

Remuneration and Benefits Policy


Part of the Children and Young People's Commission Human Resources Policy Framework

November 2023

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Version control

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Policy Manager	Chief Executive/Human Resources Manager
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Last modified	
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Approval authority	<p>I confirm this policy was approved by the Board.</p> <p>This policy will take effect on 27 November 2023 and will remain in effect until updated or replaced.</p>  <p>Dr Claire Achmad Chair and Chief Commissioner</p>

Te aronga | Policy purpose

This policy specifies the approach to remuneration for Mana Mokopuna - the Children and Young People's Commission (the Commission).

Tauākī | Policy statement

The Commission is committed to paying kaimahi fairly for the work that they do. The Commission's remuneration ranges and benefits are intended to attract and retain talented kaimahi, while maintaining fiscal responsibility and sustainability.

Ngā mātāpono | Policy principles

The following principles underpin the Commission's approach to remuneration:

- Fair, transparent and recognises living wage rates.
- Affordable and financially responsible.
- Evidence based and consistent.

The Commission is committed to giving effect to Te Tiriti o Waitangi in all aspects of the commission's policies, practices, and decision-making processes. We strive to ensure we are recognising our kaimahi in the context of their whānau, hapū, iwi and community.

Ngā whakatinanatanga | Policy application

This policy applies to all the Commission as follows:

- kaimahi and managers.

Ngā haepapa | Responsibilities

Kaimahi responsibilities

- Understand the approach the Commission takes to remuneration as outlined in this policy.

Manager responsibilities

- Seek advice from Human Resources when considering salary offers and out of cycle pay increases.
- Ensure any pay increases for kaimahi are aligned with this policy, budget, and delegations.

Human Resources responsibilities

- Maintain oversight of remuneration for the tari and provide advice that ensures consistency and fairness.

Te pūnaha utu nama | Overview of the remuneration system

The remuneration system applies to all kaimahi within the tari, including managers. The components of the remuneration system are:

- job evaluation is undertaken for all new or substantially changed positions
- market linkage assessment considering the living wage rate and public sector information is used to determine appropriate remuneration ranges
- annual review of remuneration ranges (based on market linkage assessment)
- annual review of individual remuneration.

Remuneration system components

Job evaluation

The Commission uses the Korn Ferry Hay job evaluation system to size new or substantially changed positions and uses this information to determine an appropriate salary range for the role.

The Korn Ferry Hay system considers several factors to evaluate a role, including:

- Knowledge required to undertake the role to a competent level
- Freedom within the role to problem solve (whether problem solving in the role is restricted by tight boundaries and rules, or more 'blue skies' problem solving is required)
- Level of contribution the role makes to the overall outcomes of the Commission
- Scale of impact the position has in its work.

Job evaluation is undertaken by Human Resources, with input from managers and kaimahi as needed.

Acknowledging that the Korn Ferry Hay system can be limited in the way that mātauranga Māori or cultural competence is sized, Human Resources will make it clear through the job evaluation process that the Commission sees mātauranga Māori and cultural competence as equivalent to, or in some cases, higher than a tertiary qualification or equivalent extensive experience.

Market linkage assessment

A market linkage assessment is undertaken annually to ensure that remuneration ranges are fair. Part of the information that will inform this assessment is an analysis of the Korn Ferry Hay global compensation survey.

These surveys provide data on the latest remuneration practices in the market. Korn Ferry is commonly used across the public service, and it is used by the Commission in our market linkage assessment to ensure our remuneration levels are aligned to the median of other public service organisations.

The Commission will also have regard to pay guidance provided by Te Kawa Mataaho.

Living wage

The Commission is committed to paying kaimahi no less than the official Living Wage rate in line with the following principles:

- The starting rate of pay for all new appointees will not be less than the Living Wage rate. This threshold applies to all kaimahi, i.e. permanent full-time and part-time kaimahi, fixed term (temporary) full-time and part-time kaimahi and casuals.
- Adjustments may be made to salaries at any time to ensure they are paid the living wage as a minimum. However, any adjustments to meet the living wage do not flow on to kaimahi who are already being paid above the living wage.

Annual review of salary ranges

The Commission's salary ranges are reviewed annually against the living wage rate and market linkage and may be adjusted accordingly. Salary ranges may be adjusted by the Chief Executive, with support from the Board.

An increase to a salary range does not automatically result in an increase to kaimahi salary. The exception to this is where a kaimahi is on a salary that is lower than the minimum of the adjusted salary range, in which case the kaimahi salary would be increased to the minimum of the adjusted range.

Annual review of individual remuneration

Annual remuneration review comprises of three steps:

1. Review of salary ranges
2. Increase of base salary to new minimum of the range following adjustment (where applicable)
3. Review of salary of individual kaimahi.

Recommended changes to individuals' salaries, subject to Chief Executive approval, will be implemented from 1 July each year.

Eligibility for individual remuneration review

Permanent and fixed term kaimahi who commenced prior to 1 March of that year will be eligible to have their salary reviewed through this process. Kaimahi who commence in a new role on or after 1 March will not be eligible for a salary review at 1 July.

Remuneration reviews for kaimahi on secondment or in acting arrangements will consider both their base salary and any allowances they may be receiving as part of their secondment or acting arrangement. Allowances may be reduced by the amount of any salary increase applied through an individual review.

Kaimahi on parental leave will be included in the remuneration review process and any approved increases will be applied to their base salary effective from the date they return from parental leave.

Out of cycle increases

An out of cycle increase is made outside of the annual review cycle outlined in this policy.

Out of cycle increases may be approved for a number of reasons in exceptional circumstances, including recognition of high contributing kaimahi who are low in their salary range, or to address recruitment issues.

To seek approval for an out of cycle review managers need to assess the salary with the Human Resources Manager. If the proposal for an out of cycle increase is supported by the Human Resources Manager and can be made within budget, then it will be put to the Chief Executive for their consideration.

Kia Toipoto – pay gaps

As outlined in Kia Toipoto, the [Public Service Pay Gaps Action Plan 2021–24](#), the Commission understands that pay gaps are indicators of workplace inequities which can result from factors including bias and discrimination.

Through our commitment to closing pay gaps and ensure equity across the Commission, we take the following actions:

Salary range information

Our recruitment adverts include the salary range the role sits in, to help inform the candidates' salary expectations and the discussion on placement in the salary range. Research shows that women in general, and both males and females from some ethnic groups, are less likely to discuss their salary expectations.

Giving candidates the salary range for the job ensures they understand they can discuss their placement in the salary range based on their knowledge, skills, and experience. A key driver of a gender pay gap is often an incorrect appointment salary, and these guidelines are aimed at ensuring there are no gender pay gaps within starting salaries at the Commission.

Not asking for current salary information

If managers are influenced by the previous salary of a candidate when they set starting salaries, they risk perpetuating the gender and ethnic pay gaps candidates have experienced in the past. Managers must not request current/previous salary information from candidates and must focus on what the role is worth and the skill/experience of the candidate.

When discussing salary expectations, managers must not lower their intended offer if the candidate asks for less. Managers should appoint based on what the candidate is worth, even if they may accept less.

Transparency around salary offers

It is important that people trust our appointing practices and have confidence that they are being paid fairly. We encourage managers to provide context to new kaimahi on how they have arrived at their appointing salary, while keeping others' individual arrangements confidential.

Monitoring starting salaries

Human Resources monitor salary offers to ensure they are equitable.

Setting starting salaries

The Commission is committed to achieving fairness and consistency of salary when appointing candidates to a new role. Human Resources will work with hiring managers to ensure that the following factors are considered when determining appropriate starting salary for candidates.

Knowledge, skills, and experience

The knowledge, skills and experience the candidate brings to the role and the team are the key factors considered when deciding on an appropriate salary offer. Candidates will generally be appointed between the minimum and midpoint of the salary range to allow for future growth and progression.

Mātauranga Māori and cultural competence is highly valued by the Commission. We recognise that the acquisition of this mātauranga is a lifelong journey which is often as comprehensive, if not more, than gaining a tertiary qualification. This is taken into consideration when determining an appropriate salary.

Team relativities

It is important that salary offers are equitable based on candidates' knowledge, skills and experience (as above), when compared to the salary of current kaimahi in the same or similar roles.

When considering team relativities, the manager will determine what would be equitable to offer based on what the candidate would bring to the team and their skills and experience as compared to similarly experienced kaimahi.

Note that a reduction to the intended starting salary is not the preferred mechanism for addressing any team relativities.

Budget

As a responsible public service organisation, budget is a consideration when determining starting salaries. However, it is important that candidates are appointed at the correct salary for their skills and experience and that offers are not made with budget as the sole determining factor. Before advertising a position, managers should confirm that there is budget available to offer appropriate remuneration.

Allowances for secondments, acting or additional duties arrangements

A current kaimahi may agree to an internal secondment or acting arrangement in a position that is in a higher salary range than their usual salary. Where a kaimahi agrees to a secondment or acting arrangement for 10 consecutive working days or more, they will be paid an allowance that is the difference between their usual salary and the salary they would receive if they were permanently appointed to the role.

Where a kaimahi performs only some of the duties and responsibilities of a higher position, they will be paid a proportional amount of the allowance or may agree to some other form of recognition.

Where a kaimahi agrees to take on additional duties on top of the responsibilities of their substantive role for a period of 10 consecutive working days or more, they will be paid an allowance up to a maximum of 5% of their base salary (or 2.5% if the employee is paid above the top of their pay band) or some other form of agreed recognition.

Other benefits

On top of agreed remuneration, the following benefits apply for permanent kaimahi.

Vision care support

The Commission offers a financial contribution towards vision care for permanent kaimahi who use a computer or screen (iPad, mobile phone etc) for more than half of their working time, and experience eyesight difficulties.

The Commission will reimburse for the costs of an eye test. If the test shows that the kaimahi requires prescription eyewear, or an upgrade to existing prescription eyewear, the Commission will reimburse the staff member for the cost of prescription eyewear, or upgrade of existing prescription eyewear, up to the amounts as set out below (inclusive of the costs of the eye test and GST).

Amounts that can be claimed:

- Cost of eyewear and test: up to \$400 (GST inclusive).
- Cost of eyewear upgrade and test: up to \$200 (GST inclusive).

An amount equal to 33% of the claimed amount will be added to the claim to account for PAYE. Where a staff member receives the maximum payment for costs of eyewear within a two-year period, no further benefit will be payable for the remainder of that period.

To claim this benefit kaimahi must complete a reimbursement form and provide this along with receipts to the Financial Management Accountant for payment.

Holiday programme support

Kaimahi who have mokopuna between the ages of 5 - 14 years old dependant on them for care are entitled to up to \$150 per each school holiday period (to a maximum of 4 school holiday periods each per annum).

To claim this benefit kaimahi must complete a reimbursement form and provide this, along with receipt, to the Financial Management Accountant for payment.

Ngā tuhinga pākanga | Related legislation, regulations and documents

Related legislation and regulations

This policy is guided by the following legislation and regulations:

- Employment Relations Act 2000

Related documents

Related documents include:

- Employment Agreements
- Te Kawa Mataaho Pay Guidance

Kuputaka | Definition of terms

Terms

Term	Definition
Kaimahi	Employee
Remuneration	Includes salary, wages, fees, superannuation, and any other payments made to kaimahi for their employment
Base salary	The salary paid to kaimahi for their employment, does not include superannuation or any other payments
Living wage	Set by the Living Wage Movement Aotearoa, this is the rate deemed necessary for kaimahi to be able to live with dignity

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