

HONORARIA

1. INTRODUCTION

- 1.1 A manager may consider granting an honorarium for an employee to be financially rewarded for **significant additional work performed over and above** their usual responsibilities which are outside the scope of the post for which they are employed.
- 1.2 This can include an employee undertaking additional duties where an acting-up allowance is not appropriate as they are not undertaking the majority (75 to 100%) of duties of the higher graded post. Additional duties, however for a period of less than one month do not qualify, if for example covering short term absence or annual leave.
- 1.3 Honorarium payments should usually be **single, one-off payments** paid via payroll retrospectively. In **exceptional** circumstances they can be for a period of up to 4 months.

Exceptional is defined as;

- Where there is a legitimate service need for a period of longer than a month
- Additional work arising from a project
- Increased, unplanned work load

- 1.4 Employees **cannot** receive both an honorarium and an acting up allowance at the same time.
- 1.5 Employees **cannot** receive an honorarium for the same duties on a consecutive annual basis as it would deprive them and the Council of pension contributions when acting up would be appropriate.
- 1.6 The application should be processed and recorded by the HR, and is subject to final approval by the relevant Chief Officer.

2 BENEFITS AND RISKS

- 2.1 This policy should ensure a fair and consistently applied process across the Council that appropriately recognises and rewards individuals and/or teams for exceptional performance.
- 2.2 Non-compliance with this procedure may result in an inconsistent and inappropriate approach across the Council, which could lead to pay and grading issues.
- 2.3 Any prolonged payments could be viewed as part of normal salary and in such instances may be taken into account for the purposes of a redundancy calculation.

3. CRITERIA

- 3.1 An honorarium payment can be justified where the following conditions apply;
- i. The duties being covered are at a higher level than would normally be appropriate to the grade of the employee, and are to be performed for a limited period only,
- and**
- ii. A full acting-up allowance is not justified,
- or**
- iii. There is additional workload over an extended period, not exceeding 4 months.
- 3.2 The additional duties and responsibilities must be carried out for a period of at least 4 weeks. Payment will be approved in accordance with payroll schedules and paid in arrears subject to satisfactory performance and will be paid from then onwards, including payment for the first four weeks.
- 3.3 Where the duties are shared, each individual shall be required to complete four weeks in order to comply with the requirements for payment as above.

4 ACTING UP ALLOWANCE

- 4.1 If the employee is carrying out **above** 75% of the duties of a higher graded post then an **acting-up allowance** must be paid rather than an honorarium. (See the Acting Up Allowance Policy for further information).

5. OVERTIME

- 5.1 Where the increased workload is planned and results in hours being worked over and above contractual hours, **overtime/planned overtime is** normally applicable.
- 5.2 Where the increased workload is not planned but results in hours being worked beyond the contractual hours, an **honorarium** payment may be justified as an alternative.
- 5.3 HAY graded employees taking responsibility for extra hours but without claiming overtime can be rewarded by an honorarium payment if appropriate, at the discretion of the Chief Officer. This does not, however include

attendance at evening meetings which are included in contracts of employment. Additional responsibilities must however, be subject to evaluation (see section 10.2).

6. INFORMATION TO SUPPORT AN APPLICATION

- 6.1 The reason and the anticipated duration of the honorarium must be provided by the line manager. For the purposes of delegated powers approval, the manager should also specify whether the honorarium is a one-off payment or is to continue on a short term basis but for not **more than 4 months**. All honoraria lasting for more than 3 months must be reviewed by HR and line managers.
- 6.2 When the justification for the increased workload is stated (for example examining the implications of new legislation) the authorisation for working the extra hours should be given. It should be specified that the additional tasks are not part of the normal fluctuating demands of the post and that payment in this instance will not result in recurrent applications.
- 6.3 If the payment is claimed for additional duties, the postholder's job description should clarify whether the claim is justified, alternatively if additional duties are being added to the post, this will be a clear case for the for role profile to be re-graded.
- 6.4 Confirmation should be given that funding is available from the service area budget since there is no contingency provision for honoraria payments. The cost centre code must be recorded for Finance and Audit purposes.

7. SHARING ADDITIONAL DUTIES

Where additional duties are shared between officers, the honoraria payments should be proportionate to their respective grades. If however, there is a wish to share equally any payment or reward for extra hours worked, this arrangement can be made with the approval of all employees concerned.

8. PROJECT WORK

- 8.1 Project work not covered as part of the normal duties of the post may warrant a one off honorarium payment.
- 8.2 Where the duties undertaken are not those of a recognised post, an evaluation must be undertaken by HR to establish that the honorarium is appropriate to the responsibilities. The GLPC or HAY Job Evaluation Schemes must be used, with full descriptions of the duties to identify the key areas for factor assessment. This should be used to benchmark honorariums paid for similar work undertaken within the Council.
- 8.3 It is essential to differentiate between project work which can be included as a feature of the job description for which an honorarium would not be appropriate, and the assumption of sole responsibility for an ad-hoc project which entails

duties over and above the normal level of responsibility and is not a normal requirement of the role.

9. EMPLOYEES ON SICK LEAVE

Honoraria payments are made to employees on the basis that they are actively undertaking additional duties. Where an employee who is receiving an honorarium is absent from duty for more than a week, the manager should review the payment. There is no justification for continuing to make a payment to an employee when they are unable to undertake the duties for which the honorarium was awarded.

10. PAYMENT CALCULATION

- 10.1 It is important to consider the most cost effective method of rewarding staff for performing additional duties.
- 10.2 For undertaking of higher graded duties, the honorarium amount would be the difference between current salary of the postholder and the lowest spinal column point of the assumed grade, calculated pro-rata for the percentage of time involved. The amount can be paid at monthly intervals for a limited period, but must not be viewed as alternative to a re-grading.
- 10.3 In the calculation of additional duties, the level of responsibility should be evaluated by HR, and the honorarium should reflect the difference between actual and additional work level as well as the additional time involved.
- 10.4 An honorarium payment should not be paid where additional hours have been planned and paid under overtime arrangements.
- 10.5 Staff on salary protection would only receive an honorarium if the amount calculated exceeds their level of protection (which is up to a maximum of 8 spinal points).

11 LIMITS

The limits apply to whole honorarium

- Minimum – no minimum limit
- Maximum - 10% of annual salary, or £4,000, whichever is the lower.
- Team honoraria - the total of payments to individuals must not exceed the maximum limits and typically would be distributed in equal amounts between the team. The calculation should be based upon average salary for the team.

12. PROCESSING APPLICATIONS

Responsibility	Action
Line Manager	Complete the honorarium form available on the intranet (Appendix A) providing the rationale and the basis of calculation of the payment. Ensure that the funding is available.
Chief Officer Head Teacher or School Governor	Approve honorarium payment(s) in accordance with the policy and HR advice. Send completed form to HR Shared Services.
HR Shared Services	<ul style="list-style-type: none"> • Check that the figure proposed for payment has been calculated correctly and record the information on SAP. If the payment is to reflect additional duties it may be necessary to assess the level of responsibility through job evaluation. • If it is proposed that the payment be made over short term period, a date should be diarised for review and the employee should be notified in writing of the conditions of the payment. • In such cases confirmation of the continuance of the payment should be submitted each month to the Payroll Section on form SW13 (rev). • The signed form should be forwarded to the Payroll for input, and a copy retained for service area records • Note: Payment should not exceed 4 months
Payroll	Ensure that the form is properly completed and approved within the conditions of this policy <u>prior</u> to processing. Any forms that do not comply will be returned to the Chief Officer.
HR Analyst	<p>On a quarterly basis, produce:</p> <ul style="list-style-type: none"> • A report showing the total cost of honoraria payments, number of employees receiving honoraria, employees paid an honorarium more than once in a 12-month period. Analysis broken down by equality strands. • Reports to be produced annually for Area JNCC meetings.

HONORARIUM PAYMENT FORM

Name of Applicant: Pay No.
Service Area/Department: Spinal Point: Range
Designation: Current Salary:
<p><u>Section 1</u> 1 I recommend payment of an honorarium to the above named member of staff, in the sum of £ for the following reasons (<i>please tick relevant box</i>)</p>
i. Temporary increase in responsibilities to a higher grade <i>Please complete Section 2</i> ii. Exceptional contribution considered to merit a <i>Please complete Section 3</i> discretionary payment
<p><u>Section 2</u> Has the individual undertaken the full responsibilities of a more senior post? YES / NO</p> <p>If YES, Post undertakenCurrent grade of post.....</p> <p>IF NO, what are the increased responsibilities undertaken in excess of their normal role? </p> <p>Has this increased responsibility been evaluated by HR? YES NO If YES, please attach a copy of the job evaluation</p>

If NO, please explain why

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.....

How long did the individual undertake these responsibilities?

Date started Date finished

Initiator (signature) Date

Approved by (signature) Date

Section 3

Description of the special contribution and / or circumstances considered to exceed the requirements of the employee's post and to merit a discretionary payment.

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Has the employee received any additional payment such as an honorarium or temporary responsibility payment in the last 12 months? If yes please give details.

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Recommended (signature) Date.

Approved by (signature) Date.....

Section 4 -

Comments from Chief Officer: Payment of this honorarium is supported and approved as;

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.....

Approved by

Signed: _____ **Date:** _____

Chief Officer

Section 5 – For HR Use:

The above information has been recorded and verified. Funding is available, and the cost code is _____

Actioned by

Signed: _____ **Date:** _____

HR Officer

Section 6 – Payroll Notes

Date Input _____ **Date:** _____