

Reward Scheme Procedure

1. Introduction

This document must be read in conjunction with the [Reward Scheme Policy](#) which sets out the criteria for, and eligibility requirements, for an individual award.

This document describes the procedures for awards for staff (up to Grade 9 and AC4) through additional pay for their individual or team contribution.

This document describes the procedure for awarding:

- a. GEM Awards
- b. Team Awards
- c. Merit Awards
- d. Additional and discretionary increments

Please note that the above awards (a-c) are suspended from 1 August 2023 until further notice.

2. Communication

Reward Scheme details should be circulated to staff annually, along with timetables.

Units are encouraged to publish (anonymous) extracts from previous successful cases in their unit, as indicators of the type of contribution considered worthy of an award.

Units may publish the number of awards etc. granted in their unit but will not publish the names of individuals who received awards.

3. Going the Extra Mile (GEM) Awards ^{*suspended from 1 August 2023 until further notice}

- a. GEM Awards are available for line managers to use as a way of recognising their staff throughout the year.
- b. The criteria for a GEM award are set out in the Reward Policy.
- c. It is the responsibility of the line manager to:
 - i. Identify the opportunity for a GEM award, although suggestions for a GEM Award may be initiated by any work colleague.
 - ii. To ensure nomination meets the criteria for GEM Awards, set out in Reward Policy.
 - iii. Secure the agreement of the Head¹ of Business Unit and People Business Partner.
 - iv. Raise the approved GEM Award on the Success Factors system for payment.
- d. The distribution (in terms of team, equality and diversity, hierarchical, geographic, and part/full-time split), of GEM Awards within a business unit will be scrutinised by the People Business Partners who will report their findings, not less than annually to, and work in partnership with the Head of Business Unit, to ensure the use of GEM Awards is fair, transparent and equitable, with particular regard to the impact on under-represented groups.

¹ In meta units such as Academic Services and CIO, the designated Head of Unit may be unit within the overall business unit, for example SRF or IT.

4. Merit Awards ^{*suspended from 1 August 2023 until further notice}

Merit Awards are awarded principally based on evidence gathered through the CDSA process, where individuals have made an outstanding contribution in the short-term on a focused task/project.

The [Reward Scheme Policy](#) sets out the criteria, and eligibility requirements, for a Merit Award.

5. Additional increments/discretionary points

Additional increments may be awarded to accelerate progression towards the top of the pay scale in recognition of **sustained excellent contribution**.

Discretionary points are points above the top of the normal grade salary points, and progression to these points is not automatic.

The [Reward Scheme Policy](#) sets out the criteria, and eligibility requirements, for additional and discretionary increments.

6. Nominations for Merit Awards and additional and discretionary increments

The nomination and OU Consistency Panel process is the same for both Merit Awards and additional/discretionary increment recommendations.

Nominations:

- i. **Nomination:** Staff may self-nominate; any self-nomination will be referred by the People Business Partner to the nominee's line manager who will be afforded the opportunity to comment on the nomination in advance of the Business Unit Review Panel.
- ii. **Line manager led nominations:** Before submitting any recommendations, line managers must:
 - a. **Merit Awards:** Consider all their direct reports who meet the eligibility criteria.
 - b. **Additional/discretionary increments:** Consider all of their direct reports who meet the eligibility criteria, and ensure they are not inadvertently penalising those whose contribution may have been disproportionately impacted for any reason, including individual circumstances, such as part-time staff, or those on maternity or sickness absence etc.
 - c. Identify and reference the evidence on which their recommendation is based (usually documented within the CDSA).
 - i. The CDSA should be a major source of evidence for exceptional achievement. Other evidence of positive achievements and behaviours will inform the process.
 - ii. Staff will not be unreasonably refused an award in the absence of a CDSA, if there is evidence of exceptional achievement where the reason for the CDSA not being undertaken is due to the manager and the member of staff has not contributed significantly to that delay.
 - iii. As part of the CDSA process, line managers who have direct reports with line management responsibility are asked to discuss how they will be applying the Reward Scheme for their teams.
 - iv. CDSA is not applicable to agency workers, and managers should draw on other sources of evidence.
- iii. For all nominations, support in writing cases will be available to individuals in the form of a ['hints and tips'](#) guidance for managers, and voluntary mentoring locally within units (where available).
- iv. Recommendations must be submitted using the relevant form not later than the submission deadline. There is a 500-word limit for each question that requires a long answer.

7. OU Consistency Panel

The proposed Merit Awards and additional and discretionary increments will be subject to the scrutiny of the OU Consistency Panel, the **Terms of Reference for the OU Consistency Panel** are set out at Appendix A to this document.

The OU Consistency Panel will be responsible for:

- a. Identifying any discrepancies between the workforce and award profile for the University as a whole, and at business unit level.
- b. Bringing to the attention of the Head of Business Unit, and the Unit's People Business Partner, any discrepancies between the workforce and award profile that require further consideration.
- c. In particular, the Consistency Panel will be empowered to challenge and seek rationale from the Head of Unit as to why there may be an unfavourable gap for any of the EDI characteristics e.g. above or below 10% tolerance. If the rationale is not substantial or equitable, the Consistency Panel has the right to decline such awards.

8. Feedback to business units

At the start of the process, People Services will provide each Business Unit Review Panel with a spreadsheet on which to record their nominations and their decision against each nomination. Spreadsheets will be populated *inter alia* with staff EDI profiles (Unit compared to University as a whole). This data will be updated throughout the process and should be used to help guide units in their decision making when proposing nominations and outcomes.

9. Business Unit Review Panel

Local panels will usually consist of Senior Leadership Team members and/or a cross sectional group of individuals and must include the Unit's People Business Partner.

It will be the Unit's decision at a local level, to provide opportunities for colleagues across different roles, grades, and staff groups, to volunteer for a place on the review panel (on a rotational basis).

Participants on a review panel are required to exercise strict confidentiality to ensure there is no breach of GDPR.

Local variation can be exercised where detailed decision making cannot be done through a single group.

The Business Unit Review will be responsible for:

- a. Ensuring each nomination meets the:
 - i. Criteria of the Reward Scheme Policy
 - ii. Eligibility of the postholder for the award.
- b. Determining the actual monetary value of any Merit Award based on one of three options as set out in the Reward Scheme Policy. This is the responsibility of the Head of Unit, and must reflect the contribution of the individual, relative to others.
- c. Recording the decision for each nomination on the spreadsheet provided by People Services.

10. Submission of successful nominations to People Services

The Head of Business Unit will be responsible for ensuring all columns within the spreadsheet are completed, including the text to be incorporated in the letter explaining the reason for the award.

For agency workers, details of any individual award approved, should be sent to the People-Hub@open.ac.uk for processing.

The Head of Business Unit is responsible for submitting the completed spreadsheet containing the decisions against each nomination to the Reward team at reward@open.ac.uk by the submission deadline.

11. Payment

The People Hub will enter the Unit approved increments/discretionary points and Merit Awards on SuccessFactors. System validation/approval of increments/awards will be completed by the individuals' Head of Unit, Finance Business Partner and People Business Partner.

The People Hub will process the additional increments/discretionary points and Merit Awards on the system and issue the letters.

Additional and discretionary increments will require authorisation within Success Factors before they can be processed. Once authorised within the Success Factors workflow, payments will be made through the payslip backdated to 1 October following the end of the academic year to which any award applies.

The administrative process of system entry and validation must be completed before the payroll deadline. Entries made later than this date cannot be guaranteed to be processed in time for that month's payroll.

Going the Extra Mile (GEM) Awards and Team Awards are paid at any time, as close as possible to the event that triggered the award.

12. Communication of outcomes

Letters notifying employees of the successful outcome of their manager's nomination or their self-nomination will be produced by the People Hub, signed and sent to the Director/Head of Unit, who will distribute the letters to the relevant managers to pass on to the successful nominees.

Notification letters are not produced for nominees who have not been successful.

13. Useful references

[Reward Scheme Policy](#)

Valued Ways of Working Framework

Additional guidance '[Hints and tips](#)' for drafting successful award cases

[EDI Statement in relation to Reward Scheme](#)

Appendix 1: Terms of Reference for the OU Consistency Panel

Purpose

The central consistency panel forms part of the annual reward review process and meets twice a year to:

1. Scrutinise relevant pay review data to determine if the reward framework is being applied consistently and equitably.
2. Consider the number of a) nominations and b) awards proposed in relation to the 20% of eligible staff guidance amount.
3. Consider the potential impact of this analysis on the gender pay of the profile of nominations made.
4. Review the allocation of pay awards to understand the distribution of awards based on ethnicity and other OU Equality Scheme characteristics.
5. To examine this distribution of nominations and of awards against the University's overall workforce profile.
6. Highlight any trends in the distribution of nominations at both a University and Unit level.
7. Highlight any significant discrepancies in the allocation of awards that may require further exploration.
8. Provide feedback to units regarding the outcomes of this review via the People Business Partners. In 2022, the Consistency Panel will seek rationale from the Head of Unit as to why there may be an unfavourable gap for any of the EDI characteristics e.g. above or below 10% tolerance. Should the rationale not be substantial or equitable, the Consistency Panel has the right to reject such awards.
9. Give overall reassurance to the Vice Chancellor's Executive team that the pay awards overall have been awarded with the necessary EDI scrutiny and that outcomes were equitable.

It should be noted that it is not the remit of the panel to review individual nominations, but to offer advice and insight for the Units to consider any trends relating to the distribution of nominations and awards made including, but not limited to, an equality, diversity, and inclusion (EDI) perspective.

Explanation

The data to be examined by the panel:

- Relates to roles up to grade 9/AC4
- Include nominations from both line managers and personal submissions for 2022, additional and discretionary increments as well as Merit Awards
- Will be in the form of summary nominations at a University and Unit level only.

Membership

The membership consists of:

- Dean of EDI (Chair)
- Director of Reward, Insights and Engagement
- Faculty Director of Strategy, Planning and Resources (DSPR)
- Group People Director
- Nation Director
- Senior Manager (to be nominated by the University Secretary)
- Senior Employee Relations Manager
- Senior Reward & Performance Manager (Secretary).

Members may send a delegate in exceptional circumstances with agreement from the Chair.

In attendance

- Reward, Benefits & Performance Adviser
- Independent Adviser (optional)
- One UCU and one UNISON local representative (as observers).

Frequency of meetings

The central consistency panel will meet twice each year.