



Live Branch Honoraria Business Process - January 2025

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1. WHAT'S THIS?

This guide shows process and procedures branches need to follow when requesting honoraria payments.

It includes advice on:

- ✓ How to request honoraria payments
- ✓ Rules around honoraria
- ✓ How honoraria payments are processed
- ✓ How honoraria payments are paid
- ✓ The role of the region

2. RULES AND PROCEDURES

1. There is no obligation on a branch to pay honoraria as they are entirely discretionary and there is no contract of employment – written, oral or implied.
2. To pay honoraria a branch must make a general provision to do so in its model rules.
3. The amendment to branch rules must be agreed by a quorate general meeting of the branch.
4. The branch must register its amended rules, as approved by a quorate general meeting, with the region.
5. Each year the branch committee must ensure their honoraria proposals are discussed as part of their joint branch assessment.
6. Any activist holding more than one post can only receive an honorarium for one post. In reality this will usually be the post with the highest payment.
7. Honoraria payments should be reasonable and commensurate with other activity within the branch.
8. In cases where honoraria proposals exceed 10% or produce a deficit budget they would be referred to the appropriate regional committee group with delegated responsibility for discussion and decision.
9. Branches must be given the opportunity to present their reasons why the intervention level has been exceeded.
10. Regional committees will be advised that they will need to make a decision so that all references are decided before the Branch AGM is held.
11. Each year the branch committee must submit full details of their honoraria proposals to the annual meeting of the branch. This must include the name of post holder, their post and the amount that is proposed.
12. The branch proposals can only be approved if the annual meeting is quorate.
13. If the proposals are approved by the annual meeting, the branch will submit details as advised by head office.
14. If the annual meeting rejects the branch committee proposals this decision binds the branch and no honoraria payments can be made.
15. In exceptional circumstances and where there is a fundamental disagreement between the branch, region and /or regional committee the matter can be escalated to FRMC.

2.1 The Regional Committee

- Under rule G3.3.4 the annual meeting of the branch must agree any proposals for branch honoraria in line with the National scheme. Should the meeting be inquorate then these proposals should be considered by the Regional Council or the relevant delegated Lay body in the region.

- If a branch does not hold a general meeting, the branch may refer its proposals to its regional committee whose decision will be binding
- If appropriate, the branch can be represented when its proposals are being considered under arrangements issued by the regional committee.
- The regional committee will be responsible for forwarding such approved branch proposals to head office, which will process payment.

2.2 Payment of tax and National Insurance

All approved honoraria will be paid by UNISON Centre. The data contained within the branch's approved submission will be used to calculate any tax and National Insurance contributions (NIC) due to HMRC. Under our current agreement with HMRC only tax will be deducted and there is no NIC due. UNISON Centre will pay all tax to HMRC and so discharge UNISON's liability on approved honoraria. Cut off date for issue of P60 in the current year will be 14th March 2025.

Where a payment is made on or before 14 March 2025, a branch officer will receive a P60 from UNISON Centre by the end of May of that tax year showing the amount agreed by the branch, the net amount paid and tax deducted.

All payments will be recovered by deduction from the branch's funding entitlement. The branch's annual return (G9.1) will be updated by head office to reflect the recovery made against funding and the payments made to officers and HMRC.

2.3 Further Information

All queries relating to the Honoraria process - other than WARMS functionality - need to be directed to your region.

PLEASE NOTE - Branches must provide their regional membership team with the date of the 2025 AGM and whether it was quorate. the region will need to update this information within RMS.

3. BUSINESS PROCESS FOR BRANCH HONORARIA

Below you can find steps to record Honoraria on WARMS. Honoraria guidance is also available in your WARMS Help documents – search for Processing Honoraria on WARMS.

If you need further assistance using the Honoraria functionality in WARMS, contact WARMS Support via the WARMS call logging system.

3.1 Processing Honoraria on WARMS

Within WARMS, this function can be accessed within the Branch Menu. Only WARMS users who have completed the WARMS on line training can input honoraria via WARMS.

Expand the Branch Menu and click Honoraria as highlighted below



This will populate a summary screen as shown below.

For regional policy on honoraria please contact your relevant regional officer.

The region is responsible for ensuring that all the criteria for payment of Honoraria is met before approving the payment.

To enter payments, expand the Honorarium portal by clicking the Plus sign

Honoraria Summary	
Date AGM Held	Funding Appr. %
Honoraria Rule <input type="checkbox"/>	Branch Suspension No AFR/Funding Formula
AGM <input type="checkbox"/>	Funding Amount
RC Approval <input type="checkbox"/>	AFR To Be Sent <input type="checkbox"/>
RC Approval Date	OLBA Branch <input checked="" type="checkbox"/>

Honoraria +

The Year will automatically default to the current year of payment (you can change this if you wish to look at payments for a previous year).

You will need to enter the **Agreed amount** in the box highlighted below

NOTE - Agreed amount is the overall total to be paid to all activists

Honoraria

Year: 2013

Date AGM Held	AGM Quorate	No	
Approved By	Email Address	d.blakemore@unison.co.uk	
Date Entered	5 Oct 2014	Last Changed By	Support, Warsms (9116104)
Agreed Amount	0.10	Total Details	0.00
Funding Amount	0.00	Paid to Date	0.00
Honor %	0.00	Rejected by BACS	0

Save

Details

Search:

MShip No	Full Name	Position	Amount	Date Paid	Payment Batch	Details
No data available in table						

0 entries

New

NOTE - The member's record must contain NI Number, Date of Birth and a valid home address where mail has not been returned. If any of these fields are missing you will get the following error message and WARMS will not allow you to save the honoraria payment until these fields are updated first.

Add New Honoraria Detail

Please correct the errors below:

* **Membership Number**
Membership details required to pay honorarium (Date of Birth, NI Number, valid address)

* **Position** ▾

* **Honorarium Amount**

* **Sort Code**

* **Account No.**

Agreed Amount 0.10

Total Details 0.00

Difference 0.10

1. Click to start adding the member's details
2. WARMS will allow you to type either the membership number or the surname in the membership number field.
3. Select the required person
4. The system will populate the relevant activist positions that the member holds and these will be available in the drop down list – honoraria can only be paid to one position so if a member holds more than one you need to select the eligible position.
5. Enter the amount to be paid to the member along with the sort code and account number (if the member has been paid honoraria before the system will generate the sort code and account number – please ensure these bank details are the same as the member has provided).
6. Press

Please Note: If the bank details have been stored previously and are closed you will be prevented from adding them again. You will see the following error message

 **Please correct the errors below:**

Membership Number	<input type="text" value="REDACTED"/>
Position	ERA Accredited (50) ▼
Honorarium Amount	<input type="text" value="10"/>
Sort Code	<input type="text" value="REDACTED"/>
Account No.	<input type="text" value="REDACTED"/> This bank detail cannot be used for honoraria as it was closed by IMPS/Finance. Please contact the region.
Roll Reference Number	<input type="text"/>
Agreed Amount	0.00
Total Details	20.00

Branches will be liable for any payments made to an incorrect bank account where the above guidance has not been followed

Once details have been saved you will see the members listed in the grid - an example is shown below.

Details							
Search: <input type="text"/>							
MShip No	Full Name	Position	Amount	Date Paid	Payment Batch	Details	
REDACTED	REDACTED	Health & Safety Rep. (10)	100.00				
REDACTED	REDACTED	Branch Treasurer (2)	250.00	1 Oct 2014	1376134		

You will have the ability to view the details for the member by clicking the



button in the required row.



If the payment hasn't already been paid (Date paid is blank) you will also have the function within Details to delete it by clicking



4. WHEN WILL HONORARIA PAYMENTS BE MADE?

Payments will be made monthly on 15th of each month. If the 15th falls on a weekend or bank holiday Honoraria will be paid on the last working day before. For 2024 claims, the first payment will be made on 14th March 2025 then 15th April, 15th May, 13th June and so on. Please note it takes 2-3 working days after the payment date for the payment to reach the recipients bank account.

Honoraria payments processed on 14th March will be included in the 2024/2025 tax year. In order to be paid in the 2024/2025 tax year approved submissions must be with IMPS before 10am on 14th March 2025.

Honoraria payments will be reclaimed from monthly branch funding. UNISON will attempt to reclaim the total amount of Honoraria paid, in its entirety, from the following months branch funding. However, if the total Honoraria amount exceeds the branch funding due that month, the remaining amount owed will carry over to the following month and so on until it has been fully recovered. Branches will need to make sure they have enough funds available from their allocation to make the Honoraria payments. In other words the total amount to be paid should not be any more than the surplus the branch made for the year.

The rationale for doing this is that all branches must hold their AGM in January to March in accordance with rule and thus should be able to organise payments with IMPS by the end of April.

5. REGIONAL ROLE IN PROCESSING BRANCH HONORARIA

5.1 Next Steps

For regional policy on honoraria please contact your relevant regional officer.

The region is responsible for ensuring that all criteria for payment of Honoraria is met before approving the payment.

When payments are made the date payment and payment batch fields will be updated in the Branch Honoraria Input screen in WARMS and RMS.

In some cases between recording details to pay and Finance making the payment, a member closes their bank account. If this is the case the rejected field will be ticked and the branch must contact the IMPS Honoraria team in Manchester at impshonoraria@unison.co.uk

6. APPENDIX A Payment of Honoraria

Payment of Honoraria		Approval	Rejected	Payment	Branch funding
Regions	Payment				
	Is Honoraria to pay		Yes		
	No				
Branches	Notification				
	STOP	Notification			
Regional Committee		Referral	Is Honoraria to pay		
IMPS					
Finance					

Honoraria Q and A

Summary

Under HMRC rules honoraria is taxable and we were instructed that we could no longer continue under previous dispensations (circa 2008). Non compliance is not an option and failure to comply will expose the union to very costly fines and penalties.

See also HMRC - <http://www.hmrc.gov.uk/manuals/nimmanual/nim02205.htm>

The new Honoraria scheme became effective on 1st January 2009. In operation it applies to officers that hold office in the administrative year 1st January to 31 December each year that are nominated to receive an honorarium by their branch and approved at the annual meeting of the branch as set out in rule G3.2 (between January and March.)

Question – What does this mean for branches?

If a branch wants to pay honoraria to its officers that held office in the Honoraria year it must adhere to the provisions of the scheme as agreed with HMRC.

Question – Is there any right of appeal against HMRC decision?

No, nor can your branch vary any of the conditions required.

Question – what do branches have to do?

Firstly read and understand the scheme. Input the branch honoraria request onto the WARMS System while adhering to the Branch Honoraria Guidance notes issued each January. If further assistance is required please contact the Region or WARMS Support.

Question – What happens after a branch has submitted their honoraria request?

Region will confirm that the request meets UNISON Honoraria criteria. If the request does not comply the region should request that payments are withheld pending investigation or until such a time that UNISON Honoraria criteria has been met.

If the branch request meets UNISON Honoraria criteria and all relevant forms have been completed the requests will be paid in accordance with the dates advised in the Honoraria guidance notes issued each January and should arrive into the member's designated bank accounts three to four working days thereafter.

Question – What about payments branches may have made in previous years?

The agreement reached between UNISON and HMRC covers any Income Tax and Class 1 National Insurance Contributions that was due on any payments declared on branch returns and made for officer posts held in all years up to and including 2008.

Question – What if a branch is contacted by their local tax office?

Many local offices will be completely unaware of this arrangement and may request that a return is submitted (or continue submit) to them. If this is the case please write as,

“All matters in respect of honoraria are to be dealt with by UNISON Head Office in conjunction with HMRC Local Compliance, Individuals & Public Bodies, Weardale House, Washington, NE37 1LW - reference PBG/EC/905/U387/MWB.”

Question – What if my branch wants to return details to their local tax office?

The only way we can be certain that all payments have had tax deducted is in the way prescribed and our agreement is for us to return this centrally. Therefore branches must adhere to the scheme.

Question – What should the region do if it is unable to deal with a branch’s enquiry?

Email question to R.Operations@unison.co.uk or WARMS Support where assistance with using the WARMS system is required .

Question –Why can I not continue to declare honoraria on my self-assessment?

Please also read the next answer.

The scheme is the only way we can be certain that all payments made to all officers have been declared and the correct tax applied and paid to HMRC.

Question – What should I do if I receive a self-assessment form?

It has always been an individual officer’s responsibility to disclose honoraria payments to HMRC. UNISON has now agreed with HMRC to deal with all relevant matters in respect of honoraria and make the necessary returns. As such, should you receive a self assessment tax return from HMRC you should enter the following in the "Any other information" box on the form;

I have received an honorarium from UNISON. Following an agreement with HMRC all tax matters in connection with this payment have been dealt with directly by UNISON. [Relevant tax office details]

You do not need to send in your P60, but should retain this form as HMRC might ask to see it should they make enquiries regarding your tax return.

Question – What if I am a higher rate or lower tax payer.

If you do not complete a tax return you should only request a form if you think you are not liable to tax, and wish to reclaim any overpaid tax, or you are liable to tax at the higher rate as tax is only deducted from the honoraria payment at basic rate. You can now register for self-assessment by following the “register for self-assessment on-line” links @ <http://www.hmrc.gov.uk/sa/file-online.html>.