s). The employee will be asked to sign a specific training agreement to state that they understand the terms of the agreement and the consequences of not meeting those terms.

A qualification bar is therefore set at the first point of the scale, with movement to the middle point of the scale in line with the terms of this policy and the achievement of the qualification.

Discretion may be applied to the holding of an employee's salary at the first point of the scale if delays in achieving the qualification(s) can be attributed to disability, sickness absence relating to underlying health conditions, maternity and any other relevant protected characteristics.

The above principles may apply to other posts within those or other grades. If this is the case, the qualification bar will be clearly communicated at the time of advertising.

Market Supplements

While the Association is committed to a pay structure that reflects equal pay for work of equal value, it also recognises that there are some circumstances where it may find it difficult to recruit to specific posts and/or retain employees because of the competition for candidates in the labour market. In these circumstances, the payment of a market supplement to basic salary may be necessary, following discussions with UNISON.

Pay Position

The Association wishes to position itself in terms of pay as follows:

- Act as a fair employer by paying all employees and workers at least the current Scottish Living Wage announced in November each year to apply from the following year on the 1st April
- Have pay rates competitive with comparable organisations as much as possible, given funding pressures, to ensure that it attracts and retains high quality staff

2.2 Market Supplements

2.2.1 Definitions

A market supplement payment is made where the Association, due to its job evaluation and pay structure, would be unable to match the market rates offered by other employers as part of the basic salary.

A recruitment market supplement is made where the Association is recruiting for a role where there is a skills shortage and an additional payment is required to attract an individual who meets fully the criteria for the post.

A retention market supplement is made where there is a skills shortage for a role filled by an existing staff member or where there is a significant uniqueness in the role for which there would be a detrimental effect on the Association if it is unable to fill the role.

2.2.2 Principles

Market supplements awarded will sit within a framework which adheres to the following principles:

- The Association will continue to ensure that it meets its obligations under equal pay legislation and that it maintains the overall integrity of its pay structure.
- Market supplements will only be considered where there is a clear and evidenced business need, with the failure to appoint or retain acting as a detriment to the Association.
- Other non-pay options, such as career development opportunities, will also be fully explored before a market supplement is considered.
- Market supplements will only be approved if an objective assessment of appropriate evidence supports the payment of a supplement.
- The decision behind the approval of any market supplement will be recorded in writing, alongside any particular conditions that will apply to the payment of the supplement to be retained by HR.
- Market supplements will be reviewed on an annual basis, and may be varied or removed where necessary.

2.3 Transitional arrangements from NJC scales to new pay structure

There are a number of transitional arrangements for staff as they move from one salary grading system to another. Those who are entitled to an increase in salary will be moved over to the next appropriate point on their particular grade. Those whose salary exceeds their banding will have salary protection in place until 31 March 2020 before their salary is adjusted to the new level applicable at the time.

Section 3 Consultation

Section 54 of the Housing (Scotland) Act 2001 stipulates a requirement of RSLs to consult their tenants on policies and procedures which significantly affect their tenants. BTHA has no tenants but considers this a right which should be given to its service users. The occupancy agreement that we use, therefore, includes a clause which indicates our commitment to consult with service users.

The regulatory standards (Care and Housing) also stipulate that service providers should have robust consultation processes in place in order to comply. This means that if there are proposals or policies which could significantly impact on service users such as those in relation to housing management, repairs and maintenance or more strategic changes that we endeavour to notify service users of this and listen to any concerns. The main vehicle for this will be our service users' forum.

We also operate a policy on consulting with staff and taking feedback on board. Service users and staff will not be consulted on all policies – an assessment will be made at policy review as to what level of consultation (if any) will take place.

Section 4 Monitoring and review link with KPIs

Policies will be reviewed on a three yearly cycle by the Committee of Management according to a policy programme provided on an annual basis at the start of the financial year. All policy reviews will take into account our Equality Impact Assessment toolkit requirements. Committees will report on performance to committee of management at the end of the year. We use a small number of key performance indicators (KPIs) which monitor critical success factors. Our policy monitoring framework tracks any policies which impact on KPIs. Other policies may have indicators which are monitored at departmental level.

The policy and its implementation will be reviewed by the Committee of Management.

Section 5 Publishing and availability of policy

This policy is available in electronic format or hardcopy to all staff, service users, Committee members and other customers, as appropriate.

Section 6 Accessibility

We are committed to promoting accessible services that address the needs of individual service users and employees, as appropriate. For example, our policies can be provided in other formats such as in larger print or in audio-format.

Section 7 Other relevant policies and procedures

The Association has a wide range of policies covering corporate services (covers the entire association) and operational services (covers only specific operational areas). It is important that this policy is not viewed in isolation but consideration is given to the wider context in which it operates.

Section 8 Complaints

We follow the Model Complaints Handling System that has been developed by the Scottish Public Services Ombudsman (SPSO). This is a comprehensive procedure that allows for complaints to be dealt with in either one of two stages.

Complaints must be dealt with in line with set timescales so that complaints are dealt with quickly.

If still dissatisfied after Stage 2 has been completed, a dissatisfied customer can take their complaint to the SPSO.

Any service user wishing to complain should ask for a copy of our complaints procedure. A service user, alongside their right to complain to the SPSO, can also complain to the Care Inspectorate, the Local Authority or other commissioner of the service, and they may have the right to complain to the Scottish Housing Regulator.

To take their complaint further, a service user generally needs to go through our internal complaints procedure in the first instance.

Section 9 Impact Assessments

We carry out two main forms of impact assessments using our standard template for all organisational policies and related procedures. These are equality and privacy impact assessments.

Equality impact assessments

Equality Impact Assessments consider how effectively our policy documentation eliminates unlawful forms of discrimination and promotes our equality objectives.

Privacy Impact Assessments

Privacy impact assessments are important for maximising security of data processing and minimising risk to personal data that we process. These assessments are essential for ensuring that data protection issues are mainstreamed into all appropriate policies and practices.

Section 10 Legal and Regulatory standards

The standards referred to in this section have been taken directly from each Regulator's guidance. Each Regulator has written their guidance according to the audience being addressed: service users, staff or board member

10.1 Legal framework

- Equality Act 2010
- National Minimum Wage Act 1998
- Employment Rights Act 1996

10.2 Regulatory standards: the Scottish Housing Regulator (SHR) (Governance and Financial Management)

Regulatory standard 4

The governing body bases its decisions on good quality information and advice and identifies and mitigates risk to the organisations' purpose

Significant performance failures

The Scottish Housing Regulator (SHR) has a duty to consider issues raised with them about "significant performance failures". A significant performance failure is defined by the SHR as something that the landlord does or fails to do that puts the interests of its tenants at risk, and which the landlord has not resolved. That is something that is a systemic problem that does, or could, affect all of a landlord's tenants. Examples of a significant performance failure could be if social landlords are not:

- delivering the outcomes and standards in the Scottish Social Housing Charter over a period of time; or
- achieving the regulatory standards on governance or financial management

10.3 OSCR (Office of the Scottish Charity Regulator)

The targeted Regulation Framework

You must act in the interests of the Charity (standard 1)

- You must do what is best for the charity and its beneficiaries not what is best for you, your friends or family or business interests

You must act with care and diligence (standard 1.2)

- You have to protect your charity including its beneficiaries, assets and reputation. This means understanding and assessing potential risks to make sure decisions are as robust as possible
- You are responsible for making sure that your charity complies with any relevant laws. For example, health and safety, employment, data protection and equality laws

10.4 The Scottish Social Housing Charter

Getting good value from rents and service charges

13 Value for money

Social landlords manage their businesses so that:

- Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay

This standard covers efficient and effective management of services. It includes minimising the time houses are empty; managing arrears and all resources effectively; controlling costs; getting value out of contracts; giving better value for money by increasing the quality of services with minimum extra costs to tenants; owners and other customers in monitoring and reviewing how landlords give value for money.

10.5 The Scottish Social Housing Charter Indicators

There are no relevant indicators.

10.6 Regulatory standards: Health and Social Care standards

3 I have confidence in the people who support and care for me

I have confidence in people because they are trained, competent and skilled, are able to reflect on their practice and follow their professional and organisational codes.

My needs are met by the right number of people.