

# Staff salary scales

**TN80** Training Notes series: Structures



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## What are the national pay rates for staff employed by a church or mission?

No, they don't exist, except in particular cases, such as for denominational Ministers where the issues regarding both 'employment' and 'salary' are in many cases different, and for musicians such as organists where there are recommended, excuse the pun, scales.

So, what do you pay your new Children's Worker or Church Co-ordinator or Caretaker?

The position is actually highly complex, so these notes cannot provide easy answers. But they pose ten sets of questions designed to help you think these issues through.

## 1 Salary or stipend?

Are you paying salaries or stipends? A salary (or wages) pays someone a reward for the work they do. A stipend, on the other hand, is a payment irrespective of the work carried out that enables someone not to have to 'earn a salary' elsewhere but to give themselves to specifically church or mission ministry.

Anglican clergy are paid stipends not salaries. but senior Anglican clergy are paid higher stipends than others – which makes a mockery of the idea. See Article A3, *Salary differentials for Christian staff*, on this website for a critique of this situation.

With this comes the question of whether it can be right to pay low salaries/stipends because employment here is not just another job but a special 'calling' to Christian service. But might this idea be abused by employers, and is there a difference between a Community Evangelist and a Caretaker, for example? If so, why?

Some employees will see such work as a real privilege – and view a lower salary positively in that light. But it is also possible to see employment on a church staff as an easy option compared with the 'calling' to be a Christian in the secular job-market.

## 2 **Do you expect differentials?**

If you pay salaries rather than stipends, what is your view on differentials? In the secular world a CEO may be paid many times the rate of a 'junior' employee and this is thought quite normal.

But what does this say about people's respective 'worth' to a church or mission ... or to God? Consider the effect it might have on how people work together in a team, all seeking to serve Christ's Kingdom.

See Article A3 again. One option might be to allow differentials but to limit the range between the highest and lowest paid. If you paid everyone the same some people might receive a significant increase on becoming staff and others a huge cut.

The issue is complicated by having a wide range of types of work undertaken but with only one or two people in each type. So you might have a Minister, a Youth Worker, a Director of Music, a Church Manager and a Cleaner. What if the Manager's salary is above that of the Minister's stipend (even when issues such as tied housing are taken into consideration)? How do you compare the work of a Youth Worker with that of a Cleaner? Is it an issue of when you need an Occupational Requirement (OR) to enable you to employ only a Christian?

## 3 What are others paying?

Most church posts will have secular equivalents, so one way ahead is to match a standard pay rate. A Youth Worker can be paid at a JNC (Joint Negotiating Committee) rate for an equivalent position in a local authority. An Office Administrator can be paid at the going rate for your area. This also means that you do not lose out on recruiting people who need the higher income provided elsewhere.

But consider someone coming in to church work from a secular post where they are paid at a high level. For example, an Operations Manager might be paid three or four times the rate your church would expect to pay them. What if they have a mortgage or other major expenditure items that match their present income?

This raises the awkward issue of market forces in Christian ministry. Many churches, whether they like the idea or not, will be in competition for certain staff with other churches and mission agencies. If you pay 20% less than an applicant would be offered by the other church in your street or the charity in the centre of town, you may not attract the people you want.

## 4 What does it look like to your congregation?

So far we have considered the issue from the angle of those employed. But what of those who are giving the funds to support these salaries (assuming that you do not have grants or other external funds to provide the income)?

Consider a congregation where the average salary of those in work is less than you pay members of your church staff, but you are calling on them to provide the funds. Should this be an issue?

Or you may have a congregation with a high average salary who expect church or mission staff to be paid at a lower rate. It is not uncommon for the Trustees of mission agencies to be on generous salaries themselves but to pay much less to their staff, or to block increases when they themselves have received high bonuses or real increases. The Old Testament prophets might have something to say about this.

# 5 How do you view incentives?

Most secular pay scales have the concept of incentive built in: different grades, increases at annual appraisal. special pension contributions. In addition to the issue of annual increases across the board, do you increase salaries for length of time on the staff or increases in responsibility? On the other hand, if you do not do this, does the lack of incentive make people feel they are stuck?

What about the rest of a remuneration package and in particular pension contributions, purchase of cars in some cases, special expenses arrangements, and so on? Salaries can seem equivalent until such items are brought into the equation. A salary policy should include a pension policy within it and there is a requirement for auto-enrolment for workplace pensions for those paid over £10,000 pa.

The issue of tied houses is a question in its own right. Putting a value on such things is not easy and much depends on whether the staff member already owns property or not. A Christian worker in tied housing for most of their life can find it very difficult to get on to the housing market on retirement.

# 6 **Do you pay the Real Living Wage?**

The voluntary Real Living Wage is higher than the National Living Wage and is supposed to represent the minimum someone can adequately live on. Outside London this is currently set at £12.00 per hour and at £13.15 within London (2023/24). The new rate is announced each October. See <a href="https://www.livingwage.org.uk">https://www.livingwage.org.uk</a>.

No one may be paid less than the statutory National Living Wage for those aged 21+ which will be £11.44 from April 2024 with no London weighting. Those aged under 21 have to be paid the National Minimum Wage which is set for different age bands. There are special issues to consider when a charity employs interns (see <a href="https://www.gov.uk/employment-rights-for-interns">https://www.gov.uk/employment-rights-for-interns</a>).

## 7 How do you treat part-time and overtime?

Many Christian Ministers and staff work a 50+ hour week and some much more than this. On the other hand some will have no commuting time and all church activities probably count as work. But consider issues that can arise in the following cases.

- 1 Some staff work their part-time hours but the full time staff are encouraged to work over their contractual hours without time off in lieu or extra payment.
- 2 Someone employed for 20 hours a week at just over the Living Wage puts in an average of 25 hours, which works out at less than statutory requirements.
- 3 Your Minister works 60 hours per week and puts pressure on everyone else to do the same or equivalent. But under the European Working Time Directive no employee can be made to exceed an average of 48 hours per week (which needs to include Sunday services if staff are required to be present).
- 4 You encourage staff to undertake voluntary church service too, just like any other member of the congregation. So an Administrator might lead a children's group – but what if they are Secretary of the Church Council when this is not specified in their job description? Or *vice versa* for a Children's Worker? Is it straightforward to differentiate between paid employment and voluntary service? If not, it will all be classified as employment.

## 8 Is it right to take 'need' into account?

If you pay relatively low salaries, should you take any note of individual need? This might be a one-off difficulty for a short time, but consider the single person serving Christ and your church in a low-paid role who then gets married and starts a family. Is it ever right to bring this into the calculation?

This may well happen for missions paying what is in effect a stipend, but in other cases may be one aspect of the complications that can arise when your employer and church family are one and the same.

## 9 What of those who do not require a full salary?

You may employ someone who has their own income (perhaps through a company pension or private means) but who is still salaried by the church or mission so they can be under contract. Do you pay them the full rate and let them Gift Aid the excess back to the church? This has the advantage of showing a proper cost on the church accounts and puts no pressure on a successor to do the same.

Or do you pay them at a reduced rate because that is all you can afford or they ask for – and might this put pressure on other staff to offer to be paid less unless explained clearly?

Remember too that if you are not careful small payments to volunteers make them, technically, employees and so Minimum Wage legislation applies. For thoughts around when you should employ rather than rely on volunteers, see Training Notes TN37, *To pay or not to pay*, on this website.

## 10 Who knows what about whom?

Finally, you need to decide on who should know individual staff salaries and pension arrangements (all Trustees or just a sub-group?) as opposed to the total salary bill. What do you want the staff themselves to know about how salaries and increases are calculated, and how much others are paid? What is right for a small close-knit team may not be appropriate for a larger body.

You also have to consider which group is tasked with deciding your overall pay scheme, your salary rates for new posts and decisions year by year on increases – and who should therefore be reading these notes! It might be the whole Trustee body or a Personnel or Pay Group within that. Whoever it is, there is always the issue of potential conflicts of interest where friends (or, more obviously, family members) are employed.

These ten points cannot be seen in isolation from each other. For example, if you increase a Youth Worker's salary to match local market forces (question 3) this can throw your differentials out of balance (question 2). But you cannot fix a fair remuneration scheme for a church staff without tackling these issues.

Perhaps you are disappointed that I have provided no easy answers, no one neat salary scale for all Christian workers. But to work through these questions is in itself an exercise of value and will show your staff you care about this vital aspect of their employment.

If you want to know more about what churches and Christian missions actually pay their staffs (whether these levels are 'right' or not is another issue), see:

- The UK Church Administrators Network (UCAN) *Essential benchmarking survey 2023* (available from UCAN at <u>https://www.churchadministrators.net</u>).
- The Royal School of Church Music have recommended rates for musicians available to their members (<u>https://www.rscm.org.uk</u>).
- Sadly, the Amaze website with suggested rates for church youth workers no longer exists. But you can use Google to check out pay-scale websites for UK youth workers in general.

These notes are available at <a href="https://www.john-truscott.co.uk/Resources/Training-Notes-index">https://www.john-truscott.co.uk/Resources/Training-Notes-index</a> then TN80. See also Article A3, Salary differentials for Christian staff, plus Training Notes TN37. To pay or not to pay, TN92, How genuine are your GORs?, TN98, An outline Church Financial Policy, and TN130, Appoint a 'Staff Action Group'.

Sincere thanks to a group of senior Church Administrators who gave informed and helpful feedback to a draft of these notes.

John's resources are marked for filing categories of Leadership, Management, Structures, Planning, Communication and Administration. File TN80 under Structures with a link to Management.

John Truscott, 24 High Grove, St Albans, AL3 5SU Tel: 01727 568325 Email: john@john-truscott.co.uk Web: https://www.john-truscott.co.uk