

Employing a paid worker



Introduction

Taking on a paid worker is a huge step for any group. With the right amount of planning, forethought and support, a paid worker can be a very useful addition to the group. However, without planning, a paid worker can be a very expensive drain on your already limited resources.

The purpose of this guide is to outline the basic facts your committee needs to consider if your group has reached the stage of wanting to take on a paid employee.

Your group may feel daunted when it considers all the responsibilities that this entails.

However, many parents' groups do become successful employers. Hopefully by the time your group has reached this stage in its development, it will have an established committee with a range of skills and already be involved in providing a service for families of disabled children. Your group is probably a registered charity or in the process of becoming registered.

Try not to be put off by all the tasks outlined below. The same principles do apply even if your group just wants to pay someone a few hours per week to do some basic administration! But you can break it down into manageable steps.

There is also a lot of help at hand. For example, this guide mentions various employment policies. Contact a Family is always happy to give groups copies of its policies which your group is free to adapt (these are listed at the end of the fact sheet). You can ask another established organisation to do your payroll for minimal cost. Your local Council for Voluntary Service will be able to help you plan. And there are excellent, more detailed, guides than this one (see references at the end).

contact a family

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Why take on a paid employee?

The first step is to look clearly at why your group needs a paid worker.

- You have identified tasks which are currently being done by volunteers.
Are your volunteers/committee members willing to hand over these tasks? Will they still feel valued and go on contributing to the group if they are no longer doing these tasks? Is it possible that your volunteers will start to draw back from the group, resenting the hours that they give for nothing when someone else will get paid?
- You have identified tasks that the group has never found a volunteer to take on.
Why? Are the tasks too boring/unrewarding/difficult/not clearly defined? Tasks for a paid worker should be well defined and clearly thought through.
- You have identified a number of key tasks which the committee has agreed can only be achieved by employing a paid worker.

Great, you have identified a need and have all agreed that employing someone is the best way to meet that need.

Have you registered as a charity?

Employing a worker is almost certainly going to mean that you will have to register as a charity. This is because:

1. You will find it difficult to raise funding for a worker if you are not registered.
2. If successful, your group's higher income will mean that legally you have to register (currently the Charity Commission stipulates that you should register if you have a steady income over £1,000 per year.)

The next steps

Establish and agree a shared vision for the future.

The committee will need to draw up future goals for the group. This may be a strategic/business/development/action plan. The plan will need to include short and long term goals which have been formally agreed by the committee. Without a shared vision, you will be unable to provide your paid worker with direction.

A sample business plan is outlined below. Don't be put off by this! You will probably not need to produce a business or strategic plan of this size for a small funding bid. But you will, at the very least, need a written plan which helps everyone focus on how a paid worker would fit into your group's development. The headings in this example should help you structure your written plan and will enable your funders to see where you are headed and why they should fund your worker.

Outline of a sample business plan

Three Year Business Plan

1. Summary

A paragraph stating your vision for the next three years

2. Introduction

- Statement of the group's main aims
- Structure of group (e.g. committee and volunteers)

3. Background to the plan

- History of the group's foundation
- How it has developed its services
- Any sources of funding or help in kind
- Achievements up to now

4. Evidence of need

- A reference to sound research showing the need*
- Any local or national survey or evidence about the need for the development of the service.

5. Strategic Work Plan for next three years

- Your specific aims for that period
- How you will carry them out (your planned activities)
- Year 1 – tasks
- Year 2 – tasks
- Year 3 – tasks

(These can be the same for each year)

6. Outcomes and benefits of the plan for your users

7. Staff and volunteer requirements to carry out the plan

8. Fund raising strategy

9. Budget – estimated income and expenditure for the next three years.

** Social Policy Research Unit in York has up to date research on disabled children – see <http://www.york.ac.uk/inst/spru>*

Preparing for additional responsibilities

1. Financial Management

You will need to budget for and draw up procedures for dealing with the following:

- Employee's salary, tax, national insurance including setting up payroll (you can look for another local employer to do payroll for you at a nominal cost).
- Public liability and employer's liability insurances as well as general insurance for equipment and building.
- Office space and rent if required
- Equipment such as computer, photocopying, fax, etc

- Procedures and forms for the worker to claim expenses for travel and petty cash etc.
- Office book- keeping arrangements and auditing of accounts.

Budgeting

You will be expected to show your planned income and expenditure for the year ahead and possibly for three years ahead. A common mistake for voluntary groups is to ask for too little money and then have to struggle by on a shoe string.

Workers tend to have new energy and generate ideas and activities! Most voluntary groups are short of funds and this places constant pressure on the worker and committee. It is a good idea to be as clear as you can about the real costs of employing a worker and supporting the activities you want carried out.

A sample budget

Income

Joe Bloggs Trust
 Social Services Carers Grant
 Membership fees

Expenditure

Salary and employers costs
 Recruitment expenses
 Rent
 Heat and light
 Travel costs
 Telephone
 PPS (Print, post and stationery)
 Information resources
 Parents/children's events
 Staff training
 Volunteer expenses
 Audit and accountancy
 Equipment e.g. computer, telephone, photocopying.

Some groups raise funds by breaking their needs into categories and seeking sponsorship for those. Examples could be:

- Summer Play scheme
- Newsletter
- Children's Christmas party
- Rent and office costs

2. Staff Management

The committee will need to decide who will be responsible for the day to day line management of the worker. This includes induction and training as well supervision and annual appraisals.

Who is in charge?

The worker needs to be clear about accountability. It will be important for the worker and the committee to have clear lines of communication. For example, the worker may be expected to attend all the committee meetings and give a report of their work. The committee should direct the general policy and direction of the group, in line with the stated aims and objectives. However, it should not interfere with the day to day decisions and work carried out by the worker or attempt to manage the worker. This role is carried out by one person – often the chair of the charity's main committee. The line manager can be an external person although your group would have to remember to budget for this.

What if things go wrong?

The group needs to have a grievance procedure in place in case of dissatisfaction or complaints/conflicts between the worker and the committee or manager. It is best to have this in place even if you think you will never need it. A lone worker in a small organisation can be vulnerable and feel there is no one to take their concerns to. People in small voluntary groups tend to feel very passionately about their cause and are not necessarily objective! A good employer always considers the worker's welfare and rights.

Can we appoint a trustee?

Some parents' groups wish to appoint a known and trusted trustee or committee member as the worker. Often this is the person who founded the group in the first place and has helped make the group the success it is!

Charity law states that a trustee can only accept paid employment "where prior express authority exists, either in the charity's governing document or in the form of approval by us or the Court." (Ref CC11 Payment of Charity Trustees, Charity Commission, June 2003.)

The person cannot overcome this by simply resigning as a trustee and applying for the job. You must get clearance by writing to the Charity Commission explaining what the trustee does at the moment and what the paid job will be. The Charity Commission considers each case individually. Hence if your group knows that a trustee is very keen to become the paid employee, write to the Commission as soon as possible.

What's a fair rate for the job?

A glance at any recruitment pages will show a bewildering range of salaries paid for seemingly similar jobs. Paid workers for small voluntary groups are not in it for the money! The best thing is to try to speak to similar groups and get a feel about what seems reasonable in your geographic area and in relation to the demands of the job.

Some employers make up for relatively low pay by being generous with annual leave and being flexible around school hours and child care. This flexibility can be far more important to a parent who has to juggle child care or domestic demands. (Of course it is very important to have a proper recording system about hours worked and leave taken.)

Don't forget to build London Weighting into the salary costs if the group is in London.

Recruiting your paid worker

Practical matters

Someone will need to place the advertisements, send out the application packs, set up an interview room, arrange the short listing, write to the candidates and liaise with the panel.

The post must always be advertised in line with good equal opportunities practice.

What does 'equal opportunities' mean?

It is most important to observe equal opportunities during the whole process.

It means ensuring that the most suitable candidate gets the job, regardless of gender, age, race, religion or sexual orientation.

This is important anyway, but even more important if you are permitted to interview a former trustee or if you hope to employ someone known to one of your group members. By having open and fair competition, you will protect the worker and the good name of the group from future charges of bias.

The job description and person specification must be sent to candidates along with information about terms and conditions. The person specification should state the actual skills, knowledge and attributes that are needed for the post and then be used as a tool to shortlist people for interview.

Your funders may wish to ensure that you have tried to reach all communities and for this reason it is also good practice to enclose an equal opportunities monitoring form with application packs for candidates to fill out anonymously. These should be separated from the job application before short listing.

All this is good practice anyway, but in addition, there are legal requirements to be observed. These are:

- that no person should be treated less favourably on the basis of colour, nationality, religion, ethnic origin or gender (<http://www.cre.gov.uk>)
- employers employing more than 15 staff are obliged to make reasonable adjustments to enable a disabled person to work for them – and this will probably extend to all employers from October 2004. (<http://www.disability.gov.uk>)

The appointment process

Your group will know the best place to advertise the post – either locally (a local group) or in national press (a national group). Three is a good number for an interview panel and it is helpful to have both genders on the interview panel. You should also include the line manager for the post. Many groups find it helpful to include an experienced outsider who has specialist knowledge that will be useful or has wide experience of interviewing in your field.

Once you have interviewed and agreed to make an offer, you should offer it 'subject to satisfactory references'. Once these have been collected, you should send the person a contract of employment to sign stating terms and conditions.

Terms and conditions

Most voluntary organisations cannot afford to pay people overtime for unsocial hours so offer time off in lieu instead.

Terms and conditions also include:

- Paid holidays allowance
- Statutory sick pay
- Statutory maternity pay
- Length of contract
- Grievances procedures

It is vital to be up to date on the law. For updates check <http://www.askncvo.org.uk>.

Don't forget the carers!

Parent carers are entitled to up to 18 weeks unpaid leave if they have a disabled child (to be taken up to age of 18 years). However, one of the benefits of working for organisations like yours is that you understand the needs of parent carers! So do write explicit rights into your terms and conditions about the entitlement to paid leave when the worker's child is sick or needing help. You can state a maximum number of days per year and add "or at the discretion of the line manager."

Working from home and other arrangements

The first paid worker, especially for national specific groups, may well start off working from home. Or your group may have other arrangements such as term time working only, short term contracts or very part-time work. The same conditions apply regardless of where or how much the person works. The arrangement must be spelt out in the person's contract of employment.

Long term implications of employing a worker

Groups and their workers find development irresistible! A good worker will not only do all those things your group planned but will also start to present new ideas and possibilities. The worker will reach more families and raise expectations and create more demands. This in turn will create higher costs and long term funding needs.

This will be exciting and create fewer stresses if you have laid good foundations in the way you employ this first worker.

Don't forget the committee!

It is also vital not to forget the needs of the committee members. They will have taken a big step forward in employing a worker and seeing the group's service develop.

Individual committee members need appreciation and chances to celebrate the group's achievements. Their commitment to, and support of, the worker will underlie the success of the whole project.

Resources

1. Your group may ask Contact a Family for copies of any of the following Contact a Family documents:

- Sample contract of employment
- Sample job application forms (download from our website)
- Personnel policies
- Health and safety policy
- Equal opportunities policy
- Confidentiality policy
- Complaints procedures
- Child protection policy

2. *Employment Handbook*

Published by NACVS (National Association of Councils for Voluntary Services)

Price £10, ISBN 095 1912887

Available from:

NACVS, Arundel Court, 177 Arundel Street, Sheffield S1 2NU

Tel: 0114 278 6636

3. *Voluntary but not amateur – a guide to the law for voluntary organisations and community groups*

Published by London Voluntary Service Council

Price £22.95, ISBN 1 872582 71 0

This is a very useful book with several chapters about employing workers (contracts, policies, health and safety legislation, etc.

Available from:

LVSC, 356 Holloway Road, London N7 6PA

Tel: 020 7700 8107 <http://www.actionlink.org.uk/lvsc>

4. Useful Websites

These solicitors' websites contain useful free information for employers.

<http://www.communitylaw.co.uk>

<http://www.barnesmarsland.co.uk/employment>

http://www.russell-cooke.co.uk/serv_c&o_charities.htm

<http://www.sandy-a.co.uk>

<http://www.venables.co.uk/individc.htm#employment>

This guide is part of the Contact a Family Group Action Pack. For more information please visit www.cafamily.org.uk or telephone 020 7608 8700.

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