

Performance Bonus awards

All staff will have a Performance Development Review to be completed by the 30 April each year. As part of this review, managers will indicate whether staff have met or not met the required standards.

All staff are expected to do a good job, but each year there are some individuals who, through their particular effort and skill, deliver substantial achievements which make a significant difference to business delivery, and warrant special recognition and reward in the form of a performance bonus. The award of a bonus will not depend on the level of experience of the jobholder, provided they have passed probation: it is the evidence of an exceptional contribution which matters.

The aim of the bonus is to reward staff who have consistently demonstrated that they have performed outstandingly against the standards set. No more than 35% of staff from any comparable group will be able to receive a bonus. There is no commitment or obligation to make awards to the full 35% and it is possible that some areas will not reach the maximum number of awards allowable.

Two levels of bonus can be awarded to up to 35% of staff at HEO - Grade 6 level (and equivalent) - a bonus or an enhanced bonus. The enhanced bonus will be available for up to 10% of HEO - G6 (and equivalent) where they have performed to a high standard, met the requirements and demonstrated particular achievements in people management and leadership as set out below.

Staff are expected to perform well meeting the required standards. To be considered for a bonus staff must be able to show that they have:

- delivered exceptional performance beyond their stretching objectives or a very good performance in particularly challenging circumstances; and,
- (where applicable) managed and developed their staff effectively; and,
- demonstrated the Home Office Values in all their work; and
- (where applicable) successful performance has been delivered through effective management of people.

Enhanced Bonus

The enhanced bonus will be awarded to HEO to Grade 6 staff who meet the requirements for a bonus award for all grades and also demonstrate that their **performance has been outstanding even by the standards of exceptional performance, and the jobholder, whether or not a line manager, showed leadership which has had a positive impact, beyond the normal range of the job, for colleagues, internal or external stakeholders, or the public.**

Special bonus scheme

A special bonus gives prompt recognition and reward to individuals and/or teams for outstanding achievement in particularly demanding tasks or situations. Special bonuses are entirely separate from and additional to the

performance development review bonus payment. They are one-off cash payments which are taxable and non-pensionable. In addition, alongside a cash bonus or in isolation, staff may be awarded a bonus of up to five days extra leave in any period of 12 months.

Use of a special bonus allows management to respond quickly to reward outstanding effort or excellence.

What are they paid for

Bonuses can cover a wide range of behaviours or activities. Just a few examples are:

- a special project which may require particular dedication and flexibility
- someone covering for an absent colleague in addition to performing their normal duties and striving hard to sustain good service
- individuals and teams who have demonstrated a good level of achievement in the teeth of great pressure and adversity
- special circumstances which mean individuals or groups have had to carry temporarily a heavy workload which has been met with strong commitment
- special bonuses should also be used to reward staff whose innovation or good ideas improve efficiency or service delivery
- special bonuses should not be used where it would be more appropriate to make arrangements to pay overtime (for grades up to and including SEO) or excess hours compensation (for grades 6 and 7)

How bonuses are proposed and approved

The scheme allows any member of staff to suggest to management that a special bonus should be given to an individual or team. Formal nomination should be made by line management through the head of unit and **must be approved by the director**.

The director is responsible for ensuring that awards are made on a fair and consistent basis across the directorate and that staff in all grades and all parts of the directorate are considered for awards. Special bonuses are open equally to all staff, regardless of ethnic origin, religious belief, gender, sexual orientation, disability or any other irrelevant factor.

Budget for special bonuses

Special bonuses are paid for out of pay running costs and all directorates are expected to target 0.3 per cent per annum of their running costs for this purpose.

Value of bonuses

In most circumstances the maximum amount payable as special bonus is the greater of:

- five per cent of the target rate of the grade of the individual concerned
or
- five per cent of the target rate of the SEO (London) pay range.

Directors may make higher awards within the target budget of 0.3 per cent of pay running costs.

Team rewards may be equal cash amounts or an equal percentage of basic pay. If the former, the maximum amount normally payable to an individual will equal the maximum amount which could be paid to the highest grade in team.

The cost of extra leave need not be calculated and will not be set against the target budget.