

SALISBURY CITY COUNCIL

Subject : Honorarium Policy
Committee : **Personnel Committee**
Date : **25 November 2024**
Author : Tracy Adams

Agenda Item: 13

1. Report Summary:

1.1. This report presents a proposed honorarium policy for the Personnel Committee's consideration, outlining the circumstances under which honoraria may be awarded and the process to be followed.

2. Background

2.1 Honoraria have occasionally been awarded to employees who take on tasks outside their usual job descriptions. However, in the absence of a clear policy, managers have varied in their understanding of when an honorarium may be appropriate.

2.2 The proposed policy defines the purpose of an honorarium, emphasising consistency across the Council and considering factors such as contractual obligations.

2.3 The policy provides examples of situations where an honorarium may be suitable and clarifies decision-making authority for these awards.

3. Recommendation:

3.1 It is recommended that the Committee:

3.1.1 Adopts the new honorarium policy

4 Wards Affected: All

5 Background papers:

Draft Honorarium Policy

6 Implications:

6.1 Financial: The policy includes guidance on honorarium budgeting.

6.2 Legal: Provides guidelines to ensure honoraria do not conflict with contractual terms.

6.3 Personnel: Policy applies to all workers and employees across the Council.

6.4 Environmental Impact None

6.5 Equalities Impact Statement: Applies to all staff



Honorarium

Policy No	Version	Owner	Doc No	PDF No	Date Published	Review date	Changes
TBC	V1	HRM	N/A	N/A			To be taken to Personnel Committee 25 November 2024

Distribution

Internal: All SCC Staff

External: Website/Councillors/Partners

1. Policy Statement

1.1. This policy applies to all staff.

1.2. The purpose of this policy is to provide a clear and transparent framework for the use of honoraria, ensuring accountability and value for money.

1.3. This policy is non-contractual.

2. Introduction

2.1. Salisbury City Council recognises that, on rare occasions, staff may be asked to undertake responsibilities outside their normal role for a short period.

2.2. The job evaluation policy should be used for longer-term or permanent changes in duties or responsibilities.

3. Purpose

3.1. The purpose of this policy is to:

3.1.1. Ensure the purpose and eligibility criteria for honoraria are clear, and that they are applied consistently and fairly across the Council.

3.1.2. Ensure that budgetary considerations are taken into account in line with financial regulations.

3.1.3. Ensure the amount of an honorarium is reasonable and proportionate to the additional work undertaken.

3.1.4. Clarify that an honorarium does not alter an employee's contractual obligations.

4. Eligibility

4.1. An honorarium is a rare gesture of goodwill and is not a contractual payment.

4.2. Situations where an honorarium may be considered include:

4.2.1. **Exceptional performance:** While all staff are expected to perform their roles to a high standard, managers must detail what aspects of an employee's performance have been exceptional in order to justify an honorarium.

4.2.2. **Short-term additional duties** (i.e. less than 3 months), such as covering for a vacancy: The honorarium form must outline the additional duties and the expected duration of these responsibilities.

4.2.2.1. In such cases, managers should ensure that the employee's workload remains manageable and should conduct regular reviews.

4.2.3. One-off projects that fall outside the scope of the employee's usual job description: The rationale for the honorarium should include a description of the extra effort required.

4.3. Honoraria may apply to permanent, fixed-term contract, and casual staff.

4.4. The budget for the honorarium must be agreed with the Responsible Financial Officer (RFO) if it falls outside usual budgetary authority.

4.5. Typically, a manager recommends honorarium payments. However, employees may request that their manager consider them for an honorarium if they feel it is warranted.

5. Decisions

5.1. All honorarium forms should be submitted to the RFO for initial identification of the funding source.

5.2. Once the budget is confirmed, the completed form must be sent to the Head of HR, and Chief Executive Officer (CEO) for final decision.

5.2.1 CEO will consider the application in relation to organisational expectations.

5.2.2 Head of HR will consider application in relation to consistency across SCC and any contractual implications.

~~5.3. HR will maintain a central record of all honoraria and monitor for any imbalances or disproportionate use across departments.~~

5.4. No honorarium will be approved without the completion of the relevant form.

5.5. The amount of the honorarium should be determined based on a fair and reasonable assessment. HR can provide support to ensure consistency across the Council.

6. Communication

6.1. This policy will be available to all staff.

6.2. The policy will be reviewed annually, and honoraria will be discussed each year between the CEO and Head of HR.

7. Payments

7.1. Honoraria will be processed in accordance with HMRC rules on tax, National Insurance, and pension contributions. If you want the amount to be a net amount, please consult with payroll prior to completing the form.

Honorary Scheme – Application for Payment

Form should be completed by Manager of individual

Name of individual (Person for whom honorary is requested)					
Name of manager					
Team					
Date					
Reason for honorary (i.e. exceptional performance, short term additional duties, one-off project)					
Total amount of award (gross amount) (If you wish the employee to have a specific amount, please contact payroll before submitting the form to calculate NI/tax and Pension contributions)					
How will the payment be funded?	There is no Council budget for the payment of honoraria. Officers are not permitted to spend without a budget. Therefore you need to identify which underspending budget will be used as the source for funding this honorary.				
		Cost centre	Dept	Account code	£
	Move from expenditure code				
	Move to honorary expenditure budget code			10100	
Budget virement confirmed (to be completed by RFO)	Date: Form to be passed to CEO & Head of HR for decision				
Rationale for decision	Approved?		Declined – enter reason		
	CEO/Head of HR				

Please now pass to payroll hr@salisburycitycouncil.gov.uk