

CH4 - New and changes to allowances

Refer to the Allowance guide on the Personnel Services website for full details of all current allowances.

Please read all of the notes on page 1 before proceeding.

Allowances will need to be approved at department level within the CoreHR system. Approvers should refer to

QRG: Approve (or Reject) Salary/ Allowances (FD5) for guidance on approving.

What's changed?

1. Cost allocation guidance updated for clarity
2. Added guidance on split costings

Feb17



The **only** amendment you can make to an allowance is to change the end date to an earlier date. In which case follow **QRG CH12: Manage Changes: End Allowances**.



Note: All non-recurrent, one-off payments/ temporary allowances should continue to be managed via paper forms. Refer to Payroll for guidance.

This guide covers the following process steps:

1. Amending an existing allowance

Where an individual has an existing allowance that needs to be changed (including a change to the funding and/or an extension to the end date) a new allowance must be set-up. Follow the steps below under 'Adding a new allowance'. The new allowance details will replace the existing allowance (*with the exception of Schedule Allowance 2A, see separate note below*). A system message will advise you and the approver that the existing allowance will be ended once the new one has been approved by payroll.

Schedule 2A Allowance: If the employee is currently receiving a Schedule Allowance and is going to receive Schedule Allowance 2A instead OR is currently receiving Schedule Allowance 2A and is going to be paid a Schedule Allowance instead, the existing allowance **must** be ended before the new allowance is recorded. Refer to **QRG CH12_Ending Allowances**.

Multiple Allowances: It is not possible to add more than one allowance of the same type with the same effective date. If additional allowance/s are required you will need to enter them as a miscellaneous allowance Misc P or Misc NP as applicable. You should also email your payroll contact stating the reason for the allowance and whether it is subject to cost of living. If this information is not provided, Payroll will not be able to approve the allowance.

Cost centre changes: If the Cost Centre or Project Code for an allowance has been recorded incorrectly, **and the system is preventing you from ending the existing allowance**, please ask your Payroll contact to correct this for you. **NB:** The changes will apply from the month in which they are made and will not be backdated.

Never cancel an allowance within the Core system. This function is reserved for the Payroll Team only in very specific circumstances.

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2. Adding a new allowance

Navigate to: Personnel > Maintenance > Personal Profile

1. Search for the employee record and go to **Select Detail box > Appointment Details**. The *Appointment Details* window opens:
2. Go to **Select Detail box > Appointment Details**. The *Appointment Details* window opens.
3. If relevant, click into the **Appointment ID** to ensure the correct appointment is highlighted. Click the **Appointment Details** button. The *Post Appointment Maintenance* window opens.
4. Go to **Selection > Amend Pay Rate**.



The Add Salary and Allowance window opens:

5. To set up a new allowance, set the **Effective Date [A]** to the date the new allowance is to be paid from.

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6. Click the checkbox **Allowances Only [B]**.

7. Click the **Add Allowance** button **[C]**. The *Add Allowance* window opens:

8. Complete the *Allowance Details* screen as below:

Field Name (* mandatory)	Description
Allowance *	Select the relevant value from the list, e.g. Standby and Call Out Pay Cash.
Allowance Type 	This will populate depending on the allowance selected. For Scaled allowances refer also to the Allow. Multiplier section below.
Start Date *	Check the start date has been entered correctly
End Date * 	Enter the end date if required. If the end date is left blank, the allowance will be paid continually. Note: Acting up should not be for longer than 12 months (for Acting Up allowance always enter the planned end date).
Dependent upon the type of allowance selected you now need to enter either the Scale point, Percentage or Value as described below:	
Scale Point	If relevant, select Scale point, this will relate to a rate table.
Percentage 	If relevant, enter % to be applied. Note: For Percentage Allowances see note under Cost Centre/ Project

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<p>Value</p> 	<p>If relevant, enter the value of the allowance, e.g. 200 for a £200 per month allowance then press tab – the system will automatically calculate the annualised value.</p> <p>Note: Most allowances are paid in full as they are entered, i.e. the amount entered will not automatically be prorated to take account of FTE. Ensure the value entered takes account of FTE and salary multiplier.</p> <p>Note: Acting up value is calculated manually. E.g. current grade 05S pt 8 acting up to grade 06S pt 5. Deduct the annual salary of the lower grade from the annual salary of the higher grade and divide by 12 to give monthly value: 06S pt5 £29,099 - 05S pt8 £28,251 = £848.12/12. The value to enter in this scenario would be 70.67 per month (remember to pro-rata if part time).</p>
<p>Allow. Multiplier</p>	<p>Relevant for Scaled allowances only - enter % of allowance, e.g. 50 if only 50% of the scaled allowance is to be paid.</p>
<p>Cost Centre *</p>	<p>If the allowance is being paid from a project, select or enter 'CCPROJ'.</p> <p>If the allowance is being paid from a GL cost centre, select/enter the relevant GL code in the format AA999999999 where AA is the 2 digit department code. <i>See example 1 below.</i></p>
<p>Project *</p> 	<p>If you have already entered a GL code, leave this field blank.</p> <p>If the allowance is being paid from a project, select the relevant Project Code in the format AAXXXXXX.0000 where AA is the 2 digit department code. Take care to check the correct code has been selected. <i>See example 2 below.</i></p> <p>Note: For percentage allowances the cost allocation must be entered otherwise the allowances will be charged to the default cost centre on the appointment. For value and scaled allowances costing information only needs to be entered if the allowance will be funded from a different source to that recorded on the Cost Allocation screen.</p>
<p>Expense</p>	<p>Leave blank - this field is not used by the University.</p>
<p>Reason *</p>	<p>Select the relevant reason code, e.g. Allowance Awarded or Acting Up Start.</p>
<p>Comments*</p>	<p>Enter comments as applicable referring to the table in Appendix A.</p>

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Reference	No longer in use. References entered previously will still be displayed.
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Notes:

- You can type the cost centre straight in, but it must be in upper case.
- Always use the search function when entering a project code(s)
- When searching, the name/description is displayed in the first column in the search results; scroll right to view the codes.

Examples

If you have entered a GL code, it should look like example 1.

If you have entered a project code, it should look like example 2.

Example 1.

Cost Centre: AA9999999999 [?] AA0000000000 Example GL code
Project: [?] [?]

Example 2.

Cost Centre: CCPROJ [?] CCPROJ Cost Allocated to a Project
Project: ABCDEF00.0000 [?] ABCDEF00.AB00.01 Example description

9. Click . The *Add Allowances* window closes. Multiple allowances can be added at this time if required.
10. Click . The system will ask if you are sure you want to add this salary amendment. Click .
11. The *Maintain HR Salary Amendments* window opens. If you have Salary Approval access and it is appropriate to do so you can approve the allowance change straight away.
12. Exit all windows back to the Personnel main screen.

NEXT STEPS: Unless you were able to approve the allowance, the allowance will now appear in your approver's list for approval. Approvers should refer to **QRG: Approve (or Reject) Salary/ Allowances (FD5)** for guidance on approving. A letter should also be sent to the individual to confirm the changes.

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3. Setting up allowances with split costings

If you need to set up an allowance that is funded from more than one source you will need to set up an allowance for each cost centre or project code

Calculate the value/percentage to be paid from each funding source. This will depend upon the allowance type.

3.1. Setting up the first allowance

Follow the steps in section 2 above to set up the first allowance, selecting the relevant allowance pay code and entering the required value/percentage/multiplier.

3.2. Setting up the second (and subsequent allowances)

For each subsequent allowance, follow the steps in section 2 above to set up the next allowance, noting the following:

- Allowance type = '**split costing**'.
- Enter the correct value/percentage/multiplier to show the value required
- Enter the relevant cost centre or project code.
- Enter comments as shown in the table below to explain which allowance the split costing applies to.

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APPENDIX A

The notes shown below should be entered in the comments field in the allowance screen where applicable:

Allowance	Comments
Allowances requiring Reward Team approval	Enter the approval reference from the Reward Team
Acting Up NP	'Acting Up from grade [enter grade and point] to grade [enter grade and point]'. Enter a reason E.g. Acting up from grade 4.6 to grade 5.3. Additional duties/covering absence
Split costing	<ul style="list-style-type: none"> Split costing for [enter allowance name] and % e.g. Split costing for clinical APA allowance 25% Please state either: 'Subject to cost of living uplifts' or 'Not subject to cost of living uplifts' as applicable
Misc Non P (inc Misc Non P 2-4) Not to be used for split costing	<ul style="list-style-type: none"> Enter the reason for the allowance Please state either: 'Subject to cost of living uplifts' or 'Not subject to cost of living uplifts' as applicable
Misc P (inc Misc P 2-4) Not to be used for split costing	<ul style="list-style-type: none"> Enter the reason for the allowance Please state either: 'Subject to cost of living uplifts' or 'Not subject to cost of living uplifts' as applicable
TUPE (Data Services only)	Continuation of contractual allowance following TUPE transfer wef DD/MM/YY
Clinical Excellence Awards received prior to joining the University	Continuation of Clinical Excellence Award originally awarded by <i>[insert name of awarding Trust/organisation]</i> wef DD/MM/YY
Multiple entries If multiple comments need to be entered please enter them in the order shown	<ol style="list-style-type: none"> Any reference/s provided by the Reward Team Acting Up allowance details Split costing (Misc non P) Any other comments