1. **Introduction**

1.1. This programme is applicable to professional services, academic and technical staff holding positions on pay grades 1-9. There is an alternative *Discretionary Pay Review* process for professorial teaching and research staff.

1.2. The programme is designed to encourage and reward exceptional performance results and behaviours which help to drive the University’s mission and strategic goals as stated within the University strategy and in any cascading School/Divisional strategies. Performance considered for reward under the programme represents that which is truly exceptional and goes *significantly beyond* that which would normally be expected and which is also captured and evidenced in performance reviews.

1.3. Organisational Financial Health – The University’s general financial health will determine its ability and decision to payout under the programme each year. The achievement of organisational targets and objectives may also be required.

1.4. The language used in this document is not intended to create a term and condition of employment. This document does not create any contractual rights or entitlements. The University reserves the right to revise the contents of this policy, in whole or in part. No promises or assurances, whether written or oral, which are contrary to or inconsistent with the terms of this paragraph create any part of a contract of employment.

2. **Eligibility**

2.1. The Discretionary Pay Review is accessible to all eligible University staff holding positions within pay grades 1-9, irrespective of their length of service, provided that they have been in post on the effective date of the award (October 01\(^{st}\)) for over six months and are not subject to a capability process or a performance improvement plan.

2.2. **Please note that Discretionary Pay Review awards are not to be used** where a manager considers the requirements of the job to have grown or changed significantly such that it requires job re-evaluation and all such cases should be discussed with the relevant HR Adviser in the first instance.

2.3. **Please also note that,** where individuals are covering duties attached to a vacant post or an absent colleague or are temporarily acting-up into a higher post, a DPR performance award is *not* the appropriate means of compensation, and all such cases should be discussed with the relevant HR Adviser in the first instance.
3. **Equality of access**

3.1. Managers will consider all directly reporting staff members for performance awards within their areas, regardless of their equality group (e.g. gender, age, disability, religion, ethnicity, etc.). Staff on leave (e.g. maternity, paternity, adoption, sick, study) should also be considered.

3.2. The Reward Team will be responsible for the equalities monitoring of the programme over time and will report as required.

4. **Funding, Frequency, and Effective Date of Discretionary Pay Review Awards**

4.1. Discretionary Pay Review performance awards will be paid from the School/Divisional budget. By submitting a DPR bonus or salary increase recommendation, the responsible School or Divisional leader is certifying that sufficient current or recurring funds are available in the unit’s budget.

4.2. Discretionary Pay Review performance awards will normally be paid out on the January pay date each year with an effective date of October 01st in the previous year.

5. **Performance Criteria**

5.1. The specific performance criteria required for individual awards are applied within each School/Division and are established to align the individual’s efforts with the School/Division’s strategy, which in turn, supports and helps drive the University’s mission and strategic goals as stated in the University strategy.

5.2. Performance results must be evidenced on the Discretionary Pay Review form.

6. **Types of Pay Awards**

6.1. Whilst submissions for pay awards will only be made in cases of exceptional performance, a distinction will be drawn between a punctual performance contribution and the potential of sustained performance excellence over time.

6.2. **Discretionary Pay Review Bonuses** - Where an award is based on exceptional, punctual performance (e.g. a high-performance year or a one-off achievement or project), the award will be paid by way of a lump sum bonus payment.

6.3. **Discretionary Pay Review Bonuses** may be:

6.3.1. An individual bonus payment - Where an individual performance bonus is awarded, it will be within one of three applicable ranges. Band A = £750 - £1000; Band B = £1000-£1500; Band C = £1500-£2000. Line managers will assess performance and determine which award band will be applicable to each case. Supporting evidence for the recommendation will be included within the DPR form. Bonuses will be pro-rated for part-time staff.

6.3.2. A team bonus payment - Where a team bonus is awarded, all team members will receive the team bonus amount of £750. Bonuses will be pro-rated for part-time staff.

6.4. **Awards of Performance Bonuses** may be made to staff whose posts have been red-circled or who have reached the top of their grades.
6.5. Discretionary Pay Review Salary Increase - Where a recommendation is put forward for exceptional, sustained performance, the award will be consolidated into base pay by way of an additional pay point increment on the pay and grading structure.

6.6. Discretionary Pay Review Salary Increases may be:

6.6.1. Increments awarded within the non-discretionary zone of a grade:

a) These increments may be awarded to individuals demonstrating exceptional and sustained performance over time but who have not reached the discretionary range of the current grade. As increments awarded within the non-discretionary zone of the grade will be in addition to the annual automatic increment, these awards will necessarily be quite rare and significant awards to achieve. Managers putting forward such cases must ensure that there are extraordinary and documented performance results and evidence showing sustained performance over the previous two years must be submitted with the DPR form.

b) Accelerated increments should not be regarded as a means of adjusting the salaries of existing staff in the light of new appointments.

6.6.2 Increments awarded within the discretionary zone of a grade:

a) These increases may be awarded to individuals demonstrating exceptional performance but who have reached the non-discretionary top of their current grade.

b) Discretionary salary points are fixed pay points, in that there is no progression from one point to the next, unless a further recommendation for a performance salary increase is approved.

6.7 Awards of Discretionary Pay Review Salary increases may be made to staff whose posts have been red-circled or who have reached the top of their grades. In these cases, the award will be given as a lump sum payment and will represent the amount of difference between the current pay point and the next within the same grade, or in the cases of those at the top of their grades, the amount of difference between the top rate pay point the one immediately below.

7 Process Guidelines

7.1 The University Executive Group (UEG) and the Remuneration Committee will provide governance regarding programme design, affordability, equality and equity.

7.2 The programme will be communicated and coordinated annually within each School/Division during the Autumn Term. Heads of School will be accountable to the Deputy Vice Chancellor (DVC) for budget expenditure, and similarly, Directors of Services will be accountable to the Chief Operating Officer (COO).

7.3 HR Advisers will provide Heads of School and Directors of Professional Services with spreadsheets early in the Autumn Term, setting out the current grades, grade points and salaries for each of their staff members in pay grades 1 – 9.

7.4 Line managers will consider all direct reports for awards and submit recommendations via the relevant Head of School or Director using the Discretionary Pay Review form. Staff members may also request their line managers to consider them for an award, but it is line managers who complete the DPR recommendation form. DPR forms will include evidence in support of each case being recommended and will form the basis of review and discussion with the relevant HR Adviser as needed.
7.5 Heads of School and/or Directors of Services will consult with all line managers in their Schools/Divisions regarding their award recommendations and will populate and return the provided spreadsheets to the relevant HR Adviser.

7.6 HR Advisers will be responsible for meeting with the Heads of School and/or Directors of Services within their client service areas to review and advise on award cases as needed. They will also collate the approved DPR application forms and forward them, along with the populated spreadsheets, to the Reward Team.

7.7 All completed DPR forms and award spreadsheets must be provided to the central Reward Team for processing by December 01st each year.

7.8 Only submissions using the current documentation format will be accepted.

7.9 Human Resources will process the awards for payment and these will normally be paid out on the January pay date each year with an effective date of October 01st in the previous year. HR will also confirm awards to all individual recipients in writing.

7.10 There is no right of appeal against a decision not to grant a pay award but an individual may request feedback on the decision in a performance review discussion.