**Pay Policy**

This document sets out, in summary, Martlesham Preschools approach to pay.

Pay reviews

Martlesham preschool reviews the pay of its employees on an annual basis. A pay review does not, however, guarantee that any increase will be implemented. Any increases to pay are entirely at the discretion of the committee.

The annual pay review process is normally based on the following:

* Company performance
* Adherence to the national living/minimum wage
* Cost of living increases
* Changes in the responsibilities of a particular role

**Key principles**

The setting’s key principles when reviewing and applying pay increases are:

1. To pay employees at a level that allows the setting to remain sustainable in a difficult and unpredictable economic climate, whilst also taking into account specific strategic requirements and key market rate factors where relevant.
2. To establish a strong link between pay and performance with annual pay increases reflecting performance (behaviour and delivery) in the job.
3. To ensure that total remuneration (salary and benefits e.g. pension) are appropriately aligned with the external job market so that Martlesham preschool can recruit and retain people with the right skills.
4. To effectively consider other aspects of employee’s benefits (pay, benefits, training and development, career progression, work-life balance, etc) to attract, engage and retain the right talent.
5. To gather and consider data on external market pay rates and salary percentage increases.
6. To ensure a fair and consistent approach to remuneration of employees, both in terms of basic pay and other payments.
7. To promote an equal pay agenda by ensuring that pay systems meet legislative requirements.
8. To take a flexible approach and to tailor salaries to take into consideration regional differences.
9. To consider the impact of previous pay awards on the setting’s performance, recruitment and retention of employees.
10. To assess the impact of any proposed increase prior to implementation and agreement.
11. To recognise that pay freezes may be necessary to keep overall wage costs frozen at existing levels during periods of finical difficulty.

**Pay progression**

Employees will be placed on a pay scale according to their levels of responsibility and job role. Starting as a trainee/student up to management roles.

Acting up allowances:

Where an employee covers the full range of duties on a higher role, for a period of 4weeks or more, the setting will pay that employee acting up allowance, so that this temporary pay is a rate of the higher post.

Where a member of staff is covering some, but not all of the duties of a post with greater responsibility, the setting will consider an honorarium payment. This will be calculated on the difference in salary between the subtractive and higher pay, taking account of the proportion of work undertaken in the post on the higher pay.

The setting currently provides the following benefits:

* A pension scheme
* Uniform

*This policy is reviewed annually by Martlesham Preschool Committee*