

# Socially Just Pay Policy

PIRC

**Approved by Board of Trustees: DATE**

**Came into force: DATE**

## General Principles

- The PIRC waging system aims to be as long-term and sustainable as possible.
- It should be socially just, in recognising different needs and backgrounds, and be fair to all of its workers.
- It should provide for financial security.
- It should reflect PIRC's values.

All the criteria used for determining waging levels for individuals working with PIRC have been chosen with the twin principles of recognising different needs and backgrounds and supporting people's security and creativity.

Ethical judgements have informed the criteria used, however the prime focus has always been on recognising the practical needs of people's situations—for example, whether or not you are in favour of people having children, it should be recognised that such a situation carries with it additional costs and concerns, and therefore a financial uplift should reflect this.

- The following is not suggested to be a definitive list of all social justice criteria.
- There will be a review of the system every year in MONTH when the core rate will also be set.
- Any PIRC team member on salary will be able to suggest changes and amendments at the review stage each year, which can then be discussed and agreed collectively.

## Flat core annual salary for PIRC team members.

**Principle: all team members should be offered the same 'core rate annual salary', regardless of their position in PIRC, their experience or expertise.**

- PIRC operates a flat structure and key decisions are made by consensus with all team members holding responsibility for the organisation—this should be reflected in wages.
- All team members are equally valued.
- All team members are expected to be doing excellent work, so there is no need for waging to reflect the quality of work or skill.

**A 'core rate' is established annually in March and implemented in April (subject to financial affordability review).**

**PIRC aims to pay staff a core rate of UK Median Wage, but for 4 days/week rather than the standard 5. To reach this level of salary, pay targets have been set for the next five years:**

Year	Salary @ 0.8	Base Salary
2023	e.g. 24,800	e.g. 31,000
2024		
2025		
2026		
2027		

## Uplifts

- The core rates are then subject to a percentage adjustment according to the criteria as below, and pro-rata adjustments for part-time work.
- The percentages are not compounded, but totalled to give a percentage uplift for the year.
- A team member can choose not to take up any uplift available to them.

### 1) Length Of Service

**Principle:** PIRC's work is deliberately and strategically long-term. PIRC should reward and recognise long-term commitments by increasing waging according to time worked in the organisation.

**An uplift of 1% is added to the salary per year worked at PIRC, up to a maximum of 5 years.**

- Volunteering and part-time work count the same as full-time and paid work towards this number of years' service, as long as there has been a regular (rather than occasional or freelance) commitment to the organisation.
- The commitment should be judged as primarily to PIRC itself rather than to a partner.
- The start date of such commitment is to be determined by the trustees where a clear start date is not apparent.

**Example:** a team member has been with PIRC for 3 years with a current core salary rate of £27,000. 3% uplift = a salary of £27,810.

### 2) Dependents

**Principle:** often the greatest financial insecurity (and need) is felt by those with financial dependents: such as but not limited to children, ill or ageing relatives. Staff with dependents should be supported with increased pay.

**An uplift of 8% for each dependent reliant on the team member for living costs. This is then divided by the number of salaries supporting the dependent(s).**

- Number of salaries supporting the dependent is most likely to be partners with joint responsibility for the dependent.
- In the case of low-waged partners, where the PIRC team member's wage constitutes the majority of the support, the divider can be adjusted as agreed.
- Children are classed as dependents while they are in full time education or live with the PIRC team member, who provides their food and accommodation
- Uplifts can be made available to the team member in cases where dependents no longer live with the team member but are still supported by them (such as care costs paid by the team member).
- This is not intended to cover healthcare - as PIRC does not want to offer incentives for private rather than NHS treatment. Some healthcare cases may be dealt with through the emergency fund (see 6).

*Example: a team member has one child and a salaried partner. With a current core salary rate of £27,000. 4% uplift - (8% / 2 salaries) = a salary of £28,080.*

### **3) Experience of marginalisation, discrimination and oppression.**

**Principle:** long-term experience of marginalisation, discrimination and oppression has a significant impact on life circumstances. Salary levels is one way PIRC can seek to address this.

**An uplift of 10% is added to the salary for team members who experience/ have experienced systematic oppression.**

- This uplift does not require proof and can be made available as felt needed by the team member, the team and the Trustees.

### **4) City weighting**

**Principle:** PIRC is no longer solely based in Mid Wales, it is recognised that team members incur substantially higher costs if living in London and other cities.

**An uplift of 12% is added to the salary for members of staff who reside in London.  
An uplift of 6% is added to the salary for members of staff who reside in other UK cities.**

- 12% is based on [Real Living wage](#) (£11.05/hour for London, £9.90 for rest of UK as at Jan 2022) and will be monitored annually.
- The uplift for other cities has been set 6% for simplification purposes and is for guidance only.
- If a team member feels the uplift is insufficient to meet the extra living costs incurred, the amount can be reviewed on request to [People Group] and [Resources Group].

## Wealth & Inheritance

The aim of this policy is to uplift, not penalise team members.

- If a team member has a lot of privilege, such as wealthy parents from whom they might expect a lot of inheritance, or a lot of accumulated or inherited wealth, we would expect them to decline the increments available to them.

## Other Wage Support

### 5) Emergency waging system

Principle: one of the greatest financial insecurities is the risk of losing one's home. PIRC should guarantee its staff that, as far as possible, it will prevent this from happening to them.

**In times of PIRC financial emergency, housing and other fixed costs (e.g. council tax) will be covered first, and the remaining wages budget split equally.**

- PIRC promises its staff that in financial hard-times, the primary mechanism to save money on staff costs will not involve laying them off; instead the core wage rate will go down (i.e. all wage levels in the organisation go down together).
- If the wages budget is so low that the core rate falls below a certain threshold (to be set), the normal, long term waging system (all elements 1-4 above) is temporarily suspended, and an emergency waging system – based on “equal disposable income” – kicks in. This switch must be approved by the trustees.

Under the emergency system, PIRC pays all staff the relevant proportion (according to part-time / full time status) of each staff member's fixed housing costs: specifically, rent or mortgage, house and contents insurance, council tax, water rates and travel to work. Having paid these elements, the remainder of the wages budget is divided between staff in accordance with the principles set out in sections 1–3 and in proportion to the number of days they work.

- The emergency waging system is specifically an emergency system, and is never expected to apply for more than 6 months.
- When emergency waging is applied, staff will be expected to respond to an ‘all hands on deck’ call for fundraising.

### 6) Emergency fund

**Principle: PIRC does not provide any wage uplift to cover healthcare, as it supports the principle of the NHS. However, PIRC recognises that, after a decade of austerity and part-privatisation, in some cases NHS service is simply inadequate.**

In emergencies, PIRC will support staff's healthcare costs on a discretionary basis, where the NHS is insufficient or inappropriate.

PIRC also wishes to support staff in relation to other personal emergencies such as housing.

*The emergency fund referred to here is for the emergency personal needs of PIRC staff and is entirely separate from PIRC's financial reserve.*

**Each year, the waging budget will include an amount (initially £2,500) to be paid into the emergency fund.**

**This continues until the fund reaches £10,000, and after that time it is simply 'topped up' annually to keep the sum total at this level.**

**This fund is ring-fenced and cannot be used for any other purpose than emergency support for workers.**

- Staff may apply for some of this in an emergency.
- Criteria will be drafted for what kinds of things are covered (e.g. imminent eviction, own or dependent healthcare, etc).
- The decision on any application is made by the PIRC Trustees, in a meeting with no PIRC staff present.
- No staff member may apply for more than 50% of the total fund in any year.
- The emergency fund may offer a grant or a loan, at the discretion of the Trustees, under terms to be agreed.
- Although it is budgeted, it is assumed that most years the fund will not be used (it's an emergency fund). In those cases, it will simply be carried over to the next year.

## How it Happens

### Principles

- Requesting - the system should be as simple as possible to work through especially the emergency fund
- Confidentiality - we recognise that the justifications behind requesting a variation can be sensitive and inhibit requests and so the reasoning for a request will be kept confidential from the staff body unless and until the staff member allows sharing. Similarly, the whole trustee body would be made aware of any variation agreed but again the reasoning would remain confidential.
- Openness - we also recognise that confidential pay structures can sadly have a corrosive effect on staff motivation and so the actual amounts of pay will continue to be visible via our open budgeting systems.
- Trust - the system of decrements relies on the sharing of normally private information and as such relies on the honesty and integrity of all other staff.

### Automatic salary variations

- Experience uplift - will happen automatically at the beginning of each financial year or anniversary of service.

- Dependent(s) uplift - in the case of children will happen automatically on beginning employment or return to work after maternity/paternity leave.
- City weighting on commencement or move to city.

## **Opt-in salary variation**

- Marginalisation - this is available for anyone to opt into if they have had long-term experience of marginalisation, discrimination and oppression that has had a significant impact on their life circumstances.
- Dependants other than children - this is available for anyone to opt in to as soon as they become a dependee.

## **Discretionary requests for variations**

Covering dependents and marginalisation.

- Timing:
  - ◆ Most requests would be made on an annual basis linked to the annual review / budget cycle however, reasonable exceptions would be made to this e.g. if you suddenly became financially responsible for a new dependent.
  - ◆ It is anticipated that the decision making process would take around a month.
  - ◆ An exception to this would be for the emergency fund. Applications could be made at any time with the expectation that the process should take no longer than a week.
- Who: requests to be made initially to the [People Group]. The [People Group] may choose to bring in trustees and /or external expertise to the decision making process if necessary. [People Group] would make a decision on the application and communicate their decision back to the applicant and [Finance lead] if necessary.
- Should the staff member be unhappy with the decision of the [People Group] they can request a meeting with the [People Group] to discuss and reconsider the decision.
- Should they still not be happy with the decision they can appeal, the process of which would follow Stage 3 of the [grievance procedure].
- Request form: in the first instance this should be as simple as possible. The applicant should submit a simple outline of their request and the measure they are applying under as well as any external document that would be useful to explain the situation.