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Remuneration and Benefits Procedure (MPF1170)

GOVERNING POLICY

This procedure is made under the Remuneration and Benefits Policy ([MPF1223](#)) ('the Policy').

SCOPE

The scope of this procedure is the same as that set out in section 2 of the Policy and only applies to University employees covered by the [University of Melbourne Enterprise Agreement 2024](#) ('the Agreement'). Defined terms used in this procedure are defined in section 7 of the Policy.

PROCEDURE

General Matters

1. Incremental progression

1.1. The following actions require a 2-up supervisor authorisation (on advice from the employee's supervisor, Human Resources team member and, if required, Workplace Relations) and provide formal written advice to the employee:

- a) engaging a new-starter at an increment point higher than the entry level increment for the relevant classification;
- b) award a higher increment point within the relevant classification than the next applicable increment point due on the employee's anniversary date, where the employee's performance is assessed as 'exceeding expectations' (for academic employees) or 'outstanding' (for professional employees);
- c) withholding incremental progression as an action arising from a final warning for unsatisfactory work performance as outlined in clause 1.38.9.8(c) of the Agreement;
- d) withholding incremental progression of a professional employee, in the circumstances outlined in clause 3.5.4.2 (a) or (b) of the Agreement; or
- e) reduction to a lower increment point within the relevant classification in the circumstances outlined in clause 2.16.4 (academics) or 3.5.6 (professional staff) of the Agreement.

2. Pay queries

2.1. There is a shared responsibility on the part of the employee, the relevant budget division, Human Resources and Payroll (on behalf of the University) to raise and effectively resolve pay queries in a timely manner.

2.2. An employee who believes their pay may be incorrect should immediately contact either their Manager, HR team member, [HR Assist](#) to ensure the underpayment can be expeditiously

investigated and, if required, remedied.

2.3. Where the University has detected an overpayment the mutually agreed method and schedule of repayment will be managed by the Payroll Team with the employee and, if required, HR team member on a case-by-case basis.

3. Living away from home allowance

3.1. A living away from home allowance (LAFHA) may be paid to an eligible employee who is required to live away from their Australian home for a period from 21 days to 12 months. Supervisors should seek the assistance of their Human Resources team member, HR Assist and, if required, the Director Remuneration & Benefits to determine the appropriate LAFHA arrangements for their employee's particular circumstances.

4. Professional accreditation/memberships

4.1. Professional accreditation membership subscriptions are provided at the discretion of the University.

4.2. An employee seeking an arrangement where the University pays (in part or in full) for a professional accreditation/membership subscription must, with the support of their supervisor, gain the written approval of the employee's 2-up supervisor, and (where the supervisor and 2-up supervisor are at Director level or lower) approval from an Executive Director in the same reporting line.

4.3. In approving a request under section 4.2, decision makers will ensure the request meets one or more of the following approval criteria:

- a) the professional accreditation/membership is required as a condition of employment;
- b) the professional accreditation/membership benefits the University;
- c) the professional accreditation/membership is provided as a recognition and/or retention benefit; or
- d) where a corporate membership is not available and a single personal membership is substituted on behalf of the department (or equivalent in Chancellery) enabling a demonstrable benefit to the department (or equivalent in Chancellery) beyond a single individual benefit (e.g. for receipt of a journal that is placed in a departmental collection).

4.4. The University may elect to cease payment of professional accreditation/membership subscriptions at any time, and in the case of fixed-term employees, payment of membership subscriptions ceases at the date of expiry of the employment contract.

5. Staff welfare fund

5.1. The following process applies where an individual seeks assistance from the Staff Welfare Fund under section 4.9 of the Policy:

- a) The applicant must first contact the relevant Head of Department/School (academics) or Faculty/School Executive Director (professional employees) in a faculty or a Director level or above outside of faculty ('the sponsor') to discuss the circumstances for which the assistance is needed;
- b) The applicant must then email (marked as 'Private and Confidential') the Chief People Officer (CPO), copying the sponsor, and setting out:
 - i. the purpose of the assistance;
 - ii. the amount sought; and
 - iii. proposed details of repayment (for example, salary deductions over a specified period).
- c) The sponsor will then make a recommendation to the CPO concerning the request.
- d) An interview will be arranged with the approver and the applicant to ascertain the financial situation and context to the support required.

e) On the basis of sections 5.1(b)-(d), the CPO will make a decision concerning the request, including the financial amount, type of assistance and conditions that may be approved.

f) If the assistance is approved, an agreement is signed, noting that:

- i. The University will retain the original agreement and a copy will be given to the applicant.
- ii. The original agreement will serve as the necessary authority to make subsequent deductions against an employee's salary should that be the agreed method of repayment.

5.2. For a new employee from a country outside Australia, a loan of not more than one month's salary may be made on commencement of the appointment, on the following conditions:

- a) The loan is repayable by equal fortnightly deductions from the employee's salary during the first year of service; and
- b) Where the appointment is less than one year, the loan is repayable by a salary deduction of the total amount, during or prior to, the last month of service.

Academic employees (continuing and fixed-term)

6. Loadings for specific academic roles

Head of School/Department Loading

6.1. Separate to the Agreement, academic employees performing the role of a Head of Department receive a total remuneration package higher than the Annual Salary rates published in the Agreement, based on the department sizing model outlined in Table 1 of *Schedule A - Loadings* of this procedure. The loading is a rate based on the department size as follows:

- a) small departments 10%
- b) medium departments 17.5%
- c) large departments 25%

6.2. An employee who acts as Head of Department for more than three (3) months will receive the full remuneration package appropriate to the headship, including the loading.

6.3. Where an employee is acting as Head of Department for less than three (3) months, a General Faculty Loading (see section 7) may be awarded instead.

Academic Board

6.4. Academic Board officers receive a special remuneration package in recognition of the responsibilities associated with their office, as detailed in Table 2 in *Schedule A - Loadings* .

Service Differential Loading (legacy provision)

6.5. A service differential loading is payable to select academic employees, as described in Table 3 in *Schedule A - Loadings* .

Other Specified Roles

6.6. Loadings payable to other specified roles within the University are outlined in Table 4 in *Schedule A - Loadings*.

7. General faculty loadings

7.1. Separate to the Agreement, a General Faculty Loading (GFL) may, at the discretion of the University, be awarded or continue to be awarded to a fixed-term or continuing academic employee in the following circumstances, and subject to approval as set out in section 7.3 below:

- a) To attract new employees to particular positions in areas of demonstrated market demand and competition where:

- i. sustained and extreme market pressure in recruitment has been demonstrated and supported by relevant benchmarking data;
- ii. where there is high turnover; or
- iii. where there is evidence that higher external salaries are a contributing factor and which the University cannot compete with filling a vacant position.

- b) To retain employees – in which case the supervisor must review and assess the employee's performance as 'good' or higher following the formal performance review process.
- c) To recognise outstanding merit – in which case the supervisor must review and assess the employee's performance as 'outstanding' following the formal performance review process.
- d) To recognise and reward additional administrative or management responsibilities undertaken by the employee, in which case an employee's performance must be assessed as at least 'meeting expectations' each time their performance is annually reviewed under the formal performance review process.

7.2. A GFL may, at the discretion of the University, be rescinded.

7.3. A GFL requires the supervisor to gain the approval of the employee's 2-up supervisor, the Head of School or Academic Department and the Dean.

7.4. Once approval has been given, the completed [HR 11A – General Faculty Loading form](#) must be forwarded to HR Services for processing.

7.5. GFLs are temporary and accordingly:

- a) must be reviewed on at least an annual basis as part of the formal performance review process ;
- b) should be reviewed when employees' "Base Salary" (as defined in the Agreement) is adjusted; and
- c) may cease to be awarded at the discretion of the University.

7.6. When reviewing a GFL, it is recommended that each annual review includes a re-assessment of market demand, and/or an employee's key skills, knowledge and experience, taking into account the prevailing employment market to ascertain if the payment of the GFL remains appropriate.

Professional employees (continuing and fixed-term)

8. Higher Duties

8.1. The Agreement at clause 3.20 makes provision for payment to UOM9 and UOM10 professional employees who perform higher duties for no more than 6-months in a senior manager role. Although substantive senior management roles are not covered by the Agreement, this provision allows the UOM9/10 employee to perform the higher duties within the 6-month period without having to vacate the cover of the Agreement.

8.2. Separate to section 8.1 above, professional employees classified UOM1 to UOM9 may also temporarily act in, and paid at, a higher classified position set out at clause 3.4 and 3.29 of the Agreement.

8.3. For the purpose of this procedure, sections 8.1 and 8.2 above are referred to as higher duties arrangements.

8.4. Higher duties arrangements:

- a) require the approval of the 2-up supervisor, after consultation with the local HR Business Partner; and
- b) the approved higher duties arrangements must be submitted by the employee's supervisor via Supervisor Self Service.

9. Executive assistant loadings

9.1. Separate to the Agreement, three levels of executive assistant loadings are available, determined by the office of the Senior Executive they are supporting and as specified in Table 5 of *Schedule A - Loadings* .

9.2. To be eligible for the executive assistant loading, employees are expected to perform the respective additional duties set out in Table 6 in *Schedule A – Loadings* .

9.3. Executive assistant loadings require approval from the 2-up supervisor, after consultation with the HR Business Partner.

9.4. Employees who cease to hold these positions will no longer be paid the respective loading.

10. Professional recognition loadings

10.1. Separate to the Agreement, Professional Recognition Loadings (PRL) may, at the discretion of the University, be awarded or continue to be awarded to a continuing or fixed-term professional employee in the following circumstances and where approval is given as outlined in section 10.3:

- a) To attract new employees to particular positions in areas of demonstrated market demand and competition where:
 - i. sustained and extreme market pressure in recruitment has been demonstrated and supported by relevant benchmarking data;
 - ii. where there is high turnover; or
 - iii. where there is evidence that higher external salaries are a contributing factor and which the University cannot compete to filling a vacant position.
- b) To reward, recognise and support the retention of outstanding employees only where the supervisor has reviewed and assessed the employee's performance as 'good' or higher during the employee's annual PDF review; or
- c) To recognise additional project responsibilities, where:
 - i. an employee takes on temporary responsibilities for a project where the duties are not already covered in the employee's role, position description or in the appropriate position classification standards;
 - ii. the PRL only covers the period where a project is being undertaken; and
 - iii. the supervisor has reviewed and assessed the employee's performance in their normal project responsibilities as 'good' or higher during the employee's annual PDF review.

10.2. A PRL may, at the discretion of the University, be rescinded.

10.3. The award and rescission of a PRL requires the supervisor to gain the approval of the employee's 2-up supervisor, and (where the 2-up supervisor is at Director level or lower) an Executive Director in the same reporting line.

10.4. In considering whether to approve a request for a PRL under section 10.3, in addition to the requirements set out in section 10.1, the decision makers will also take into account the existing distribution of PRL's within the relevant budget division and, where relevant, any evidence of external industry salary standards.

10.5. For a PRL, the completed [HR 11P – Professional Recognition Loading form](#) must be forwarded to HR Services for processing.

10.6. PRLs are temporary and accordingly:

- a) must be reviewed on at least an annual basis as part of the PDF;
- b) should be reviewed when employees' "Base Salary" (as defined in the Agreement) is adjusted; and
- c) may cease to be awarded at the discretion of the University.

10.7. When reviewing a PRL, it is recommended that each annual review includes a re-assessment of market demand, and/or an employee's key skills, knowledge and experience taking into account the prevailing employment market to ascertain if the payment of the PRL remains appropriate.

11. Performance bonus

11.1. Under the Agreement, a professional employee who has either progressed to the top of the Base Salary range for the respective classification or works in a position classified at UoM10 is not eligible for incremental progression but may be considered for a performance bonus where:

- a) the conditions set out in clause 3.5.5.2 of the Agreement have been met; and
- b) approval is given under section 11.2.

11.2. A Performance Bonus requires the approval of the employee's 2-up supervisor and (where the 2-up supervisor is at Director level or lower) an Executive Director in the same reporting line.

11.3. In considering whether a Performance Bonus should be approved, the following matters should be considered by the supervisor:

- a) In relation to the requirement of sub-clause 3.5.5.2(a) of the Agreement that the employee 'displayed outstanding performance and exceeded the requirement of the position', this may include achievement of a set of pre-determined targets as negotiated in the annual performance review. Such targets:
 - i. are not considered to be the normal activities that form part of an employee's role, but are stretch targets; and
 - ii. must be set in advance of the annual performance review period and agreed to between the employee, supervisor and head of budget division.
- b) The employee's relevant personal circumstances, working arrangements and performance in accordance with the [Guidelines for Consideration of Performance Relative to Opportunity](#) ;
- c) Feedback from the employee's clients and colleagues where required; and
- d) The existing distribution of bonuses within the faculty or division, the availability of funds, the reasons for the bonus and, where relevant, the broader impact across the division.

11.4. Once approval is given:

- a) the completed [HR 54 - Performance Bonus Request form](#) must be forwarded to HR Services for processing; and
- b) HR Services will arrange payment of the bonus as a single annual payment through normal fortnightly salary payments unless the employee has previously elected to have the bonus paid into their superannuation fund as an additional lump sum payment.

12. Overtime meal allowance

12.1. A meal allowance rate of \$13.44 is payable where a professional employee works:

- a) On weekdays and has worked overtime beyond the ordinary hours of work for 2 hours or more, or
- b) Saturdays or Sundays and has worked overtime for at least 5 hours.

12.2. A meal allowance is not payable when an employee required to work, can reasonably return home for a meal and then resume duty.

Casual employees

13. Agreed higher casual hourly rate

13.1. A supervisor of a prospective casual employee, with approval from the 2-up supervisor, may pay a casual employee at a higher hourly rate above the minimum hourly rates outlined in Schedule A of the Agreement for the substantive classification of work to be performed, by submitting an Agreed Casual Rate Business Case for approval by the Dean, or non-faculty equivalent (for academic casual employees) or Executive Director (for professional casual employees).

13.2. If approved,

- a) the supervisor must retain written justification and documentation of the approved business case and agreed casual rate; and
- b) the casual employee must receive written advice (for the purpose of recording that the hourly rate is higher than the prescribed rate) of the substantive classification for the work to be performed, the substantive casual hourly rate published in the Agreement in Schedule A for the classification of work to be performed, and the agreed higher casual hourly rate for the work to be performed.

13.3. The University will internally audit 'agreed rates' on a regular basis.

RELATED DOCUMENTS

[Schedule A - Loadings](#)

[University of Melbourne Enterprise Agreement 2024](#)

Remuneration and Benefits Policy ([MPF1223](#))

Academic Appointments and Promotions Policy ([MPF1299](#))

Staff Development, Education and Performance Policy ([MPF1227](#))

Staff Development, Education and Performance Procedure ([MPF1149](#))

Performance Planning and Review Procedure ([MPF1147](#))

[Guidelines for Consideration of Performance Relative to Opportunity](#)

[HR 11A – General Faculty Loading form](#)

[HR 11P – Professional Recognition Loading form](#)

[HR 23 - Incremental Acceleration, Deferral or Denial form](#)

[HR 54 - Performance Bonus Request form](#)

RESPONSIBLE OFFICER

The Chief People Officer is responsible for the development, compliance monitoring and review of this procedure and any associated guidelines.

IMPLEMENTATION OFFICER

The Executive Director, Workplace Relations, Governance and Investigations is responsible for the promulgation and implementation of this procedure in accordance with the scope outlined above. Enquiries about interpretation of this procedure should be directed to the Implementation Officer.

REVIEW

This procedure is to be reviewed by 2 September 2027.

VERSION HISTORY

Version	Approved By	Approval Date	Effective Date	Sections Modified
1	Senior Vice-Principal	21 August 2012	21 August 2012	New version arising from the Policy Simplification Project. Loaded into MPL as Version 1.
2	Senior Vice-Principal	6 June 2013	6 June 2013	Addition of new section 4.3 and consequential renumbering within section 4. Section 15.3 updated.
3	Vice-Principal Administration and Finance on behalf of Senior Vice-Principal	22 May 2014	22 May 2014	Links to 'Guidelines for Consideration of Performance Relative to Opportunity' updated.
4	Vice-Principal Administration and Finance	21 May 2015	17 August 2016	Update broken links throughout document.
5	Created in error			<i>Created in error</i>
6	Executive Director, HR	28 May 2018	28 May 2018	Update links to salary scales

7	Policy Advisor	29 August 2019	30 August 2019	Editorial amendment - removed incorrect and outdated hyperlinks to Schedules A, B and C.
8	Chief People Officer	27 August 2024	2 September 2024	Renamed from Salaries, Loadings and Benefits Procedure. Updated to align with the University of Melbourne Enterprise Agreement 2024 and with University practice.