

Pay policy statement

1. Introduction from Medr's Chief Executive

As a new public body established by the Tertiary Education and Research (Wales) Act 2022, Medr is the first ever national steward for the whole tertiary research sector in Wales. With responsibility for the funding, oversight and regulation of all post-16 education and training, Medr has a wide-ranging and significant remit with an ambitious set of strategic priorities. To fulfil our role, we acknowledge we must aim to be an employer of choice and an exemplar organisation. As Chief Executive, I fully recognise being open and transparent in our processes, including our pay arrangements, is an important part of striving to achieve that aim.

With this in mind, I am making information on how we pay and reward our employees fully accessible to both Medr staff and the general public. My aim is to ensure we have a pay structure that provides value for money: rewarding Medr staff fairly for the work they carry out whilst recognising our funding comes from the public purse and must be used to best effect.

We have obtained our Living Wage accreditation and this Pay Policy document follows the principles set out by the Welsh Government's Public Bodies Unit for transparency in senior pay across the Welsh Public Sector.



James Owen
Chief Executive

2. Statement of policy

2.1. This policy applies:

- to employees of Medr;
- to outward secondees, where they remain employees of Medr and it is specified in their contract;
- irrespective of length of service or duration of contract.

2.2. All employees are expected to comply with:

- the terms of their Contract of Employment;
- Performance Development Review procedures; and
- any other policy or procedure that relates to payment of salaries.

2.3. This policy aims to:

- set out the rules relating to the payment of salaries and how changes in salary are applied in various circumstances.
- support pay arrangements in Medr that are equal to all, consistent, transparent, accessible and demonstrate value for money.
- provide a framework for decision making on pay for all employees, including senior roles, but excluding the Chief Executive.

2.4. As a Welsh Government Sponsored Body (WGSB), Medr's pay arrangements must be approved by the Welsh Government. A pay remit is issued by Welsh Government which details the parameters in which pay changes can be applied. Medr develops a deal within these parameters, taking value for money and affordability into account, which are consulted on with employees via negotiations with PCS Union (with which Medr has a collective bargaining relationship) and subsequently approved by the Welsh Government.

2.5. A summary of Medr's general terms and conditions of employment is available in **Annex A**.

3. Pay principles

- 3.1. Medr's pay arrangement is based on the principles of Consistency, Transparency, Accessibility and Affordability, and this links to the Welsh Government's principles.
- 3.2. Consistency – pay arrangements are inclusive for all employees and pay must be proportionate to the responsibility and role, with equal pay for equal value roles. Medr's job evaluation process supports this. Medr is committed to undertaking annual equal pay audits, which includes a review of the policy and its application.
- 3.3. Transparency – Medr has a clear process for employee pay negotiations, which involve the recognised Union. For senior posts, the People and Culture Committee ensures a consistent and rigorous review and details of senior pay are published in Medr's Annual Accounts.

- 3.4. Accessibility – Medr support the principle that organisational decisions relating to remuneration in the Welsh public sector should be easily accessible and therefore publish this policy on its website, with an easy access link on its front page.
- 3.5. Affordability – Medr is conscious of spending public funds responsibly and therefore set pay arrangements with this in mind, whilst also ensuring it supports a motivated and valued workforce.

4. Legislative framework

- 4.1. Medr was established in April 2024 under the Tertiary Education and Research (Wales) Act 2022 as a non-departmental public body. It receives its funding from the Welsh Government, and is therefore a WGSB.

5. Responsibilities

- 5.1. The following responsibilities apply within this policy:

- Employees are responsible for ensuring they are aware of the conditions within this policy and informing their Line Manager and/or the People and Culture team of any changes or absences that may affect pay. Failure to report absences could result in reductions in pay.
- Line managers are responsible for informing the People and Culture team of changes or absences that may affect an employee's salary, and obtaining the correct authorisation to implement a change.
- The Chief Executive is responsible for authorising pay changes in line with the policy.
- Directors/Heads of Team are responsible for approving employee pay changes.
- The People and Culture team is responsible for applying the rules of the policy when changes occur, ensuring consistent application of the policy and informing Payroll of such changes.
- Payroll is responsible for implementing salary changes.
- The Chief Operating Officer is responsible for agreeing and submitting pay remit applications to Welsh Government for approval.
- The Social Partnership Forum is responsible for negotiations on changes within this policy that affect pay.

6. Pay structure

- 6.1. Medr's pay structure is based on seven job levels. Posts are allocated job levels via the job evaluation process. The posts are assessed against a range of criteria and assigned a level. Full details on the procedure is available on the intranet. Individuals are appointed to these levels on successful appointment to a post. The levels are as follows:

| | |
|---------|--------------------|
| Level 1 | Executive Director |
| Level 2 | Director |
| Level 3 | Head |
| Level 4 | Senior Manager |
| Level 5 | Manager |
| Level 6 | Officer |
| Level 7 | Administrator |

6.2. Senior posts within Medr are classed as Level 1 and above together with the Chief Executive and the Chief Operating Officer, as published in the annual report and accounts when due.

6.3. The Chief Executive post and the Chief Operating Officer post have been evaluated by the Welsh Government as equivalent to SCS 2 posts and are therefore subject to separate pay arrangements, as directed by the Welsh Government.

6.4. The Chief Executive's, Chief Operating Officer's and Executive Director pay and performance are discussed at Medr's People and Culture Committee, taking appropriate account of the views of Board members. The role of the Committee is to:

- consider matters affecting senior pay;
- make recommendations for approval regarding the above to the Welsh Government; and
- apply the pay policy with respect to such other staff as the Board may decide.

6.5. Medr recognises the importance of supporting lower paid staff and is an accredited Living Wage employer, which means that the salary bandings fall within the rates quoted by the Living Wage Foundation. Considerations are made for lower paid employees when negotiating pay arrangements.

6.6. Medr publish a pay relativity ratio between the highest and lowest paid employees in the annual report and accounts.

7. Pay scales

7.1. Medr's pay scales are approved by the Welsh Government and are agreed for set periods of time. The pay settlement date is 1 April. Current pay scales are available on the [intranet](#) and [website](#) but will not form part of this policy. **Annex B** details the process for agreeing pay scales.

8. Equality and pay comparators

8.1. Medr will review its pay scales annually for equal pay purposes and compare its scales with the Welsh Government, other WGSBs and the Higher and Further Education sector.

9. Talent management

9.1. Medr has learning and development opportunities in place to enable employees to maintain and develop both knowledge and skills. Opportunities for promotion and secondment are advertised within the organisation to ensure equal and fair opportunity for all. All employees have an annual personal development plan, and Medr actively encourages cross-team knowledge sharing.

10. Individual pay progression

10.1. Progression through the steps will be applied twice a year in July and January. The date on which an employee receives an increment will depend on the date they were recruited or promoted into the current grade (see below).

- If an employee starts or was promoted between 1 July and 31 December a step increase would be awarded on 1 July the following year and then annually;
- If an employee starts or was promoted between 1 January and 30 June a step increase would be awarded on 1 January the following year and then annually.

11. Progression During Unpaid Maternity Leave or Career Breaks

11.1. Salaries of employees who take unpaid maternity leave or career breaks will be increased notionally on an incremental basis so that on their return to work they will be placed on the point they would have reached had they not taken maternity leave or had a career break.

12. Progression During Long-term Sick Absence

12.1. Salaries of employees on long-term sick absence will be increased notionally on an incremental basis so that on their return to work they will be placed on the point they would have reached had they not been absent.

13. Mark Time Pay Progression

13.1. An employee on mark time pay will have their substantive pay notionally increased by the appropriate incremental progression each year.

14. Uprating of Allowances

14.1. Allowances based on a percentage of basic salary will automatically increase when basic salary increases.

15. New starters

15.1. Salaries for vacant posts are advertised quoting the full pay range, however appointments would normally be at the first point (lower end) of the scale.

- 15.2. Exceptionally, there may be some cases where individuals are offered the post on a step higher than the bottom of the scale. This would be discussed between the Line Manager and the People and Culture team and would depend on the individual's level of experience and qualifications and how that relates to current employees in similar roles. Where this occurs, full justification must be provided during the recruitment process, including details addressing any potential equal pay issues or situations where a new employee could be paid more than an employee who has been with Medr longer (leap-frogging). Approval from the Chief Operating Officer is required.
- 15.3. For incremental progression arrangements for new starters, please refer to 10.1.
- 15.4. Where the probation period is extended, in the unlikely event that the period includes the date when the employee would normally have received a step increase, they will not be eligible for the increase, as detailed in the Probation procedures.
- 15.5. Should the extended probation period be completed successfully and performance is at an acceptable standard, the employee will be awarded the step increase from the date they are confirmed in post.

16. Promotions

- 16.1. Where an employee is promoted into a new post, they will be appointed to the nearest step above their existing salary at the level of the new post.
- 16.2. If an employee is promoted between 1 July and 31 December a step increase would be awarded on 1 July the following year and then annually subject to their overall performance assessment. If an employee is promoted between 1 January and 30 June a step increase would be awarded on 1 January the following year and then annually subject to their overall performance assessment.

17. Re-evaluations

- 17.1. A re-evaluation occurs where an existing post is presented to the Welsh Government job evaluation team and the post is re-evaluated up or down.
- 17.2. Where an employee occupies a post that has been re-evaluated, the adjustment to their salary will be effective from the date of the job evaluation team written confirmation.
- 17.3. Should the post be up-graded, the jobholder will move to the nearest step on the new level. The jobholder will be entitled to a step increase as usual, subject to their final performance rating.
- 17.4. Should the post be down-graded, the jobholder will mark time (the salary will remain unchanged) for three years. After this, their salary will be adjusted to the nearest step on the lower graded post.

18. Temporary promotion

- 18.1. Where an individual receives a temporary promotion due to a fixed term appointment to a different post, they will be appointed to the nearest step above their existing salary on the level for the new post.
- 18.2. Implementation of a temporary promotion must be requested by the line manager, approved by the Head of Team/Director and agreed by the Chief Operating Officer. Temporary promotions should normally be for no more than six months. A formal review would be required to extend beyond six months. If the extension is likely to exceed 12 months, further authorisation is required from the Chief Operating Officer.
- 18.3. Temporary promotion could be considered in the following circumstances:
 - cover for long-term absence;
 - cover for maternity leave;
 - cover for another employee's temporary promotion/secondment; or
 - during periods when the organisation is reviewing its resource requirements and does not wish to fill a vacant position immediately.
- 18.4. If an employee is subsequently appointed to the post permanently, they will remain on the same level and step as they were on when the promotion was temporary.
- 18.5. During a temporary promotion, an employee is entitled to progress normally through the steps of their substantive grade.

19. Additional responsibility allowance

- 19.1. Where an employee is asked to undertake additional duties within their existing role (not as part of a promotion) they will receive an additional non-consolidated, pensionable allowance up to 10% of their existing annual salary. The additional responsibility must be for a minimum of one month and will be reviewed at six monthly intervals.
- 19.2. If it is likely that the allowance will be longer term, the percentage amount of the allowance should be considered and the Chief Operating Officer will consider a percentage that does not adversely impact the individual in terms of the pay scales. For example, if the individual were to be promoted in the future, consideration should be made as to whether the allowance could result in increasing the salary to a greater point than a promotion under the rules set out in 12.1.
- 19.3. The allowance will cease where an employee is absent for more than four continuous weeks from the start date of the allowance.
- 19.4. Payments for additional responsibility allowance must be requested by the line manager, approved by the Head of Team/Director and agreed by the Chief Operating Officer. Those approving the allowance are responsible for ensuring there is a substantial and continuous additional responsibility.

20. Movement into a lower graded position

- 20.1. If an employee is moved into a lower grade position, the employee will be appointed to the step on the lower payscale equivalent to the one they would have received had they always been employed at the lower grade.
- 20.2. Where an employee chooses to apply for a lower grade position in open competition and outside of re-organisation situations, they will be appointed to the step on the lower payscale equivalent to the one they would have received had they always been employed at the lower grade.

21. Overtime or Additional Hours payment for grades below Executive Director

- 21.1. In exceptional circumstances, employees below Executive Director can claim Overtime or Additional Hours payment, however it is expected that the Flexible Working system should primarily be used to manage situations. Any proposal to pay overtime must relate to exceptional circumstances and must be approved by the Chief Operating Officer.
- 21.2. Overtime or Additional Hours payment should not be a regular occurrence or agreed for long periods. If workload demands increase the frequency of overtime/ additional hours, a line manager should review staffing levels and/or distribution of workload within their team.
- 21.3. General conditions for both are as follows:
 - i) must be authorised in advance by the employee's line manager and budget holder, using the Overtime/Additional Hours form; and authorised after the work has been completed;
 - ii) Line managers are responsible for checking that where overtime is claimed, the flexi sheet does not also reflect the hours worked;
 - iii) payable only where a minimum of 15 minutes additional time is worked each day;
 - iv) minutes of overtime worked cannot be accumulated to total 15 minutes during a period;
 - v) a minimum break of half an hour must be taken when six additional hours have been worked on a single occasion;
 - vi) payments will be paid monthly in arrears;
 - vii) a line manager and employee may agree flexi hours instead of payment for hours worked. This will be on an hour for hour basis.
- 21.4. Conditions for Overtime:
 - i) only available in exceptional circumstances and with prior approval of the Chief Operating Officer;
 - ii) only available outside the flexi bandwidth (6am – 8pm);
 - iii) applicable to all employees below Executive Director;
 - iv) overtime on week days is only payable where the weekly hours have exceeded 37 hours for both full and part time staff;

- v) overtime will be paid at plain time outside the flexible working bandwidth (8pm – 6am), at weekends and on Public Holidays;
- vi) travelling time outside the flexible working bandwidth (8pm – 6am), at weekends and public holidays will be paid at plain time;
- vii) payments are non-pensionable.

21.5. Conditions for Additional Hours payment:

- i) applies to part time employees only;
- ii) applies to any job level;
- iii) additional hours are pensionable;
- iv) paid at plain time between contractual hours and up to 37 hours per week;
- v) where a part-time employee works more than 37 hours in one week, they may be eligible to receive an overtime payment subject to the normal overtime rules;
- vi) where a part time employee is asked to work on a weekend or public holiday, they will be paid at plain time.

22. Office work on weekends and public holidays for grades below Executive Director

22.1. In exceptional circumstances, payments may be authorised for employees (full or part time) below Executive Director level who are required to work in the office on weekends or public holidays. Payments must be authorised in advance by the Chief Operating Officer, will be at plain time and will only be made where the employee attends the office for a specific project such as the installation/maintenance of IT equipment; supervising building work or preparing specific documentation.

23. Payments for call outs

23.1. Keyholders on the call out list who are called out to attend the office outside normal opening hours (7.00 am to 7.00 pm from Monday to Friday) will be compensated by the payment of overtime. The following conditions will apply:

- i) an employee may claim for time spent travelling to and from the building and time spent at the building in response to the callout;
- ii) the normal procedure for claiming overtime should be followed;
- iii) all keyholders will be eligible to claim overtime;
- iv) all keyholders will be eligible to claim the standard mileage rate.

23.2. Reimbursement for time should be claimed via the Overtime/Additional hours form and it made clear that the individual was called out as a keyholder.

24. Advance of salary before annual leave

24.1. Employees may request an advance of salary before annual leave subject to the following conditions:

- i) only one advance will be paid per annum (not including Christmas advance);
- ii) the amount of the advance may not exceed £250 net (or 50% net pay if less);
- iii) the advance will be recovered from salary the month following payment;
- iv) employees receiving an advance in November will be unable to apply for a Christmas advance.

24.2. Any overpayment arising from the payment of an advance will be recovered from salary. To apply for an advance of salary, employees should contact the People and Culture team.

25. Voluntary exit, voluntary redundancy and compulsory redundancy

25.1. Should there be a requirement to run any form of severance exercise, Medr is bound by the Civil Service Compensation Scheme terms. Such activities must be approved by Welsh Government and supported by a business case, which includes a cost benefit analysis.

26. Calculation of Pay

26.1. The table below details the calculation of pay in the following circumstances:

| | |
|-------------------------------|---|
| Starters | Annual salary/260 |
| Leavers | Annual salary/260 |
| Increasing/decreasing hours | Annual salary/260 |
| Daily rate | Annual salary/260 |
| O/T – hourly rate calculation | Annual salary/52/37 |
| Paid annual leave to leavers | Annual salary/260 |
| Unpaid leave | Annual salary/260 |
| Monthly salary calculation | Annual salary/12 |
| Part-month changes | If every available working day is actually worked during the month, the salary adjustment will be based on 1/12 th |

27. Underpayments and Overpayments

- 27.1. On receiving a pay slip, employees must check their pay to ensure that it has been paid correctly. This includes checking that any pay awards notified, or any changes to their working hours or allowances, have been correctly applied. Any suspected under or over payment should be notified immediately to the People and Culture team for investigation.
- 27.2. In cases of underpayment due to Medr error, Medr may make an ex-gratia payment of an amount equal to the sum the net amount underpaid would have earned had it been invested in a building society ordinary account at the relevant time. Such payments will only be made if the amount underpaid represents at least one week's basic pay (excluding any allowances) and has been outstanding for more than a year.
- 27.3. When an overpayment is discovered, the employee will be notified of the amount, the reason for it and proposals for recovery which will be designed to avoid any undue financial hardship. In most cases, a repayment schedule will be agreed with the employee concerned, before any monies are recovered.

28. Related documentation

- 28.1. This policy links to:
 - Medr's Annual Accounts
 - Pay Scales
 - Leave procedures
 - Performance Management procedures
 - Sickness absence procedures
 - Recruitment and Selection policy and procedures
 - Job evaluation procedures
 - Terms and conditions of employment
 - Probation procedures

Annex A

1. Terms and Conditions of Employment

The following paragraphs summarise the main terms and conditions of service as they apply at present.

A job description providing a summary of the main purpose of the job and the activities associated with the post together with the main duties is enclosed.

Job descriptions will be reviewed annually as part of Medr's performance management process.

2. Place of work

The Contract of Employment will confirm the place of work.

3. Hours of attendance

Full Time hours are 37 hours per week, Monday to Friday excluding breaks, such as lunch, tea and coffee. Part Time hours will be pro rata. At Medr's discretion, participation in a flexible working hours' arrangement is available.

4. Pay and payment of salaries

Salaries are paid monthly in arrears on the 23rd of each month by credit transfer into a bank or building society account that can accept electronic transfers from the current financial accounting system.

5. Overtime

All grades below Executive Director may be eligible for overtime payments.

6. Travel and subsistence

Medr will reimburse staff for the travel and subsistence costs that they actually and necessarily incur on journeys undertaken on its business. Further details are available from the Travel and Subsistence Policy.

7. Leave

Annual leave for the post with Medr will be 34 days with pay. Staff are entitled to 8 Public Holidays per annum with pay. Part time staff have a leave entitlement pro rata to that of full time staff.

8. Sickness absence

From the first day of employment the entitlement to sick pay is to a maximum of 12 months' paid sickness absence within a rolling period of 4 years. The first 6 months of any paid sickness absence will be paid at the normal monthly salary. Any further sickness

absence over a 6 month absence up to a maximum of 12 months will be paid at half the normal monthly salary.

Any Statutory Sick Pay due would be paid within the maximum of full pay. Social Security benefits for which staff are eligible will be subsumed within the limit of full pay. These entitlements will be pro rata to the hours worked for part time staff.

9. Pension arrangements

The appointment is pensionable from the outset. Employees are entitled to join the Civil Service Pension Scheme and full details can be found at <http://www.civilservicepensionscheme.org.uk/>.

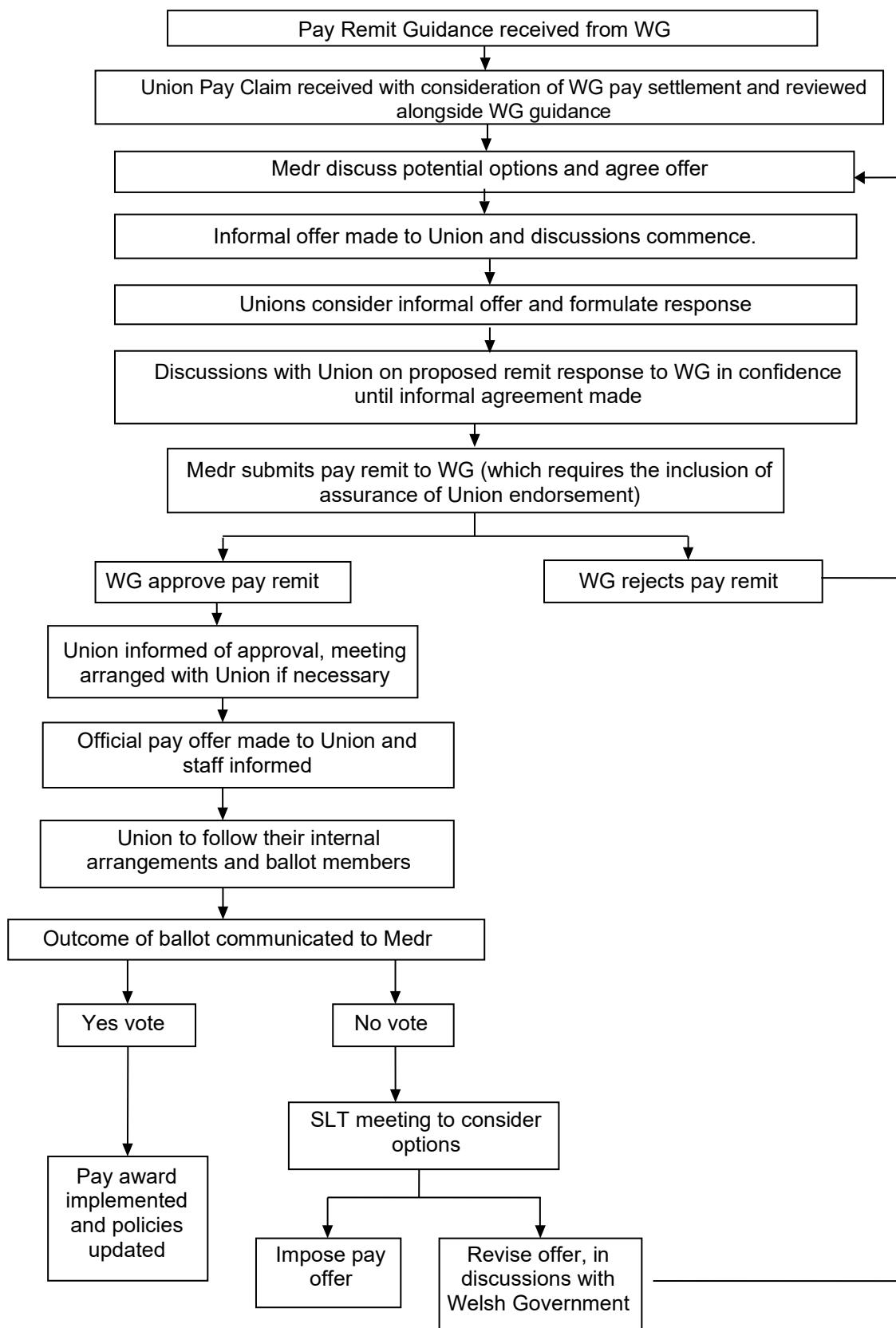
10. Retirement

In line with legislation, there is no default retirement age. Please refer to the Retirement policy for further details.

11. Partnership agreements

There is a collective agreement with the PCS Union which directly affects the terms and conditions of employment.

Annex B Pay process



Version control

| | |
|---------------------|---|
| Next review: | August 2029 |
| Reference: | PG01 |
| Owner: | People and culture team: pobl@medr.cymru |

| Version | Date | Description |
|----------------|---------------|--|
| 0.1 | November 2023 | First draft of policy: establishment of Medr |
| 0.2 | August 2024 | Reviewed |
| 0.3 | August 2025 | Updated CEO Statement |
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