

# SALARY AND BENEFITS POLICY

This document defines the salary and benefits policy of The Better Governance Project.

As a living document, this policy can be revised, with any revision approved by the Governing Board.

This is version n. 1, approved by the Board on and effective from 17.01.2022.

## 1. Scope

This policy covers permanent and temporary employees in Sweden only. For employees in other countries, the principles will be followed by specific conditions will need to be adapted to the local laws and context.

## 2. Guiding Principles

- Transparency

The Better Governance Project salary policy will be available to the public on the website. The salary and benefits of the Executive Director will be published in the Annual Report. Details of other staff salaries will be made available to interested parties on request.

- Fairness

Salary-setting should be perceived as clear and fair by employees. Each employee shall be informed of the grounds on which their salary is determined and the requirements that apply to receive a change in their salary. For these reasons we apply a salary scale rather than individual salary setting, as we believe individual salary setting too often favours those that are more confident, aggressive or who threaten to leave.

- Equality and non-discrimination

To avoid unequal pay based on gender or other discriminatory factors, salaries are set on the basis of experience and levels of role complexity/responsibility only. The overall salary scale should be relatively flat, with the highest salary in the organisation not exceeding 3.2 times the lowest salary in the organisation. When employing staff abroad, the salary scale will be adapted to the local context.

- Long-term staff retention

The salary policy is guided by an effort to strike a balance between, on the one hand, cost-effectiveness and appropriateness for the development sector, and, on the other hand, the importance of retaining high-quality staff in the long-term. We expect staff to join and grow with this organisation for the mission rather than the salary, but at the same time we do not want staff to leave the organisation because the salaries are limiting their ability to live a normal life in the city they live in. For this reason our salary levels are benchmarked against Swedish public sector actors in the development sector e.g. Sida, FBA.

## 3. Collective agreement

TBGP has chosen not to join a collective agreement at this stage in the organisation's development, but it is the long-term intention to do so. The decision to join a collective agreement will be reviewed in the last quarter of every year.

## 4. Salary setting

- Salary matrix

Salaries are based on the matrix in Annex 1 to this policy, where all salaries are set in relation to the lowest salary in the organisation (entry level.)

Experience			Role complexity/ level of responsibilities										
Experience level	Years	% increase	A	B	C	D	E	F	G	H	I	J	K
			X	X+10%	X+20%	X+30%	X+40%	X+50%	X+60%	X+70%	X+80%	X+90%	X+100%
1	0 to 1	Y	Entry level									n/a	n/a
2	2 to 3	10%										n/a	n/a
3	4 to 5	20%											
4	6 to 8	30%											
5	9 to 11	40%											
6	12 to 14	50%											
7	15 +	60%											

### Years of Experience

The first variable, the number of years of experience, takes into account all of the employee's professional experience, not just the number of years spent at TBGP. In order to avoid pay inequalities and promote a gender equal workplace, periods of parental leave are taken into account in the calculation of years of experience.

### Role Complexity / Level of Responsibilities

The second variable, role complexity/level of responsibilities takes into account different aspects of each employee's role such as managerial, budget, project or fundraising responsibilities, or the technical complexity of the role.

- Annual automatic salary increase

In the absence of a collective agreement the salary matrix will be updated each year based on the annual salary increase in the central agreement between Fremia and Unionen/Akademikerförbundet. This should occur soon after the central agreements are finalised and the salary increases should apply from 1<sup>st</sup> April each year.

Employees on parental leave or on sick leave are included in the annual salary increase.

- Changes in salary due to role complexity and/or level of responsibility

In addition to the annual salary increase, significant changes in duties or position may also provide grounds for review at the same or a different time than the annual salary review. Changes in the role complexity/responsibility scale should only be made as a result of a significant change in the persons role, for example if the person takes on responsibility for managing a larger project or more complex work assignments, or if the budget that person is responsible for increases significantly. For members of the senior executive team, changes in role complexity/responsibility must be approved by the Governing Board.

## 5. Occupational Pension

- Service provider

In the absence of the Collective Agreement, TBGP has chosen to make occupational pension payments into the Avanza pension service. TBGP will select Avanza's default pension fund as default, but employees are free to chose which fund(s) to invest in. This arrangement will be reviewed in the last quarter of every year.

- Levels

Pension payments will be made on the following basis:

- For the part of the salary under 7.5 income base amounts (*inkomstbasbelopp*) 6% of the salary will be paid as pension
- For the part of the salary above 7,5 income base amounts (*inkomstbasbelopp*) 30% of the salary will be paid as pension

## **6. Other Contract Insurances (*Avtalsförsäkringar*)**

In addition to the pension, TBGP will hold the following additional insurances for employees:

- Workplace injury insurance (Trygghetsförsäkring vid arbetsskada, TFA) – which provides compensation if an employee is injured at work or on their way to work and loses income as a result of this. This is arranged via Fora.

Contract insurances will be reviewed during the last quarter of every year.

## **7. Holiday pay**

Full-time permanent employees (tillsvidare anställd - heltid) and project-employed full-time (project anställd-heltid) staff have the right to 28 days paid holiday leave.

Part-time permanent and project employees (tillsvidare eller projektanställd- deltid) have the right to a pro-rata number of days paid holiday leave based on their contracted % of full-time employment.

Staff employed on an hourly basis (timanställd) do not have the right to paid holiday leave and are instead compensated with an additional 12% of their hourly salary for holiday pay.

## **8. Sick pay**

Full-time permanent employees (tillsvidare anställd - heltid) and project-employed full-time (project anställd-heltid) staff have the right to sick pay during the first 14 calendar days that they are registered as sick.

Part-time permanent (tillsvidare deltid), project employees (projektanställd- deltid) and staff employed on an hourly basis (timanställd) have the right to sick pay for the days or hours that they would have worked during the first 14 calendar days that they are registered as sick.

## **9. Parental leave supplement**

Employees are entitled to a parental leave supplement following the conditions set out in the Collective Agreement “Salaried employees in civil society” between Fremia and Unionen/Akademikerförbunden (section 12.5).

## **10. Other Benefits**

Employees are entitled to an annual health/wellness grant (friskvårdsbidrag) of the same value of an annual gym membership at Friskis och Svettis.

Employees are also entitled to an annual personal-development budget of up to 1500 SEK, which can be used towards short courses or books that are related to their work.

## ANNEX 1: SALARY MATRIX FOR APRIL 2021-APRIL 2022

Experience			Role complexity/ level of responsibilities										
			A	B	C	D	E	F	G	H	I	J	K
Experience level	Years	% increase	X	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
1	0 to 1	Y	23 500	25 850	28 200	30 550	32 900	35 250	37 600	39 950	n/a	n/a	n/a
2	2 to 3	10%	25 850	28 435	31 020	33 605	36 190	38 775	41 360	43 945	46 530	n/a	n/a
3	4 to 5	20%	28 200	31 020	33 840	36 660	39 480	42 300	45 120	47 940	50 760	53 580	56 400
4	6 to 8	30%	30 550	33 605	36 660	39 715	42 770	45 825	48 880	51 935	54 990	58 045	61 100
5	9 to 11	40%	32 900	36 190	39 480	42 770	46 060	49 350	52 640	55 930	59 220	62 510	65 800
6	12 to 14	50%	35 250	38 775	42 300	45 825	49 350	52 875	56 400	59 925	63 450	66 975	70 500
7	15 +	60%	37 600	41 360	45 120	48 880	52 640	56 400	60 160	63 920	67 680	71 440	75 200

Current staff:

Jamie Smith (Executive Director): D6

Otto Nilsson Williams (Director): D3

Camila Demmou (Head of Operations): C3