4.12 **ANNUAL DISCRETIONARY BONUS**

1. **Bonus Scheme Status**

   This is a discretionary and non-contractual bonus scheme and is intended to recognise and reward the contribution and service of staff to the College.

   The operation of the scheme, including all aspects of its design and calculations of any payments due under it, may be varied from time to time. The amount payable may vary annually. Staff will be informed as early as possible in the new financial year of the amount to be paid.

2. **Scheme Year**

   The scheme will operate on an annual basis from 1 January to 31 December inclusive and any payment due will be paid directly into your bank account in the November payroll.

3. **Participation**

   All directly employed permanent and fixed-term staff who are not Fellows of the College are eligible to participate, subject to being in employment on 1 October in the scheme year.

   Staff joining the College after the start of the scheme year and who meet the other eligibility criteria, will participate on a pro rata basis, based on completed months of service.

   Staff contracted to work part-time (normally less that 37.5 hours per week) will participate on a pro rata basis, based on weekly contractual hours over the bonus year, divided by 37.5.

   **Staff who have left the College or who are serving their notice period ahead of the November payment date will not be eligible to participate.**

4. **Bonus Fund**

   The amount of bonus payable will be announced on 1 July each year. This amount will be pro-rated for part-time staff, and for staff who have only been employed for part of the scheme year.

   The Bonus will be independent of the annual appraisal system. However, staff should be aware that the payment is discretionary and employees who have a live formal disciplinary warning on file will not receive a bonus payment.

   The College will pay Employer National Insurance Contributions on any gross basic bonus payments. Employee National Insurance Contributions and Income Tax will be deducted, as required by the Inland Revenue, from any bonus payments.

   Bonus payments do not count towards pensionable salary, and overtime will not count towards the calculation of bonus payments.

5. **Review**

   The scheme will be reviewed from time to time. Adjustments may be made to reflect changing circumstances and payments made are entirely at the discretion of the College’s management.