



Pay and benefits

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. Call the National Minimum Wage helpline at 0845 6000 678 for advice or go to www.dti.gov.uk/er/nwm

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

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.

**This information is taken from the publication *The Good Employment Guide (2005)*.
Find out more at www.ncvo-vol.org.uk/publications**

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
- 2) askNCVO: NCVO provides free information, signposting and services for trustees, staff and volunteers
www.askncvo.org.uk
- 3) Business Link: Provides information for those becoming an employer for the first time
www.businesslink.gov.uk
- 4) Computer Economics Limited and Remuneration Economics (CELRE): Provides salary survey reports for various job levels and functions
www.celre.co.uk
- 5) Croner Reward: Provides pay and benefits data over regional, national and industry-specific salary surveys
www.croner-reward.co.uk
- 6) Daycare Trust: Provides information for employers on creating a family friendly workplace and factsheets
www.daycaretrust.org.uk
- 7) Department of Trade and Industry (Dti): For various employment matters
www.dti.gov.uk
- 8) The Equal Opportunities Commission: Provides information for employers on how to put equality into practice
www.eoc.org.uk