

(Fair) Pay Policy



Purpose of the policy

At Bright Shadow we believe it is important to set out the basis upon which we set and review pay for our employees and freelancers, to ensure transparency and equity.

Statement on Fair Pay

We believe that it is essential to pay our workers fairly and equitably. As a specialist, mission-driven organisation, our team is our main asset and each person's skills, experience, dedication, and commitment to our values should be fairly remunerated and supported through good management.

Fair pay must be fair to the organisation's stakeholders – its funders, beneficiaries, volunteers, board and workers must all agree that the choices we make represent value for money, especially in an organisation which has limited resources.

All posts within the organisation are subject to the need for ongoing fundraising to sustain them, however this inevitable aspect of the charity sector will not be used as justification for suppressing salaries beneath industry norms. We acknowledge that without rewarding people for their professionalism we run the risk of losing valued staff with all the associated additional costs of recruitment and destabilisation of service which that can bring.

Whilst we are a small employer not bound by legislation on pay equality, we are committed to ensuring that colleagues with protected characteristics are treated equitably in every sense, including pay. We pay all our workers above the Living Wage and are members of the Living Wage Employer accreditation scheme.

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We believe that everyone's contribution is of equal significance to the effectiveness of achieving our charitable objectives and whilst levels of differing responsibility are reflected in salaries, we aim to keep the ratio of highest to lowest paid in the organisation at or below 2:1. It is currently at 1.6:1.

(Charity sector norm for charities with Chief Executives is between 3:1 and 5:1 – source Centre for Research in Social Policy, Loughborough University.)

Pay will also be balanced with other benefits (e.g. pension) and the wider employment 'offer' to create an attractive, sustainable and equitable package for each and every worker.

Our Approach to Setting and Reviewing Pay

The factors that we consider make up a fair pay setting/reviewing process are: transparency, proportionality, performance, recruitment and retention, and process. These factors are taken from ACEVO's Good Pay Guide 2013.

Transparency

- This policy is available on our website.
- The Chief Executive's salary and the ratio between highest and lowest paid is published in our annual accounts, which details our achievements and impact against charitable objectives.
- There is a formal procedure for setting and reviewing pay for the Chief Executive, who is not involved in setting their own pay.
- A list of non-pay related benefits will be available for all employees.
- A list of day rates for freelancers will be available for all workers.

Proportionality

- Salaries and fees are benchmarked with other similar organisations in the arts and charity sectors.
- We aim to keep the ratio of highest to lowest paid in the organisation at or below 2:1.

Performance

- Each salaried role is linked to organisation and individual performance, monitored via our annual, objective system of performance appraisal. This is made up of an annual appraisal (carried out by the Chair & another Trustee for the Chief Executive, line manager/Chief Executive for other staff) and the board of trustees agreeing in a closed session during the first board meeting of each year to what degree the team met the organisational objectives for the previous financial year.
- Freelance pay is not performance-appraisal related.

Recruitment and Retention

- We offer salaried staff the opportunity for training and development
- We create an inclusive, supportive environment for staff with maximum possible flexibility e.g. working from home, working around caring responsibilities or activities essential to wellbeing
- We offer a pension to all eligible staff (currently statutory minimum employer contribution of 3%)
- We have at least one celebration event each year to thank staff e.g. a festive meal
- Statutory holiday of 28 days per year (including bank holidays) is increased at the rate of one day per year after the end of the second year of employment up to a maximum of 33 days.
- We offer an enhanced sick pay offer as follows - with the discretion of the Trustees, and after a completed probationary period, an employee will be entitled to sick pay based on length of service: up to 2 years of service = 2 weeks Pro Rata full pay, over 2 years of service = 1 month Pro Rata full pay, over 5 years of service = 2 months Pro Rata full pay
- We offer discretionary paid membership of professional bodies e.g. RSA
- We offer expenses and travel reimbursements as per our Expenses Policy
- We offer the use of company equipment as per our ICT Device Policy
- We offer additional holiday days over the annual closure of the office between Christmas and New Year

Future iterations of this policy, contingent on the overall financial position of the charity could also include Bright Shadow offering some of the following to employees:

- *Working at Home allowance*
- *Car usage allowance*
- *Contribution to cost of mobile phone*
- *Wellbeing vouchers/days*
- *Time off for volunteering*
- *Discretionary allowance for access to arts events related to Bright Shadow's practice*

In terms of attracting and maintaining good relationships with freelance workers, we will:

- Review day rates annually
- Pay top-up fees for extra-long days (over 8 hours)
- Be as generous as possible with travel expenses/per-diems for those artists coming from outside the local area and/or doing extra-long days

Process

- Bright Shadow has a Finance, Funding & Remuneration Committee made up of no less than three members of the board of trustees, ideally to be made up of Chair, Treasurer and HR Trustee
- The Committee meets annually usually in April, in advance of the second board meeting of the year, to:
 - I. Discuss and agree any inflationary pay rises – these will apply to all salaried staff equally
 - II. Discuss and agree any increase to daily rates for freelance workers – these will be based on inflation and an assessment of market rates prepared in advance by the Chief Executive, there should be no expectation of an automatic inflationary pay rise each year
 - III. Ratify any performance related pay awards for salaried staff recommended by the Chief Executive

IV. Review and agree any performance related pay increase for the Chief Executive

- Performance related-pay awards are discretionary, there should be no expectation of an automatic performance-related pay rise each year. They are based on an interplay of individual and organisational performance (as assessed in an appraisal and by the board -see Performance section above) and the financial position of the charity at the time.

Last reviewed February 2025; to be updated within 2 years or earlier if relevant legislation or changes arise