

SALARY ADVANCE POLICY

Version number	Date approved (including committee)	Reason for production/revision	Author	Proposed next review date
V1.0	Q2 2023-24 ExCo	New Policy Review every 3 years	Head of HR	Q2 2026-27 and as required
Related policies				
• Disciplinary Policy • Grievance Policy and Procedure • Code of Conduct and Professional Responsibility • Zero Hours policy				
External Reference				
• HMRC				

The Prevent Duty (2015)	No	
*Relevant Policies only		
Data Protection	Yes	This is in accordance with all other confidential information that is held about employees pay with HR and Finance.
Equality Impact Assessment	Yes	No potential discrimination identified as it is open to all subject to the conditions and reason for the request.

1. SALARY ADVANCE POLICY

1.1 Policy brief & purpose

Our salary advance policy describes our terms for advancing pay to our employees as an emergency short-term loan.

1.2 Scope

This policy applies to all of our permanent full-time or part-time employees regardless of position. Temporary employees who have contracts that span more than one year may also be included in this policy. Those on a zero hours contract are not eligible for a salary advance.

1.3 Policy elements

“Salary advance” refers to employees receiving a portion of their pay before their next normal payday. This doesn’t include any money paid to the employee for relocation or work-related expenses.

ICMP has no obligation to pay employees in advance. We may choose to do so if employees have legitimate reasons.

1.3.1 Conditions for requesting a salary advance

Employees can request a pay advance if they:

- Have completed their probation period.
- Have not taken any other company-sponsored loan.
- Have not asked for a pay advance in the past 12 months.
- Have exhausted all other avenues of assistance.

These conditions apply to all eligible employees without discrimination against protected characteristics, rank or position.

Employees should have a legitimate reason to ask for advance pay, usually an unexpected or unavoidable occurrence. Examples of such reasons are having to pay for:

- Family or personal emergencies (e.g. being victims of a robbery or fire, having to pay funeral fees)
- Costs incurred unexpectedly that affects your ability to do your role

Examples of non-legitimate reasons are:

- Taking a planned vacation
- Planned expenditure (e.g. moving house, visa renewal)
- Entertainment expenses
- Gambling
- Fines

The factors which would be taken into account when considering cases include the length of service; whether time away from work might be lost; and the frequency with which assistance is sought in the case of a particular individual, nature of the emergency and volume of requests made by all employees in that month.

1.3.2 Salary advance terms

The advance pay cannot exceed 50% of employees' monthly net pay. If employees find themselves in need of more frequent or larger pay advances than they are allowed, they should discuss the situation with their line manager in first instance.

Salary advances are made solely at the discretion of the Head of HR and the Finance Director (or their nominated representative). Two signatures are required for approval.

ICMP will deduct the amount of the advance pay from an employee's next paycheck. If this is not possible, then a request for a longer repayment plan (no more than 4 months) must be made with details of the reason for the request.

ICMP will not charge any administrative fees or interest.

Any outstanding balance must be repaid prior to leaving ICMP employment. Failure to do so may result in ICMP passing the debt to a third party debt collection agency.

1.3.3 Payroll advance agreements

Employees who want to request a payroll advance must complete the form in Appendix A. They must:

- Indicate their reasons for filing the form.
- State the amount of money they want to receive in advance.
- Sign to accept this policy's terms.

This procedure must be followed:

1. Employees should submit the form to HR – HR@icmp.ac.uk
2. The Head of HR and the Finance Director (or nominated representative) must review the form and decide whether to grant the employee's request. If they approve, HR must create an agreement form on pay advance and repayment terms taking any applicable taxes into account.
3. The accounting department must give employees their advanced pay through check, cash or bank transfer.

If the request is denied, then HR will inform the employee.

Appendix A – Salary Advance Request

To be completed by individual requesting financial aid:

Employee name:		
Reason for request:		
Requested amount of advance:		
Proposed repayment schedule:		
I hereby request an off-cycle payment to be paid in advance of the number of approved hours/days worked. I understand that this amount is subject to tax and national insurance deductions as per normal.		
Employee signature:		Date:
HR signature:	HR name:	Date:
Finance signature:	Finance name:	Date:
Comments (office use only):		

I understand that the agreement to grant financial assistance is entirely at the discretion of ICMP Management Ltd.



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