

Personal Allowances Payment Determination Procedure

August 2024 - This document is expired. It is replaced by the [Employment Conditions Procedure - Personal Allowances](#).

Section 1 - Purpose

(1) This document sets out Charles Sturt University's procedure for determining when it is appropriate to pay a personal allowance in order to attract, develop and retain high quality staff.

Scope

(2) This Procedure applies to continuing or fixed-term academic and general staff of Charles Sturt University (the University).

(3) This Procedure does not apply to executive staff of the University.

(4) This Procedure does not apply to casual staff of the University.

Section 2 - Glossary

(5) For the purpose of this Procedure:

- a. A personal allowance is an allowance that is attached to an employee and not to a position. A personal allowance may take the form of a:
 - i. market loading allowance, which may be offered at the time of recruitment to attract a person from an industry where salary rates are significantly higher than those paid by Charles Sturt University;
 - ii. responsibility allowance, which may be paid to an employee who has agreed to accept responsibilities beyond those expected at his/her current level of appointment; or
 - iii. retention allowance, which may be paid to an employee or a cohort of employees whose skills are in short supply, as an incentive to remain in the employ of Charles Sturt University.
- b. A substantive position is the primary position in which a person is employed at Charles Sturt University.
- c. A concurrent appointment is an additional Charles Sturt University's appointment held by an employee at the same time as his/her substantive position.
- d. A rival offer is an offer of employment from outside Charles Sturt University.

Section 3 - Policy

(6) Refer to the [Employment Conditions Procedure - Personal Allowances](#) .

Section 4 - Procedures

Part A - Allowance Parameters

(7) A personal allowance may be paid as a lump sum or in instalments over a fixed period of time. See the ' Guidelines for Determining Superannuation Entitlements' pertaining to the payment of personal allowances.

Market Loading Allowances

(8) A market loading allowance may be paid for up to five years. If a case exists for continuation of an allowance beyond this period, then conversion to a retention allowance should be considered.

(9) If the market loading allowance is calculated at a fixed amount, then no indexation applies.

(10) If the market loading allowance is calculated at an alternative level and step, then it is indexed in line with any salary increases that apply to employees at that particular level and step.

Responsibility Allowances

(11) An advertised responsibility allowance may be paid for up to five years.

(12) A negotiated responsibility allowance is paid for the duration of the additional responsibilities, and does not normally exceed 12 months.

Retention allowances

(13) A retention allowance may be paid for up to five years, and may be renewed following review.

Part B - Market Loading Allowances

Advertised Allowances

(14) A Faculty/Division that has experienced difficulty in filling a position may request that the position be advertised with a market loading.

(15) In these circumstances, the Recruitment Action Form is accompanied by a supporting statement, which specifies the quantum of the proposed allowance. The supporting statement also sets out the justification for a market loading, including:

- a. a history of advertising the position without success;
- b. a comparison of market rates for the position; and
- c. an analysis of the proposal against the Principles and Conditions in the Personal Allowances Policy and the Allowance Parameters in this Procedure.

(16) The request is forwarded to the Delegated Officer (see [Employment Conditions Procedure - Personal Allowances](#)) for consideration and approval in discussion with the Executive Director, People and Culture.

Negotiated Allowances

(17) Following recruitment and selection, the preferred candidate may negotiate payment of a market loading allowance if the University's salary rates are significantly lower than his/her current salary or a rival offer from another organisation.

(18) In these circumstances, the candidate normally provides a written statement, outlining why he/she should receive a market loading allowance, along with documentary evidence of his/her current salary and/or rival offer.

(19) Based on the Principles and Conditions in the Personal Allowances Policy and the Allowance Parameters in this Procedure, the Dean/Executive Director determines whether payment of an allowance is appropriate and, if so, recommends the quantum of the allowance.

(20) The request is forwarded to the Delegated Officer (see [Employment Conditions Procedure - Personal Allowances](#)) for consideration and approval in discussion with the Executive Director, People and Culture.

Part C - Responsibility Allowances

(21) Responsibility allowances for general staff should be considered in accordance with Higher Duties Allowance provisions of the University Enterprise Agreement 2005-2008 (clause 33) in order to determine which is appropriate.

(22) This category does not include Position of Responsibility Allowances for English Language Teachers, which are covered in the University Enterprise Agreement 2005-2008 (Schedule E).

Advertised Allowances

(23) A substantive position may be advertised where the appointee is required to hold a concurrent appointment with additional responsibilities, e.g. a professorial position with concurrent responsibility for directing a Research Centre.

(24) The Faculty/Division may request that a responsibility allowance be attached to the performance of the additional duties.

(25) In these circumstances, the Recruitment Action Form for the substantive position is accompanied by a duty statement and selection criteria for the concurrent appointment.

(26) The substantive position is normally advertised on a continuing basis, and the concurrent position on a fixed-term basis.

(27) The request is forwarded to the Delegated Officer (see [Employment Conditions Procedure - Personal Allowances](#)) for consideration and approval in discussion with the Executive Director, People and Culture.

Negotiated Allowances

(28) An existing employee may be required to undertake additional responsibilities beyond those expected at his/her current level of appointment, e.g. leadership of a new international venture.

(29) Based on the Principles and Conditions in the Personal Allowances Policy and the Allowance Parameters in this Procedure, the Dean/Executive Director provides a written statement making his/her case as to why the employee should receive a responsibility allowance and recommending the quantum of the allowance.

(30) The request is forwarded to the Delegated Officer (see [Employment Conditions Procedure - Personal Allowances](#)) for consideration and approval in discussion with the Executive Director, People and Culture.

Part D - Retention Allowances

(31) Retention allowances are paid to existing employees, either individuals or cohorts of staff, whose services the University wishes to retain in a competitive labour market.

(32) An individual employee, whose skills are considered to be critical to the University and who has received a rival offer from another organisation, may request payment of a retention allowance.

(33) A cohort of staff whose skills are in short supply may be paid a retention allowance as an incentive to remain in the employ of the University, e.g. qualified chefs.

Advertised Cohort Allowances

(34) Where a cohort is in receipt of a retention allowance and a vacancy occurs, then the position is advertised with the allowance.

(35) For recruitment purposes, this is a market loading. However, once the person is employed, the allowance is treated as a retention allowance to ensure consistency within the cohort.

Negotiated Cohort Allowances

(36) Based on the Principles and Conditions in the [Employment Conditions Procedure - Personal Allowances](#) and the Allowance Parameters in this Procedure, the Dean/Executive Director provides a written statement making their case as to why the cohort should receive a responsibility allowance and recommending the quantum of the allowance.

(37) The request is forwarded to the Delegated Officer (see [Employment Conditions Procedure - Personal Allowances](#)) for consideration and approval in discussion with the Executive Director, People and Culture.

Negotiated Individual Allowances

(38) An employee who receives a rival offer and wishes to remain in the employ of the University contacts the relevant Dean/Executive Director to negotiate payment of a retention allowance.

(39) Based on the Principles and Conditions in the Personal Allowances Policy and the Allowance Parameters in this Procedure, the Dean/Executive Director determines whether payment of an allowance is appropriate.

Part E - Assessment and Determination - Rival Employment Offer

(40) An essential component of effectively responding to rival employment offers is timely action.

(41) Following receipt of a rival employment offer, the employee may approach his/her supervisor who, in the first instance, conducts a preliminary assessment and provides advice to the Dean/Executive Director.

(42) Prior to recommending payment of an allowance to an existing employee, the Dean/Executive Director makes a determination about whether it is possible to address the situation within standard procedures.

(43) Standard procedures include:

- a. convening an Extraordinary Meeting of the Promotion Committee (for academic staff) to determine whether the employee meets the criteria for promotion to the next academic level; or
- b. convening an Extraordinary Meeting of the Position Classification Review Committee (for general staff) to determine whether the position is graded correctly.

(44) If the Dean/Executive Director recommends payment of an allowance, then a request, including the following information, is forwarded to the Division of People and Culture (DPC):

- a. confirmation that the employee has received a rating of "meets performance requirements" or higher, as determined through the Performance Management Scheme;
- b. the employee's current curriculum vitae and confirmation that the employee holds the appropriate formal qualifications for his/her level of appointment;
- c. a Statement of Duties for the employee's current position (general staff only);

- d. a copy of the rival offer of employment, which includes information on the duration of the appointment, salary, incremental range, superannuation, leave entitlements, salary packaging options and any other benefits;
- e. an analysis of the market availability of the employee's skills and experience, and the challenges that the Faculty/Division would face if required to replace the employee;
- f. confirmation that the Faculty/Division is willing and able to pay an above-award salary from the operating budget; and
- g. an analysis of any consequence that may arise from payment of a retention allowance.

(45) On receipt of a request, DPC assesses the two salary packages and analyses the difference.

(46) DPC calculates an appropriate allowance and forwards the recommendation to the Delegated Officer (see Personal Allowances Policy) for consideration and approval in discussion with the Executive Director, People and Culture.

Part F - Salary and Leave Administration

(47) Personal allowances are not included in the calculation of overtime, penalty rates or leave loading.

(48) Unless otherwise stated, allowances will continue to be paid when an employee is on leave.

(49) The Guidelines for Determining Superannuation Entitlements sets out the superannuation arrangements for allowances.

(50) If a market loading allowance is calculated at an alternative salary level and step, then the employee is eligible for incremental progression within the appointed salary level and not the alternative level.

(51) If the position held by the recipient of an allowance is reclassified (in the case of general staff) or the recipient is promoted (in the case of academic staff), then the allowance will be absorbed into the new level of remuneration.

(52) Employees who are appointed to another position within the University, including secondments, do not normally retain their personal allowances. Provisions at clause 50 of this Procedure will apply.

Section 5 - Guidelines

(53) Nil.

Status and Details

Status	Current
Effective Date	22nd May 2014
Review Date	30th June 2018
Approval Authority	Executive Director, Human Resources
Approval Date	22nd May 2014
Expiry Date	Not Applicable
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