

OTAGO POLYTECHNIC MANAGEMENT POLICY		Number: MP0436.02	
Title:	Key Skills Allowance		
ITPNZ Standard:	4 Staff Selection, Appraisal and Development		
Chief Executive Approval:	Approval Date: 3 Feb 10	Effective Date:	3 Feb 10
Previous Policy Number:	n/a	Review Date:	as required
Contact Authority:	Director: Organisational Development	Status:	Current

Purpose

As particular occupational groups can command higher than usual remuneration due to market pressures or scarcity of talent, this policy provides for the payment of a taxable allowance by the Polytechnic to qualifying staff members to pay premiums for key skills as required without committing to permanently inflated base salaries.

Background

Statutory Compliance

National Guidelines

Policy and Procedures

- 1 This policy applies only to staff members who are to be deployed in occupational groups that have been identified, by external salary surveys or similar remuneration research, as being those where suitably qualified or skilled employees are in short supply; and either
 - for whom a Key Skills Allowance is essential to secure their employment, and in that circumstance where the recruitment process has failed to identify any other appropriate candidate; or
 - when a Key Skills Allowance is essential to retain their employment, and in that circumstance where the Polytechnic would be exposed to unreasonable risk by the resignation of the staff member.
- 2 Quantification of the amount to be paid as a Key Skills Allowance will be done in consultation with the Director: Organisational Development.
- 3 Payment of a Key Skills Allowance requires prior written authorisation by the appropriate member of Leadership Team and the Director: Organisational Development. Eligibility for the allowance shall be communicated to the employee via a variation to employment agreement letter from Human Resources.
- 4 The cost of a Key Skills Allowance will be borne by the cost centre in which the employee is deployed
- 5 Amount of Allowance
 - 5.1 The allowance is a gross allowance and is taxable.
 - 5.2 The maximum allowance which may be approved under this policy is 20% of the annual total remuneration approved as payable for the particular position. The minimum allowance is 5%.
 - 5.3 The allowance shall be for a one year period (renewable to a maximum period of two years).
 - 5.4 The annualised allowance will be paid fortnightly on a pro rata basis.



5.5 Renewal of the allowance beyond the initial one year period is contingent upon further verification that the qualifying conditions in clauses 1 and 3 of this policy still apply

- if the allowance is renewed the amount shall be set taking into account any increases which have been applied or may apply to the employee's salary, whether such increases are from promotion or general salary movements.
- further renewal shall be for a maximum period of one year.

Referral Documents

MP0431 Recruitment and Appointment of Staff
MP0437 Establishment of Starting Salaries for Academic Staff
Collective Employment Agreements for Academic and General Staff
Individual Employment Agreements for Academic and General Staff

Delegation of Procedures

Approved by Chief Executive

Date: 3 February 2012

