

Salary Policy

Status: Approved

Policy Lead :	Executive Director – Business Support
Owned By :	Executive Director – Business Support
Date Approved:	May-2025
Approved By :	BHA Board
Review Date:	May-2028
Regulatory / Legislative Considerations/ References	N/A
Other Documents to be read in conjunction with this policy :	N/A

Policy Title:	Salary Policy
Purpose / Aim of policy:	<p>To outline how salary levels will be structured and evaluated annually in line with economic and current sector benchmarking profiles.</p> <p>To ensure that BHA continues to attract and retain talent to support our customers and the overall strategy of BHA</p>
Scope of Policy:	BHA colleagues and BHA Board
Definitions:	As defined within the policy
Specific detail related to each strand in the scope:	
Approval Source:	BHA Board
Equality Impact Assessment:	BHA is committed to providing a fair and transparent salary structure where all employees have the right to be treated fairly and equitably for the roles they perform in the organisation
Glossary of Terms	N/A
Risk Implications:	Impacts from equal pay claims or employee rights legislation where it is deemed pay is not equitable or fair, irrespective of any protected characteristics. There is a risk of reputational, as well as financial impacts should this be evident.

1. INTRODUCTION

- 1.1 This policy provides the framework for salary levels within the organisation. This is to ensure that salaries are fair and transparent for the roles that are required and support the strategic aims of the organisation.
- 1.2 The policy also describes how salaries increase annually and how this is decided and governed within the organisation.
- 1.3 The aims of this policy are to ensure there is transparent and fair salaries for the roles required within BHA and in addition, to ensure that BHA attracts and retains talent, that there is a mechanism to review, benchmark and amend where required, through the appropriate level of governance.

2. POLICY AIMS AND OBJECTIVES

- a) To create a salary structure that meets the needs of the Association in terms of:
 - i) Its Vision, Values and Strategic Objectives.
 - ii) Its Operating Model.
 - iii) Affordability.
 - iv) Simplicity, Transparency, Fairness, and Equality.
- b) To create an enabling, high-performance culture where people can thrive.

3. THE SALARY STRUCTURE

- 3.1. The Association operates a simple five level Salary Structure for all colleagues, excluding those posts which are externally funded and the Executive Team.
- 3.2. Each role within the Association has a Job Profile, which sets out the key characteristics of the role, covering:
 - a. Knowledge, skills, qualifications, and competencies;
 - b. Communication skills and representing the organisation;
 - c. Authorities and limitations;
 - d. Responsibility for managing colleagues;
 - e. Responsibility for financial resources;
 - f. Responsibility for physical resources;
 - g. Responsibility for customers;
 - h. Analytical thinking and problem solving;
 - i. Complexity of work
- 3.3. Each role is allocated to a salary level using a Role Sizing Tool (Appendix 1) using the role characteristics as set out in the Job Profile.

- 3.4. There are two Market Anchor Points (MAP's) within each salary level. The MAP is a recognition that there will be roles, once assessed using the role sizing tool, that sit in a level with other roles that have different salary drivers externally. This allows alignment to a MAP that ensures a competitive pay rate.
- 3.5. The salary levels and MAPs are not incremental. All pay points will be revalorised annually based on an annual cost of living award that is determined by way of external pay intelligence.
- 3.6. The Board, or an agreed subset of the Board with delegated authority, will set a fixed salary point for each Executive Team post. The level for each post will be determined through a comparative salary survey of similar/competitive employers and represents a valid 'market rate' for the job. The fixed salary points will be reviewed by the Board as required, and at least once every five years. The Board may choose to work with an external consultant of their choice to assist them with this task.

4. ANNUAL REVIEW OF SALARY

- 4.1 The Board will determine a cost of living movement each year. In reaching their decision the Board will take into consideration several factors including:
 - Economic Viability
 - How much the Association can afford
 - Inflation
 - Market Rates
 - National Average Earning Increases
 - External Benchmarking
- 4.2.1 The cost of living movement will apply to all levels within the Salary Structure.
- 4.2.2 Where a post is not included in the Salary Structure then the agreed cost of living movements will be applied where the employee is considered to have performed satisfactorily.
- 4.2.3 The Board will consider annually any increase in Executive Team salaries to allow for the impact of pay inflation.

5. AUTHORISATION

- 5.1. The annual cost of living movement will be within parameters set by the Board during the Association's budgeting process. The Board will receive a report and a recommendation from the Executive Team in respect of all staff below the grade of Executive Team to inform their decisions. The Board will, separately, determine the appropriate increases for the Executive Team and may wish to seek independent advice to assist them in reaching their decision.

- 5.2. All reviews will be subject to what the Association can afford within budget and consultation with colleagues will take place within the agreed arrangements.
- 5.3. All review and changes to the scheme will be through recommendation by the Chief Executive, in conjunction with the Executive Team and in consultation with the Staff Consultation Committee, and subject to approval by the Board.

This policy will be reviewed every 3 years or in line with any regulatory or legislative changes.

APPENDIX 1: Role Sizing Tool

Level 5

The autonomy to take decisions without seeking authority of their line manager is a core expectation of the role. Postholders lead and plan significant areas of work and are responsible for resources that have a major monetary value (budgets and/or people). They are accountable for areas commonly agreed to be of key importance to BHA's success, have ownership for a full range of key performance indicators, and are expected to manage risk on an ongoing basis in line with policy, regulation, and statutory requirements. Coaching, managing performance, and ensuring the wellbeing of their team is a key dimension of the role.

Summary characteristics of roles in this level are:

- Largely autonomous
- Accountable for large scale budgets and/or resources
- Leadership position often responsible for multi-disciplinary groups and responsible for oversight of key services and/or departments
- Responsible for several key performance indicators and operational risk management
- Holding expert status that is evidenced by recognised qualifications or work experience acquired over an extended period

Level 4

Either: the day to day running of a specific part of a department or functional area will be core to roles at this level. They are likely to have objectives that directly impact on their customer base (internally and/or externally) and manage teams that have a dedicated focus as opposed being stretched over several disciplines.

Or: roles in this level will primarily act as an 'expert'. In these instances, the postholder will be expected to keep abreast of their technical discipline acting as an internal specialist whereby other organisations might ordinarily gain such advice from an outside source.

Summary characteristics of roles in this level are:

- Focused on a specific area of operational delivery the outcomes of which are quickly experienced by customers (internal/external)
- Provides specialist expertise at an authoritative level which other organisations may well access from an outside source.

Level 3

Postholders may lead small teams of colleagues having regular interaction with them throughout the week. They will have autonomy to own the customer relationship (internal and/or external), resolve issues, and take ownership of decisions on day-to-day matters. Work priorities will primarily be planned on a week-by-week basis as opposed to this being of a long-term nature. They will have responsibility for agreed sets of outcomes and performance measures and understand how the achievement of these links to the organisational objectives and customer satisfaction.

Often viewed as a technical expert, postholders will be the point of contact for advice on routine matters in their area of specialism.

Summary characteristics of roles in this band:

- Autonomy and ownership of operational customer (internal and/or external) relationship, interactions, and issue resolution.
- The go to 'expert' on day-to-day matters linked to their area of specialism
- Manages performance outcomes primarily around individual customer needs as opposed to large scale customer groups
- Determines weekly/monthly priorities and manages their own time to ensure that they are met.

Level 2

Recognised work experience and/or vocational qualifications will be required to operate at the standard expected of roles at this level. The core of the role is task driven with resolution of tasks being completed over a relatively short period of time. However, there will be some areas of specialism or complexity, where critical thinking is required. They will be expected to use resources allocated to them efficiently as opposed to determine what resources are required to carry out the task. There will be a need to gain support and guidance from their line manager and the level of collaboration with others in different parts of the business may be limited.

Summary characteristics of roles in this band:

- A level of experience, knowledge or qualification is required to undertake the role.
- Tasks are primarily routine and straightforward but can have a level of specialism and/or complexity.
- Support and guidance will be required from their Line Manager.
- Expected to use resources allocated to them efficiently.
- Delivers performance outcomes directly to their customer base (internally and/or externally)

Level 1

The levels of knowledge and skills needed to undertake the roles at this level require little prior experience and no specific qualification. The mix of skills and competencies needed to fulfil the requirements of the job can be attained by in house training and 'on the job' guidance. The postholder will normally be viewed by the customer as the first port of call and have a reasonable expectation that they will take ownership of their enquiry and successfully resolve it where possible. The type of decisions taken are of a routine and limited nature. Many of the choices associated with the role are predetermined and influenced by procedural guidance.

Errors linked to decision making have no lasting impact on outputs other than ones of efficiency. Much of their time will be 'customer facing' (internal & external customer.)

Summary characteristics of roles in this band:

- No specific requirement for previous relevant experience or relevant qualifications.
- A large proportion of their time directly interacts with the customer who views them as the first port of call.
- Delivers performance outcomes directly to their customer base with activities overseen by their line manager
- Errors that are made are not ones that have a long-lasting impact and should in any case be overseen and managed at a more senior level.

