



PAY POLICY

May 2025

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Review Frequency	3 years
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Applicable Committee(s)	Corporate Services
Owner - role	Director of Finance & Corporate Services

Record of Updates/Changes			
Current Version	Date Approved	Approved By	Changes
V2	19/05/2025	Corporate SC	Updates to reflect organisation changes
V1	23/05/2022	Corporate SC	New policy

1.0 INTRODUCTION

The purpose of the Pay Policy is to ensure transparency and accountability with regard to Castlehill Housing Association's (CHA's) approach to setting pay.

The Pay Policy identifies:

- The method by which salaries are determined and how they are paid
- How CHA's pay structure operates and how grading is determined, including pay progression
- The approach to the annual pay review, and how this is agreed and approved
- Information relating to additional allowances and when they are payable, or links to the policies where this information is provided.

2.0 SCOPE

This policy applies to all employees of Castlehill Housing Association, including the Chief Executive. All relief staff are included in CHA's annual salary review process.

3.0 ASSOCIATED POLICIES

- Staff Expenses Policy
- Vehicles and Driving Policy
- Job Evaluation Policy

4.0 METHODS OF PAY AND PAY ADVICE

The basic hourly rate is annual salary divided by 52 weeks divided by weekly working hours. Individual contracts will detail how pro-rating has been applied to any staff member working less than 35 hours per week.

Salaries and where applicable, allowances and other additional remuneration, are paid direct to staff bank accounts by bank transfer by the 27th day of each month. Salaries and car allowance cover the period to the end of the calendar month and other allowances or other additional remuneration, are paid a month in arrears. The law requires CHA to deduct Income Tax and Employee National Insurance contributions from salary.

Each member of staff is issued with a payslip in our HR System, People HR, showing their basic monthly salary, any pay supplements, allowances or deductions made. It is in the interest of all members of staff to check their payslips carefully each month and to inform Finance as soon as possible if they think an error has been made.

5.0 PAY GRADES

Currently CHA has 13 separate pay grades, with a pay scale attached to each pay grade. A grade is attached to a post following a job evaluation process, the details of which are outlined in our Job

Evaluation Policy. The full pay grading structure is available in the HR Information section of the SharePoint site.

Each pay grade is made up of five incremental points, with a 2.5% differential between incremental points. In general, new employees, or existing employees appointed to promoted posts, are placed at the lowest point of the applicable grade, except where one or more of the following factors arise, in which case placement will be subject to agreement between the parties:

- Additional skills, experience, qualifications or part-qualifications
- Circumstances requiring the payment of a market rate such as skills shortages, high turnover, or other economic factors
- Where employee is promoted and there is an overlap in the pay grade, they will be appointed to the next increment up from their current salary.

Where applicable, annual increments within the applicable pay grade will be paid from 1 April each year until the maximum point on the applicable grade has been reached. If new employees, or existing employees who have been promoted, have not completed 6 months continuous service by 1 April, their first increment will be paid 6 months after their start date and annually on 1 April thereafter.

Relief posts attract a spot rate, aligned with the appropriate job grading associated with the post they are covering.

6.0 SALARY REVIEW PROCESS

The pay grades within the salary structure are reviewed annually, with changes effective from 1 April every year. Where salary reviews have not been agreed in time to enable salaries to be increased on 1 April, increases will be backdated to 1 April once agreement is reached.

In the February of each year the Chief Executive submits a Salary Review Report to the Management Committee. This report provides all the required information to enable the Management Committee to make an informed decision in relation to any salary increase. If it is decided a salary increase is to be made, this will be applied across all 13 of CHA's salary grades. Members of CHA staff are not present for these discussions.

In compiling this report the following information will be considered:

- The increase in the cost of living - the measure used is currently CPIH from the previous September to give an indication of level of inflation, however other measures may be considered.
- Affordability of a salary increase for CHA, taking account of committed spending, all sources of income and the impact on the financial position of the Association.
- Comparability of the pay awards being made across housing associations locally and nationally.
- Local labour market conditions and how this affecting recruitment and retention of staff.

7.0 SALARY BENCHMARKING

Salary benchmarking exercises are conducted at a maximum of 5 year intervals to ensure comparability with other Housing Associations where their operations are either of a similar size, in a similar location or offering similar services. This will be conducted by an external salary benchmarking specialist to ensure impartiality, with any recommendations being presented to the Management Committee for review.

Benchmarking may be conducted out with this timescale, if a need is identified to consider external sources of pay information for a specific job role/groups of job roles.

8.0 ADDITIONAL PAYMENTS

There are some additional payments that can be made to an employee during the course of their employment with Castlehill:

Additional Hours	<p>Staff who work fixed working hours may be eligible to claim additional hours when they work outside their normal contractual hours. This could be; to attend training, attend a meeting or to provide holiday/sickness cover. These hours should always be authorised in advance and approved by the appropriate line manager before being submitted to Finance for payment a month in arrears. Further details are contained in our Terms and Conditions of Employment.</p> <p>Staff who are eligible for Flexitime generally do not qualify for additional hours.</p>
Car Allowances	<p>Staff who are deemed Essential Car Users, qualify for a monthly allowance to help maintain their vehicle. Further details can be found in our Vehicles and Driving Policy.</p>
Expenses	<p>Certain expenses, including mileage and subsistence expense can be claimed. Further details are contained in the Staff Expenses Policy.</p>
Call Out	<p>Where an employee is called out of hours to deal with an emergency situation that cannot be resolved by our out of hours service, they can make a claim for three hours pay at their standard rate to compensate for time spent dealing with the emergency. Claims of these nature should be submitted in writing and authorised by the line manager, before being sent to payroll for payment.</p>

9.0 TEMPORARY UPGRADING

There may be occasions where it is necessary to temporarily upgrade a member of staff for a period of time, usually to cover a period of longer-term absence or while recruitment is ongoing.

Where full responsibilities for a post are being undertaken, the staff member should be seconded into the post and paid the relevant salary for the period of time the higher level of responsibility applies.

Where only a proportion of higher grade responsibilities are being undertaken, then an allowance may be payable for this period. The size of the allowance will be determined by the proportion of time spent on higher grade duties.