

# Adfree Cities Pay Policy

**Agreed June 2025** 

## **Principles**

This policy should be aligned with Adfree Cities' values, and therefore attempt to:

- Foster supportive, listening relationships among staff.
- Redress wider social and economic injustices.
- Value different types of work equally and 'see' contributions and types of knowledge that are often less seen.

This policy will never be able to address the vast array of societal inequities that will affect different Adfree Cities workers. The following is therefore not suggested to be a definitive list. It is our best attempt to do what we can within the constraints in which we work. Additional uplifts could be discussed in future, taking into account changing political / socio-economic environments and needs of workers. See point 4 below. Additional Uplifts for other circumstances.

This policy is based on the <u>Pay Policy</u> designed by <u>RadHR</u>, who helpfully acknowledge that there may be difficult feelings attached to the experiences and issues outlined in this policy that prevent some people rightly claiming an uplift. It is important that the process of this policy is designed with this in mind, and encourages workers to take uplifts that apply to them, without being forced to disclose sensitive personal information.

The policy was developed with the input of all Adfree Cities staff (six people at the time), supported by RadHR who held 1-1 meetings with staff and facilitated a full day workshop for the team in March 2025.

# **Policy**

There will be a review of the system every year in March, when the base rates will be set for the following year. Any Adfree Cities worker will be able to suggest changes and amendments at the review stage each year, which can then be discussed and agreed collectively by the core team, based on the <u>Adfree Cities decision making processes</u>.

#### **Base rate**

**Principle:** All workers should be offered the same 'base rate' annual salary or day rate, regardless of their position in Adfree Cities, their experience or type of knowledge.

- Adfree Cities operates a flat structure and this should be reflected in pay.
- Some Adfree Cities staff are Directors, but this should not affect pay. All workers are equally valued.
- The Base *Day* Rate is calculated by taking the Base Salary figure adding 30%—to cover non-employee costs such as holiday and sickness leave, utilities, equipment, training etc.—dividing that by 260 (52\*5dpw), and finally, rounding up.

#### Base rate in 2025-2026

Year	Salary Rate	Day Rate
2025/26	£34,000	£160

## **Uplifts**

The base rate of pay is then subject to a percentage adjustment according to the criteria outlined below.

The uplift percentages are not compounded, but added together to give a total percentage uplift, e.g. three uplifts of 3%, 6% and 9% are totalled into a single 18% uplift and then applied.

Changes to any uplift, for example through changes to a worker's circumstances or an annual change to the uplift, should be applied from the date they take effect.

Workers should notify (one of) the Directors, or their peer support person, whichever is their preference, of any changes to circumstances that affect uplifts. Directors will need to approve any changes in uplifts, checking that budget is available.

A worker can choose not to take up any uplift available to them.

For freelance workers, uplifts can be claimed after a person has been working with us for 6 months continuously.

### 1. Time worked

**Principle:** Adfree Cities will recognise and reward commitment to the organisation.

An uplift of 2% can be added after each 1 year worked for Adfree Cities, up to a maximum of 6% (3 years worked).

For freelance workers, this uplift does not apply. We do not tend to employ people long term on a freelance basis.

## 2. Dependents

**Principle:** Often the greatest financial insecurity (and need) is felt by those with financial dependents: such as (but not limited to) children and ill or ageing family members. Staff with dependents should be supported with increased pay.

An uplift can be added for each dependent, on a sliding scale, up to five dependents (where the total uplift would be 15%). This is to ensure that the additional costs of dependents are recognised, but that Adfree Cities is still able to cover the additional costs without putting the organisation's finances at risk.

Number of dependents	Uplift
1	5%
2	4% (=9% total)
3	3% (=12% total)
4	2% (=14% total)
5	1% (=15% total)

An uplift of 5% can be added where the parent/carer is the sole earner (this is a one off uplift, which does not increase with more dependents).

- Children are classed as dependents while they are in full-time education or live with the worker, who provides their food and accommodation.
- Dependents are not just children, and uplifts can be made available to the worker in cases where dependents no longer live with the worker but are still supported by them (such as care costs paid by the worker).

• This is not intended to cover healthcare (as Adfree Cities does not want to offer incentives for private rather than NHS treatment).

## 3. Disability or long-term health issues

**Principle:** Many long-term health impacts and experiences of disability result in higher costs of living.

An uplift of 5% can be added for workers with a disability or long-term health issue.

- Claiming this uplift does not require any formal diagnosis of a 'condition'; the focus is on life-impact and extra costs, even if the health issue is managed.
- We recognise that for employed workers, a range of other work-related policies, including types of paid leave, flexible working hours, the ability to swap an uplift for more paid time off etc., can be as (if not more) important than pay. We aim to design these to be more flexible and inclusive, and encourage all workers to suggest additional changes wherever needed.

## 4. Additional uplifts for other circumstances

An uplift of up to 5% could be added to reflect additional circumstances that have not been identified or developed into their own policy point yet. This could include: an uplift for renting rather than 'owning' (i.e. having a mortgage); London/city living; long-term experience of marginalisation, oppression or discrimination. See the Process section below.

#### Wealth and inheritance

**Principle**: The aim of this policy is to uplift workers in need, not penalise them.

A worker is expected to decline 1% uplift for every £10,000 of unearned income they have received which exceeds the £20,000 threshold.

If a worker has a lot of accumulated or inherited wealth, significant income or equity in property which is not coming / did not come from work, we would expect them to decline some or all of the uplifts available to them.

- Every £10,000 of unearned wealth, inheritance, equity or income equates to a 1% uplift.
- This applies to unearned income over a threshold of £20,000.
- So, a worker would be expected to decline uplifts of 1% for every £10,000 of unearned wealth they have had in excess of the £20,000 threshold

• This is not a reduction in salary, as **no worker's salary will drop below the base rate**, regardless of how much unearned income they have received.

#### **Examples:**

- An inheritance or other unearned income of £120,000 or more would result in a 10% reduction in uplifts.
- An inheritance or unearned income of £40,000 would result in a 2% reduction in uplifts.

Additional note: Often a person may benefit from a partner's unearned income (for example, they would not have been able to secure a mortgage without their partner's unearned income, and they now benefit). In this instance, a worker is encouraged to apply reductions even if the inherited wealth was not directly bequeathed to them.

#### **Process**

## **Principles**

- **Simplicity**: the system should be as simple as possible to work through
- **Confidentiality**: we recognise that the justifications behind requesting an uplift can be sensitive and inhibit requests; so we have tried to design the policy to obscure the particular reasons behind the total uplift claim, and to not require any disclosure of reasoning wherever possible.
- **Openness**: we also recognise that confidential pay structures can sadly have a corrosive effect on worker motivation and so our actual rates of pay will continue to be visible via our open budgeting systems.
- **Trust**: the system of uplifts (and whether these are taken or not, depending on inherited wealth etc.) relies on the honesty and integrity of all other workers.

## **Claiming uplifts**

- All workers are responsible for claiming the uplifts that are available to them (if they wish to). This will not happen automatically.
- Time worked: a worker may claim this from each anniversary of the first day worked.
- Child dependent(s): a worker may claim this uplift on beginning working with Adfree Cities or on their return to work after maternity/paternity leave.
- Non-child dependents: this is available for anyone to opt-in to as soon as they become a carer.
- Disability or health issues: this is available for anyone to opt-in to as soon as they experience the impacts of the disability or health issue.

# Adding an "additional uplift for other circumstances"

A worker may propose an additional uplift of up to 5% for circumstances not yet included in this policy (see above), through this process:

- 1. Person raises it with their peer support person
- 2. Peer support person raises it with Directors who initially talk about it and the financial viability
- 3. The proposal is taken to the full team for decision by consent

## Inheritance & unearned wealth

The worker would adjust down whatever uplifts apply to them, by the appropriate figure.

## **Setting pay rates**

- **Share policy:** Before someone commences paid employment with Adfree Cities (including freelance workers over 6 months), a Director shares this policy with the worker and outlines the process.
- **Discuss policy:** The Director should offer to talk through the policy in whatever medium suits the worker so that they can clarify the approach and uplifts if needed. The worker can ask to talk about the policy with any Director. We recommend the worker also speaks to their mentor and/or peer support person about the policy.
- **Claim uplift:** The worker, whether they have spoken to a Director or decided not to, should then reply to the Director with their total % uplift, including only the details suggested by the uplifts outlined above.
- **Check uplift:** The Director then checks the response, if there are any problems, they should discuss them with the Director team.
- **Agree uplift:** The process should not take longer than 1 month, and should complete before the worker receives their first salary payment.

#### Paragraph for peer review:

To be integrated into Peer Review discussions about the uplifts, at the stage at which we introduce the uplifts available and speak about it in a 1:1. This can also be with workers who have a change in circumstances.

At Adfree Cities, we have a Pay Policy that aims to reflect our aims to live the world we want to see. We aim, with a socially just wage policy, to address some of the inequalities in society, although we acknowledge that we will never be able to address all of the societal inequities that will affect different Adfree Cities workers. We will keep this policy under review, and each of us is able to raise any proposals to amend the policy with our peer support person or a Director. Each of us is also encouraged to speak to our peer support person, or a Director, about a change in our circumstances in relation to the policy, at any time.

We each affirm that we will enter the socially just wage system with trust in each other, ourselves and the organisation. We are each the best placed to consider our own circumstances - we will not judge others' circumstances or decisions, we will take on uplifts that genuinely reflect our circumstances and we will ensure that we enter the process in a reciprocal spirit, i.e., in a way that we would want our co-workers to do. This process allows us to acknowledge any advantages that we have received and our current circumstances, including declining uplifts in reflection of our advantages, knowing that any future change in circumstances can and will be taken into account.