



## NCVO WORKFORCE DEVELOPMENT

### GOOD GUIDE TO EMPLOYMENT FACTSHEET

#### Pay and benefits

**This information is taken from the publication *The Good Guide to Employment*. Find out more at [www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk).**

This factsheet aims to provide information on pay and benefits in adherence to the law. Employees should be informed of how their pay is determined, paid fairly and in line with similar jobs in other organisations.

#### Minimum wage

Ensure that you are paying staff within the legal requirements. Visit <http://www.berr.gov.uk/whatwedo/employment/pay/index.html> for more information.

#### Review pay systems

Carry out regular reviews of your pay system to build and maintain a robust, fair pay system. Reviews make your pay system less susceptible to inequity claims.

When determining pay levels from job evaluations, take into account the market rates of pay because if you are paying below market rates, it may be difficult to recruit and retain staff.

Salary surveys are one way of gauging market rates of pay, but do not reflect internal relativities. Your organisation needs to choose between salary progression forms, including annual incremental progression, a 'spot rate' progression, or performance/contribution based progression.

Developing a published salary policy clarifies your pay review system for management and staff.

#### Pensions

Pension schemes are required for organisations employing more than five persons, although employers and employees are not necessarily obligated to contribute to some pension schemes. For further information go to [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

## Other benefits for employees

- Annual leave Parental benefits
- Flexitime Sick pay
- Counselling Childcare vouchers
- Buying/selling annual leave Staff discounts
- Interest free travel loans Workplace facilities

While the voluntary sector may not be able to pay the highest salaries, fringe benefits may be possible and can attract applicants and motivate existing staff. Ensure that you provide a written, itemised pay statement when administering pay and ensure that any deductions you make from a worker's pay are allowed for in their contract.

To find out more on the minimum wage, job evaluation, salary policies, pension schemes, or benefits, visit the following websites:

1. Acas: Provides information relevant to all new and existing employers [www.acas.org.uk](http://www.acas.org.uk) NCVO provides free information, signposting and services for trustees, staff and volunteers [www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk)
2. Business Link: Provides information for those becoming an employer for the first time [www.businesslink.gov.uk](http://www.businesslink.gov.uk)
3. Computer Economics Limited and Remuneration Economics (CELRE): Provides salary survey reports for various job levels and functions [www.celre.co.uk](http://www.celre.co.uk).
4. Croner Reward: Provides pay and benefits data over regional, national and industry-specific salary surveys [www.croner-reward.co.uk](http://www.croner-reward.co.uk)
5. Daycare Trust: Provides information for employers on creating a family friendly workplace and factsheets [www.daycaretrust.org.uk](http://www.daycaretrust.org.uk)