

Policy on Awarding Additional Payments

1 Introduction

- 1.1 There will be occasions when, to ensure the delivery of an efficient and effective service, employees will be required to undertake additional duties and responsibilities and/or to work reasonably beyond their normal contractual hours.
- 1.2 Such arrangements should be short term up to a maximum of one year.**
- 1.3 In certain circumstances, employees may be awarded an additional payment in recognition of this extra work. This policy sets out the different types of additional payment which managers, in consultation with human resources, may award and the criteria which must be met for each type of payment to be made.
- 1.4 Where the requirement for an employee to undertake additional duties and responsibilities is likely to exceed a year alternative arrangements will need to be made, ie, a secondment or fixed term contract. Please refer to the appropriate policies.

2 Scope

- 2.1 This Policy applies to all employees of the Council with the exception of the Chief Executive.

In relation to Schools, this policy applies to Community Maintained Schools where employees' terms and conditions are set with respect to the NJC (Green Book) terms and conditions. Voluntary Aided Maintained Schools, where the Governing Body of the school is the employer of staff, may adopt this policy and related guidance at their discretion.

3 Consistent Application of the Policy

- 3.1 To ensure that such payments are made only where the employee meets the specified criteria and that awards are applied consistently and fairly to employees across the Council, managers must consult their relevant HR Business Partner/HR Consultant for schools **before** awarding any additional payment under this Policy.

4 Fair Selection of Employee(s)

- 4.1 Where a manager identifies a need for employee(s) to act-up into a higher-graded post or to undertake additional duties or a project outside the scope of the employee's contract of employment, it is important that the selection process is handled fairly.
- 4.2 The opportunity to act up must be advertised amongst the appropriate group(s) of staff within the section/department. Managers must seek advice from HR on this. If more candidates express an interest than is required, please refer to the Recruitment and Selection Policy for more information on interviews.



5 “Acting-up” Allowance

Eligibility:

- 5.1 An employee is entitled to receive an acting-up allowance when they are asked to provide temporary cover for a higher-graded post over a period of four consecutive weeks or more. Circumstances which may merit an acting up arrangement include:
- the postholder is absent for any reason other than annual leave or
 - the post is vacant and there is a need to maintain continuity of work until the post can be filled.
- 5.2 The allowance is payable only where the targets and performance levels within the section are continuing to be maintained.
- 5.3 An acting-up allowance should not be awarded to employees for additional duties carried out at the same or lower grades as these would constitute an increase in volume of work rather than in complexity or level of responsibility. In these circumstances, it would be more appropriate to consider paying overtime (if the employee qualifies) or granting the employee compensatory time off in lieu (see Section 8 below).
- 5.4 However, where the additional duties are significant and outside the scope of the employee’s existing contract of employment, then payment of a discretionary honorarium may be justified (see section 6 below).

Calculation of the allowance:

- 5.5 The acting-up allowance is calculated on the basis of the difference between the basic salary which would apply if the employee were to be promoted to the higher-graded post (normally the minimum point of the scale) and the employee’s existing basic salary.
- 5.6 The full acting-up allowance will be payable only where the full duties and responsibilities of the higher-graded post are being undertaken.
- 5.7 In cases where two or more employees are jointly undertaking the full duties and responsibilities, the allowance should be calculated on an individual basis and weighted according to the number of hours/weeks/months each individual spends covering the higher-graded post. The full acting-up allowance cannot be paid to more than one employee in respect of the same period of cover.
- 5.8 Where an employee is undertaking a proportion only of the full duties and responsibilities, authorised managers may award one of three levels of payment only i.e. 25%, 50% and 75% of the full allowance (please see guidance notes).



Authorisation and payment of the allowance:

- 5.9 Payments should be agreed by a manager in consultation with the relevant HR Business Partner/HR Consultant and Head of Service, before they are awarded.
- 5.10 On receipt of the employee's formal acceptance of the acting-up arrangements, the line manager should complete an online staff amendment form for approval by the Budget Holder and Accountant (please see Staff Amendments on the HR pages of the Wave). Once approved, the required changes will be made in payroll in order that payment can be made to the employee.
- 5.11 Where an extension to an acting up arrangement is sought, the approval workflow is extended to include HR Advisory.
- 5.12 The acting-up allowance will not be paid until the employee has completed four consecutive weeks in the "acting-up" role. It will be paid in monthly instalments together with salary.
- 5.13 The acting-up allowance may continue to be paid during short periods when the employee acting-up is absent due to sickness or leave. However, should the employee's absence be for a continuous period of more than two weeks due to sickness, leave (including maternity, parental, or adoption leave) etc. then the acting-up allowance will cease automatically and will not become payable again until the employee returns to work and assumes the higher-level duties. It is the responsibility of the employee's manager to notify Payroll of any absences or other relevant information which might require the payment to be re-calculated or terminated.
- 5.14 Payroll will not process a payment where the payment either does not meet the requisite criteria or has not been calculated in accordance with the provisions set out in this Policy.

Termination of the allowance:

- 5.15 The acting-up allowance is paid to an employee on the understanding that they are actively undertaking the higher-level duties.
- 5.16 A manager can terminate the acting-up arrangements and payment of the allowance where there are concerns over the employee's performance, conduct and/or attendance during the acting-up period. Please see guidance notes for details of other circumstances when the acting-up allowance would cease.
- 5.17 Payment of an acting-up allowance would also cease where it is necessary for a manager to authorise another employee to undertake the acting-up duties.

6 Discretionary Honorarium Payment

Eligibility:



- 6.1 A discretionary honorarium payment may be made where an employee is required by their manager to undertake **exceptional work of a temporary and non-recurring nature outside the scope of their contract of employment. The appropriate level of authorisation must be obtained before the work commences and before confirmation and detail of any payment is made to the employee.**
- 6.2 Circumstances which may merit such a payment being made include:
- an employee making a significant contribution to a substantial one-off special project beyond that normally expected in the course of their normal duties
 - an employee achieving required business/service objectives despite exceptionally difficult circumstances over a period of at least three consecutive months e.g. significant staff shortages due to illness or unforeseen vacancies in the employee's section and where the employee:
 - is not entitled to receive payment in respect of overtime under their contract of employment
 - cannot be granted compensatory time off in lieu, either at the time the extra hours are worked or at any future date, because the absence cannot be accommodated within the needs of the service **and**
 - such work is deemed to be outside the scope of the employee's contract of employment and they have received no other payment in recognition of the additional hours worked.
- 6.3 Such payments should not be awarded where, having regard to the size of the project, it would be more appropriate to create a temporary post to undertake the additional work (see guidance notes).
- 6.4 Similarly, discretionary honoraria must not be used to reward employees who have worked additional hours and/or undertaken extra duties which would be considered to fall within the scope of the employee's contractual obligation to meet the demands of the service. In these circumstances it would be more appropriate to consider paying overtime (if the employee qualifies) or granting the employee compensatory time off in lieu (see Section 8 below).

Calculation of the honorarium:

Additional duties/project work evaluated at the same grade as the employee's substantive post

- 6.5 The payment should be equivalent to the average value of one salary increment within the grade of the employee's post.



- 6.6 The resulting “full-year” figure should then be proportioned according to the duration of the additional work/project or the number of weeks the employee has been working the additional hours.

Additional duties/project work evaluated at a higher grade than the employee’s substantive post

- 6.7 Refer to Acting Up payments at paragraph 5 and manage as an acting up.

Authorisation and payment of the honorarium:

- 6.8 Honorarium payments must be authorised by ELT in addition to the relevant tier approvers as follows:
- the relevant HR Manager and Head of Service for all employees below Head of Service level AND the Executive Director
 - the relevant HR Manager and the Assistant Director for employees at Head of Service level AND the Executive Director
 - the relevant HR Manager and the Chief Executive for employees at Director level.
- 6.9 The discretionary honorarium will be made as a “once-and-for all” payment either upon the satisfactory completion of the additional work/project or when the employee finishes undertaking the additional hours.
- 6.10 Management reserves the right to reduce the level of the payment where an employee’s actual personal contribution to the additional work/project has been significantly reduced from the level originally envisaged. Please see guidance notes for the circumstances in which the payment should be reduced.
- 6.11 Payroll will not process a payment where the payment either does not meet the requisite criteria or has not been calculated in accordance with the provisions set out in this Policy.

7 Accelerated Incremental Progression within the Existing Grade

Eligibility:

- 7.1 A manager in consultation with their Director/Head of Service and Human Resources, has the discretion to award up to a maximum of two additional salary increments, within the salary scale, to an employee in recognition of **exceptional performance.**
- 7.2 The employee’s work performance must meet one or more of the following criteria to qualify:
- consistent performance of high-quality work over and above that normally expected of the postholder for a period of at least six months



- consistent performance of work of the same level and quality as employees at a higher salary point on the grade
- performance of work to such a high standard that little supervision is required in circumstances where there would usually be a strong supervisory element.

7.3 The award of accelerated increment(s) must only be made in exceptional circumstances. It must not be used to recognise exceptional work of a temporary and non-recurring nature (see guidance notes).

Approval and payment of the accelerated increment(s):

7.5 Payment should be agreed by the manager in consultation with their Director/Head of Service and Human Resources and processed via the online staff amendment form approval workflow from the Budget Holder and Accountant. On receipt of an authorised online staff amendment form the necessary changes will be made to payroll.

Notification to the employee:

7.6 The employee will be issued with an 'amendment to contract letter' by Business Operations, detailing the accelerated salary progression, approved by the budget holder.

7.7 The Business Operations team will place a copy of the letter on the employee's personal file.

8 Rules regarding employees undertaking extra duties or working additional hours WITHIN the scope of the employee's contract of employment

Employee(s) undertaking additional duties:

8.1 Under the terms of their contracts of employment, all Brighton & Hove City Council employees can be required by management to undertake, from time to time, duties additional to their normal duties in order to meet the demands of the service.

8.2 Where such duties are considered reasonable and appropriate to the grade and general character of the work for which they are employed, the employee is not entitled to receive any additional payment in recognition of undertaking the additional work (see guidance notes).

8.3 If the additional duties are significant and deemed to be outside the scope of the employee's contract of employment payment of a discretionary honorarium may be justified (see Section 6 "Discretionary Honorarium Payment" above).

Employee(s) working additional hours:



- 8.4 Employees may also, on occasions, be required by management to work hours additional to their normal contractual working hours in order to meet the exigencies of the service arising from emergencies, increase in work volume or from the occasional need to cover for absences.
- 8.5 Whether such additional hours would qualify for payment is dependent upon the grade of the employee's post. Please refer to the guidance notes for the rules governing such payments.

Monitoring of Additional Payments

- 9.1 HR Business Partners/HR Consultant for schools will be responsible for monitoring the award of all additional payments to employees under this Policy. This is to ensure that these provisions are being appropriately and consistently applied both within and between teams and departments. HR Business Partners/HR Consultant for schools should provide, for consideration by their Department's Management Team, on a six-monthly basis, a report detailing the acting-up allowances, honoraria payments and instances of accelerated incremental progression awarded to employees.

Guidance Notes on Awarding Additional Payments

1. Introduction

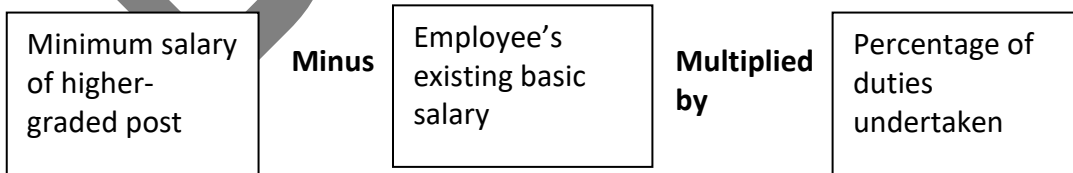
- 1.1 These guidance notes are designed to provide practical guidance for applying the Additional Payments Policy in order to ensure that its provisions are applied consistently and fairly to employees across the Council.

2 Acting –up Allowances

Calculation of the allowance:



- 2.1 The salary used to calculate the acting-up allowance should be at least the equivalent of one salary increment above the employee’s existing salary. This would normally be the minimum point of the scale of the higher-graded post which the employee is required to cover.
- 2.2 The allowance is then calculated on the basis of the difference between the “new” salary and the employee’s existing basic salary.
- 2.3 Where an employee is undertaking a **proportion only** of the full duties and responsibilities of the higher-graded post, it is necessary to assess as objectively as possible, the proportion of the higher-level duties the individual is undertaking. Advice should be sought from the relevant HR Business Partner when assessing an employee’s contribution.
- 2.4 Only one of three levels of payment may be authorised. The criteria for each level of payment are given below as a guide:
 - 2.4.1 **25%** - an employee undertaking only a proportion of the full duties and responsibilities of the higher-graded post. This means that the employee will be carrying out the more routine, less onerous tasks associated with the higher-graded post and will be expected to make routine decisions only. The more complex issues will be referred to a more senior manager. There will, therefore, be a need for a high level of supervision, guidance and assistance.
 - 2.4.2 **50%** - an employee undertaking a significant proportion of the full duties and responsibilities of the higher-graded post but excluding the most onerous duties. This means that the employee will be expected to make more than routine decisions but there will still be a need to refer more complex issues to a more senior manager. There will therefore be a need for a reasonably high level of supervision, guidance and assistance.
 - 2.4.3 **75%** - an employee undertaking the majority of the duties and responsibilities of the higher-graded post and making all but the most complex decisions. This means that the employee will require a level of supervision, guidance and assistance above that normally required of the postholder.
 - 2.4.4 The following formula should then be used to calculate the acting-up allowance:



- 2.4.5 Where more than one employee is undertaking a proportion of the full duties and responsibilities, the sum of the percentages must not exceed 100%.

3 Discretionary Honorarium



Calculation of the honorarium:

- 3.1 It is necessary in the first instance for the manager, in conjunction with the relevant HR Business Partner to arrange for the additional work/project to be evaluated corporately and an appropriate "grade" allocated to it.

Additional duties/project commensurate with the employee's substantive grade:

- 3.1.1 In these circumstances, the honorarium would be based on the average value of one salary increment within the grade of the employee's post and proportioned according to the length of time the employee undertakes the extra work.

Additional duties/project evaluated at a higher grade than the employee's substantive grade:

- 3.1.2 Where the grade of the work to be undertaken is higher than the grade of the employee's existing post, the honorarium should be calculated in the same way as for acting-up allowances (see Section 2 above).
- 3.2 There may be cases where, because of the size and likely duration of the additional work/project, it would be more appropriate to create a temporary post and to recruit to this vacancy in accordance with the Council's normal recruitment procedures.
- 3.3 Where managers are unclear about which process to adopt, they should seek advice from their HR Business Partner.

Payment of the honorarium:

- 3.4 The discretionary honorarium payment is calculated on the basis that the employee(s) actively undertake the additional work/project for the whole of the period originally envisaged. Where an employee's contribution has been significantly reduced from the level originally envisaged, due to sickness, leave or for some other reason, the discretionary honorarium payment made to the individual will be reduced accordingly.
- 3.5 Should the employee's absence make it necessary for management to authorise another employee to undertake the additional work/project for the remaining period that the work/project has to run then the discretionary honorarium payment will be re-calculated on the basis of the period up to the date on which the employee relinquished the additional work.

- 4 Accelerated Incremental Progression within the existing grade

General:

- 4.1 Accelerated increments must not be awarded in any of the following circumstances:

- as a means to correct salary anomalies
 - where such an award results in the creation of salary anomalies within the team/section/department
 - where the manager has concerns about an employee's conduct, capability or attendance record.
 - to recognise an employee's contribution to work which is of an exceptional, temporary and non-recurring nature and which is deemed to be outside the scope of the employee's contract of employment. This is because it would give a long-term reward for a short-term contribution.
 - to enhance the level of pension payable to an employee in their last year of service. **This practice is unlawful.**
- 4.2 The award of additional salary increments does not interrupt the employee's normal annual salary progression.

Confirmation of the award of accelerated increment(s):

- 4.3 Once Business Operations have been notified using the staff amendment form, they will issue an amendment to contract letter to the employee to confirm:
- the number of salary increments to be awarded
 - the reason for the award
 - the date on which the increment(s) will be awarded
 - the employee's revised salary
 - confirmation of the date on which the employee's next scheduled salary increment is payable (if appropriate).
- 4.4 Business Operations will place a copy of the on the employee's personal file.

5 Rules governing the undertaking of additional duties or hours within an employee's contract of employment

- 5.1 The following rules are incorporated within individual employees' contracts of employment:

Employees graded M7 to M5 inclusive:

- 5.2 Employees at this level are required to work such reasonable additional hours as are necessary to ensure the efficient and effective discharge of their duties. This may necessitate their working outside normal office hours i.e. in the evenings, at weekends and/or on Bank / Public Holidays.



- 5.2.1 Any additional hours worked will not qualify for additional payment because the grading of the individual's post will have been set having regard to these hours and working requirements. However, compensatory time off in lieu may be granted by the employee's Director/Head of Service where this can be accommodated within the needs of the service.

Employees graded SO1/2 to M8 inclusive:

- 5.3 Any additional hours worked by employees within this grade band will not normally qualify for additional payment but compensatory time off may be granted by the employee's manager where this can be accommodated within the needs of the service.

Employees graded Scale 1 to Scale 6 inclusive:

For employees participating in the Council's Flexible Working Hours Scheme

- 5.4 The Council's Flexible Working Hours Scheme is designed to accommodate fluctuations in workload so that employees can be credited with any additional hours they may be required by Management to work, from time to time, in order to meet the demands of the service.
- 5.4.1 The standard practice, therefore, should be for managers to grant compensatory time off in lieu to an employee who has been required to work hours in excess of their contractual hours.
- 5.4.2 In cases where the number of extra hours worked is significant, and application of the flexi-time rules governing the carry-over of credit hours from one accounting period to the next would result in the employee losing a proportion of the accrued hours, managers can vary the standard Scheme to permit a greater number of hours to be carried forward.
- 5.4.3 Having said this, it must be emphasised that managers have a duty of care to their employees under health and safety legislation and therefore they should not encourage their employees to work excessive hours and permit the build-up of a large number of hours. Therefore, any such variation of the carry-over rules must be made, in exceptional circumstances only, to accommodate a specific peak in workload of finite duration. It must not be applied as a matter of routine.
- 5.4.4 However, any such variation must be on a temporary basis only and the manager must agree with the employee the period over which the extra hours will be reduced to normal levels by the individual taking time off in lieu.
- 5.4.5 Managers should, therefore, seek to minimise the payment of overtime to employees within this grade band by varying the standard provisions of the Flexible Working Hours Scheme in this way.
- 5.4.6 However, in exceptional circumstances, where compensatory time off cannot be accommodated within the needs of the service and/or the workload makes it



impossible for an employee to take time off, at any time, then overtime may be paid in accordance with the terms referenced in the Council's Allowance Scheme.

- 5.4.7 Important note: Payment for overtime working will be made only in cases where the relevant manager has given their approval in advance to the employee working additional hours.
- 5.4.8 Overtime at the enhanced rate is payable only in respect of those additional hours worked in excess of 37 hours.
- 5.4.9 Additional hours (part time workers up to 37 hours in a week) worked within the hours of 6.00 am to 8.00 pm will be paid at plain time rates where, exceptional circumstances mean that compensatory time off in lieu cannot be granted. These hours attract working pattern allowances, where they would similarly qualify for full time workers, as set by the terms referenced in the Council's Allowance Scheme Payment will not be made unless such working can be justified and the employee has been required by management to work the extra hours.

For employees not participating in the Council's Flexible Working Hours Scheme

- 5.5 An employee who works hours additional to their normal contractual weekly working hours and outside their normal start and finish times should normally be granted compensatory time off in lieu of any extra hours worked.
- 5.5.1 However, where compensatory time off cannot be accommodated within the needs of the service, then overtime may be paid in accordance with the terms referenced in the Council's Allowance Scheme

Payment for Overtime (other than planned overtime):

- 5.6 Overtime will be aggregated for each calendar month (or other appropriate period where the hours are averaged over a period longer than a week).
- 5.6.1 Overtime, hours worked above 37 in a week, will be paid at time and a half Monday to Sunday, or for public holidays double time.
- 5.6.3 The employee's basic rate of pay will be used in calculating overtime payments.
- 5.6.4 Part-time employees are entitled to these enhancements only at times and in circumstances in which full-time employees in the establishment would qualify. Otherwise, a full working week for full-time employees will have to be worked by a part-time employee before these enhancements apply.