CORPORATE PAY POLICY

APPROVED BY HHP BOARD:
EFFECTIVE DATE: April 2025

hhp | hebridean housing partnership

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INTRODUCTION

1.1 Good practice states that it is important for an organisation to have an effective pay policy. For the employer an effective pay policy is one which:

a) Enables an organisation to attract and retain employees of the calibre needed to achieve the objectives of the organisation;

b) Is competitive with local and business sector market; and

c) Is affordable, particularly in terms of the impact on total costs and viability.

For the employee, an effective pay policy is one which they feel:

a) Rewards effort;

b) Recognises contribution;

c) Acknowledges internal differentials;

d) Is competitive; and

e) Enables them to maintain a reasonable standard of living.

1.2 The management of a pay policy should be seen as a tool which helps management to achieve corporate goals both in the long term and the short term. The policy should communicate to employees and others the values and standards of the organisation.

AIMS

2.1 To have a policy for pay which provides a clear reference point for all pay matters.

PAY STRUCTURE

GRADES

3.1 The grading structure which came into effect on 1 April 2019 was reviewed and amended in March 2024. The structure is used for all posts in the organisation with the exception of the Chief Executive as the Chief Executive salary scale is set by the Board.

3.2 Staff will progress through the points in their band following confirmation from their line manager that satisfactory progress has been made during the full year and necessary qualifications (where applicable) have been achieved. Increments will be awarded 1 October each year.

3.3 Staff on short term or fixed term contracts may have increments payable on the delivery of specific goals within agreed timeframes.

3.4 New posts will be evaluated using the Grading Guidance which was prepared following the Job Evaluation exercise in 2019.

3.5 The payscales are at Appendix 1 and will be updated annually following the cost of living review.

BENCHMARKING

3.6 Salaries will be benchmarked every three years, with the next review due to be completed by March 2027.

OVERTIME

3.7 Overtime must be authorised in advance and will only be paid in exceptional circumstances.

PAY AWARD

3.8 The Joint Consultative Committee, established in 2019 is the starting point for discussions on cost of living pay claims. Unison are currently the only recognised Union in the Partnership. Pay awards are part of the signed collective agreement therefore any agreements on pay offers will be reached with Unison. Non-Union members will be kept informed throughout the process.

3.9 The Personnel Working Group will consider pay claims for the cost of living award from Unison and make recommendations to the Board on the annual pay award for all staff.

3.10 The Personnel Working Group will make a recommendation to the Board on the cost of living award for the Chief Executive and where necessary will engage consultancy support.

3.11 Where a multi-year deal is agreed it will form Appendix 2 to the Policy.

SCOTTISH GOVERNMENT LIVING WAGE

3.12 All staff will be paid at least a minimum hourly rate of the Scottish Government Living Wage. This includes Modern Apprentices.

TEMPORARY STAFF

3.13 Temporary staff will be paid at the bottom of the grade unless a good case is presented for being paid at a higher point and approved by the Chief Executive.

JURY SERVICE

3.14 Jury Service is a public duty. Normal salary will be paid for Jury duty up to a period of 4 weeks, thereafter Jurors will have to claim compensation for loss of earnings under the Juror's Allowances Regulations 1978. An employee must not claim for loss of earnings and a salary for the same period.

EQUAL PAY

4.1 We are committed to the principle of equal pay for all our employees. We aim to eliminate any sex bias in our pay systems.

4.2 We understand that equal pay between men and women is a legal right under both domestic and European law.

4.3 It is in the interest of the organisation to ensure that we have a fair and just pay system. It is important that employees have confidence in the process of eliminating sex bias and we are therefore committed to working in partnership with recognised trade unions. As good business practice we are committed to working with trade union/employee representatives to take action to ensure that we provide equal pay.

4.4 We believe that in eliminating sex bias in our pay system we are sending a positive message to our staff and customers. It makes good business sense to have a fair, transparent reward system and it helps us to control costs. We recognise that avoiding unfair discrimination will improve morale and enhance efficiency.

4.5 To

a) Eliminate any unfair, unjust or unlawful practices that impact on pay; and

b) Take appropriate remedial action;

4.6 We will:

a) conduct an annual equal pay review in line with EOC guidance for all current staff and starting pay for new staff (including those on maternity leave, career breaks or non-standard contracts);

b) present a report to the Personnel Working Group with the outcomes of the annual equal pay review;

c) Plan and implement actions in partnership with trade union/employee representatives;

d) Provide training and guidance for those involved in determing pay;

e) Inform employees of how these practices work and how their own pay is determined;

f) Respond to grievances on equal pay as a priority; and

g) In conjunction with trade union/employee representative, monitor pay statistics annually.

PAY PROTECTION

5.1 From time to time it may be necessary for the organisation - for business reasons - to undertake a restructuring exercise, redeploy staff to different post, re-evaluate jobs or amend its pay system. Where any of these actions are necessary, the organisation will commit to protecting employees pay in certain circumstances as defined below.

5.2 Pay Protection applies to all employees of the organisation, regardless of job type or grade. In order to qualify for protection, however, the employee must have a minimum of one year's continuous service with the organisation at the time the change is implemented.

CONDITIONS OF ELIGIBILITY

5.3 The circumstances in which employee's pay will normally be protected are where:

a) an employee is transferred to a job on a lower grade, or to a job which a lower salary applies, as a result of:

1) restructuring or organisational change;

2) redundancy; or

3) long-term personal ill-health or disability;

b) an employee's job is re-graded under a new or revised grading system or job evaluation scheme;

c) the employer makes substantial changes to its pay system resulting in a change to the salary payable in respect of an employee's job; or

d) an employee's duties are altered for organisational reasons, with the result that a lower salary is appropriate.

5.4 Pay protection will not apply where:

a) a change of job or job duties is requested by the employee;

b) the reduction in pay is caused only by a reduction in hours worked;

c) an employee is transferred or demoted to a job with a lower salary as a consequence of disciplinary action or performance management proceedings; or

d) an employee who has, by agreement acted up to a more senior position for a temporary period subsequently resumes his or her normal job duties.

THE SCOPE OF PAY PROTECTION

5.5 Pay protection will apply only to basic pay, and not to allowances, shift payments, bonuses, commission or overtime payments.

5.6 Where pay is variable, for example as a result of an irregular shift pattern, pay protection will be calculated on the basis of the employee's average basic earnings over the 13 weeks/three months immediately prior to the change in role/grade.

5.7 Sick pay, holiday pay and maternity, paternity and adoption pay will, where payable, be calculated in line with the employee's protected pay rate.

5.8 Any non-pay benefits applicable to the employee's previous role but not applicable to the new role will not be protected.

5.9 Pay protection does not apply to general terms and conditions of service, which following transfer to a new post where pay protection applies, will be adjusted if necessary to reflect the normal terms and conditions applicable to the new post.

5.10 Pay protection arrangements will cease if an employee applies for, and is appointed to, a different post.

THE PROTECTION PERIOD

5.11 Pay protection arrangements will be applied for a maximum of three years and will over that time period be phased out as follows:

YEAR	Percentage of Pay Protection
First year	100% protection
Second year	75% protection
Third year	50% protection
Fourth year	Pay will be reduced to the top rate of the new grade, or the normal rate for the new job

5.12 Pay protection will automatically cease if the employee's basic pay for the new post increases (for any reason) to the extent that it is equal to or greater than the protected basis pay.

5.13 If, on transfer to a new post, the employee's hours of work are increased, the additional hours will be paid at the rate applicable to the new job, and not the rate attached to the employee's previous job.

5.14 If, on transfer to a new post, the employee's hours of work are reduced, the level of pay protection will also be reduced proportionately.

SUPPORT FOR EMPLOYEES WHOSE PAY IS PROTECTED

5.15 During the protected period, the organisation will, where appropriate and practicable;

a) assist the employee, if he wishes to apply for redeployment within the organisation to a post at his or her previous grade or rate of pay.

b) offer the employee training or other form of development to enable him to apply for posts at a higher grade or rate of pay.

FUTURE PAY INCREASES

5.16 During the period of pay protection, no pay increases will be applied to the employee until/unless his rate of pay falls within the normal band for the job.

5.17 Alternatively, at management discretion, cost-of-living increases may be awarded as part of a general salary review.

PENSIONS

5.18 Where an employee's pay is reduced under this policy after the first year of full pay protection, the effect on the employee's pension will depend on whether he is within 10 years of retirement age under the organisation's pension scheme.

5.19 Normally, where an employee is within 10 years of pensionable age, his pension will be protected.

5.20 Employees should, however, seek detailed advice from Director of Finance & Corporate Services.

CHIEF EXECUTIVE'S PAY

6.1 An addendum to the policy governs the arrangements for the Chief Executive's pay.

MONITORING AND REVIEW OF POLICY

7.1 This policy will be fully reviewed every three years and the pay scales at Appendix 1 updated annually.

APPENDIX 1 – GRADES AT 1 APRIL 2025

hebridean housing partnership

PAY SCALES at 1 April 2025

			01 April 2025
H4	H	4	*£79,335*
H3	H	3	*£76,691*
H2	H	2	*£74,130*
H1	H	1	*£71,666*
G4	G	4	£66,113
G3	G	3	£63,912
G2	G	2	£61,776
G1	G	1	£59,723
F5	F	5	£52,890
F4	F	4	£50,912
F3	F	3	£48,998
F2	F	2	£47,157
F1	F	1	£45,390
E5	E	5	£42,312
E4	E	4	£40,725
E3	E	3	£39,202
E2	E	2	£37,731
E1	E	1	£36,315
D5	D	5	£34,378
D4	D	4	£33,088
D3	D	3	£31,850
D2	D	2	£31,205
D1	D	1	£29,830
C4	C	4	£29,407
C3	C	3	£28,560
C2	C	2	£27,503
C1	C	1	£26,445
B4	B	4	£24,858
B3	B	3	£24,330
B2	B	2	£23,800
B1	B	1	£23,272
A1	A	Living Wage	£22,932

NOTES

(i) to be increased in line with Govt Announcements

APPENDIX 2 MULTI YEAR AGREEMENTS

The following multi-year agreement is in place from April 2025 to April 2027:

The deal is applicable to all salary points except Grade A which is the Living Wage:

a) **April 2025-an increase of 4%**
b) **April 2026-an increase of October CPI+1.5%. If October CPI is less than 1% or greater than 4% this will trigger a return to negotiations.**
c) **April 2027-an increase of October CPI+1.5%. If October CPI is less than 1% or greater than 4% this will trigger a return to negotiations**

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

WORD	INTERPRETATION
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including Co-opted Members and Area Committee Members
Close relative and/or Member of the family	A person is a close relative or a member of the family if: he or she is the spouse of, or cohabits with, that person (whether the same or different sexes), or he or she is that person's parent, grandparent, child, stepchild, grandchild, brother, sister.
EOC	Equal Opportunities Commission
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	

If there is a conflict between this Policy and any statutory provision or regulation, the latter shall prevail.