



NHSBT Recruitment & Retention Premia Management Guidance

1.0 Introduction

This guidance outlines the way in which NHSBT will determine, apply, monitor and review local Recruitment and Retention Premia (RRP). This document is designed to supplement the information specified in the NHS Terms and Conditions Handbook which can be found on the NHS Employers website and should be read in conjunction with this guidance.

An RRP is an addition to the basic pay of an individual post or specific group of posts where market pressures would otherwise prevent NHSBT from being able to recruit and/or retain appropriately qualified or experienced staff. There are two types of RRP:

Short term RRP

A short term RRP will apply where the labour market conditions giving rise to recruitment and retention problems are expected to be short term, i.e. less than 5 years and where the need for the RRP is expected to disappear or reduce, short term RRP will not be pensionable or count for purposes of overtime, unsocial hours or any other payments linked to basic pay.

Long term RRP

A long term RRP will apply where the relevant labour market conditions are more deep-rooted and the need for the RRP is not expected to vary significantly in the future, i.e. more than 5 years. Long term RRP will be pensionable and will count for the purposes of overtime, unsocial hours payments and other payments linked to basic pay.

2.0 RRP Panel

The NHS Terms and Conditions Handbook states that the decision to award RRP must be done in partnership with Trade Union representatives. To achieve this an RRP Panel has been formed and it will consider all requests for RRP within NHSBT.

The Panel members are all committed to ensuring that a fair, transparent, and consistent approach to RRP is applied across NHSBT. Members of the Panel where possible, must aim to be a panel member for at least 12 months to allow expertise to develop which in turn will lead to consistency in the decisions that the panel make. The panel will be made up of Staff Side and Management representatives from across NHSBT.

2.1 Roles and Responsibilities of the RRP Panel

The overall role of the Panel will be to ensure consistency in the application, removal and payment of RRP across NHSBT.

The responsibilities of the panel will be to: -

- i) Consider, without bias, all requests for new short and long term RRP.
- ii) Approve, refuse, recommend a different rate or ask for additional information. The panel reserves the right to make referrals to the Staff Partnership Committee (SPC) Secretaries.
- iii) Consider, without bias, the impact of agreeing/not agreeing RRP on other posts in NHSBT.
- iv) Ensure that the procedures outlined in the NHS Terms and Conditions Handbook are followed when considering requests for RRP and that the relevant checklist has been completed.
- v) Check that the Labour Market Data is relevant to the application.
- vii) Confirm whether short term or long term RRP is appropriate and set relevant review dates.
- viii) Ensure all RRPs are reviewed annually.
- ix) Ensure all Nationally (NHS) agreed RRPs are paid to relevant NHSBT posts and where stipulated that the rate is paid in accordance with agreed NHS terms and conditions.
- x) Consider requests for removal of RRP in line with NHS Terms and Conditions, in partnership and ensure that NHSBT's process for removal is followed as detailed in section 5 below.

3.0 Procedure when considering a new request to pay RRP

3.1 The manager and the People and Culture Partner (PCP) will identify the potential need for an RRP. They will need to be clear whether it is recruitment or a retention issue and be confident that there is sufficient evidence to make an application to the panel having completed the checklist. They will also need to state whether they are applying for a short or long term RRP and what they believe the rate should be. At this stage it should not be shared that an RRP request is being considered.

The Manager and the PCP will be responsible for making sure that an RRP is the best way forward. Consideration must be given to the following options in case they are more suitable than an RRP:

Higher starting pay as detailed in NHSBT policy Starting Salaries on Appointment (for new recruits only with the relevant skills).

Re-evaluation/re-grade of the post where the post has changed over time and now carries additional/more complex responsibilities.

The PCP will also liaise with the Recruitment Manager to make sure that the most appropriate media, documents, and job title have been used to recruit for the post.

3.2 The type of evidence that must be included when making an application for short and long term RRP for recruitment issues would include:-

Vacancy rates for the post(s).

Evidence that the vacancy has been advertised, using the appropriate media, and the level of responses to job advertisements (number of attempts to recruit to the posts and where it has failed).

Number of applicants, and the reasons where known, appointees decline job offers.

Local job advertisements, highlighting salaries for same/similar posts in the wider NHS and or private sector. If the recruitment issue relates to a specific geographic location, then the adverts should be from the same location. Consideration must also be given to the structure associated with the posts that are being benchmarked against and must be of a similar position.

Evidence of any legal, regulatory and compliance requirements affecting the need to retain/recruit staff that are competent and appropriately qualified.

What the impact might be to NHSBT if RRP is not awarded.

Copies of the up-to-date Job Description and Person Specification for the post.

Copies of any supporting journals/articles that are relevant to the decline or shortage of certain posts within the labour market. This may or may not just apply to specific geographic locations.

The type of evidence that must be included when making an application for short and long term RRP for retention issues would include:

Vacancy rates for the post(s) (where appropriate) or analysis of the impact that the loss of the post holder(s) will have on the organisation/business.

Salaries and the pay band of the post they are leaving.

Levels of turnover and where available reasons why they are leaving, the salaries that they are leaving for and the types of jobs they are going to.

Any other relevant information detailed on exit questionnaires that may add weight to the business case.

Local job advertisements, highlighting salaries for same/similar posts in the wider NHS and or private sector.

If the recruitment issue relates to a specific geographic location, then the adverts should be from the same location.

Consideration must also be given to the structure associated with the posts that are being benchmarked against. For example, if the post in NHSBT is third tier management then the adverts obtained to back up the business case must be of a similar position and not for example be reporting straight to a director.

Evidence of any legal, regulatory and compliance requirements affecting the need to retain/recruit staff who are competent and appropriately qualified.

What the impact might be to NHSBT if RRP is not awarded.

Copies of the up-to-date Job Description and Person Specification for the post.

Copies of any supporting journals/articles that are relevant to the decline or shortage of certain posts within the labour market. This may or may not just apply to specific geographic locations.

The PCP will be responsible for ensuring that the facts are clearly stated, and that the checklist has been followed and there is enough evidence to support the application before sending to the relevant Assistant Director for approval. Following this approval, the case should then be formally submitted by the PCP via a case on Service Now to the Workforce Specialist Services Team for processing. An RRP panel will be convened at the earliest opportunity. It is expected that the Manager and PCP will attend the Panel Meeting to present their case.

The Pay and Reward Team will formally notify the PCP of the panel's decision. Where the RRP panel agree that an RRP should be awarded for a post at pay band 8d and above, the PCP will also need to submit a business case to seek further approval from the Pay Committee. Where an RRP is approved (for pay bands up to and including 8c) an approval form will be completed by the Pay and Reward Team and sent to the PCP. It is the responsibility of the PCP to inform the relevant manager of the decision and provide them with a copy of the approval form. The PCP will need to liaise with the manager to ensure that where an RRP is agreed that the appropriate paperwork is completed accurately and sent to the Pay Support Team.

New recruits will be notified of the RRP in their contract of employment.

For internal staff, the Pay Support Team will issue a letter to staff outlining the type of RRP, the amount and when it will be reviewed. The letter will also outline what could happen at that review, i.e. it could be maintained, increased, reduced, or withdrawn.

Where an RRP has been approved by the panel, when recruiting to the post, details of the RRP must be stated explicitly in the advertisement.

4.0 Procedure to follow when reviewing an existing RRP

4.1 All RRPs will be reviewed annually, by the RRP panel, after being applied to the post(s). Prior to being reviewed, the Pay and Reward Team will contact the PCP and ask them to complete the checklist for the annual review, giving consideration to the points below.

- i) How the RRP has allowed NHSBT to reduce its vacancy and turnover rates for this post;
- ii) The likely impact on recruitment and retention in maintaining, removing, reducing or increasing the RRP and
- iii) Any changes in labour market circumstances.

The Manager and the PCP will also have to state whether the RRP is to continue, value adjusted or withdrawn.

It will be the responsibility of the PCP to inform the Manager and the relevant Assistant Director that the review is taking place and give them the opportunity to put forward any evidence to support the case.

The panel will consider whether the RRP (this applies to both Long Term or Short Term RRP) will either: -

be withdrawn.

be increased.
be reduced.
be maintained or
have the status changed from long term to short term or vice versa.

Failure to submit the details requested for the review prior to the review date, may lead to the RRP ceasing.

4.2 Following the review, the Pay and Reward Team will formally notify the PCP of the panel's decision. Where the RRP panel agree the RRP should continue for a post at pay band 8d and above, the PCP will also need to submit a business case to seek further approval from the Pay Committee. Where an RRP is approved (for pay bands up to and including 8c) an approval form will be completed by the Pay and Reward Team and sent to the PCP. It is the responsibility of the PCP to inform the relevant manager of the decision and provide them with a copy of the approval form. The PCP will need to liaise with the manager to ensure that where an RRP is agreed to continue, that the appropriate paperwork is completed accurately and sent to the Pay Support Team.

The Pay Support Team will issue a letter to staff outlining the status of the RRP following the review.

5.0 Procedure to follow when removing the RRP

Short term RRP

5.1 Where it is decided that a short term RRP is no longer required, the RRP removal checklist must be completed by the manager and PCP for review by the RRP panel. Following RRP panel approval of the removal of the RRP, staff in receipt of the RRP will be given six months' notice of the removal from the date of the RRP panel decision. It is the responsibility of the PCP to ensure that staff and the Pay Support Team are notified of the change.

Long term RRP

5.2 Where it is decided that a long term RRP is no longer required, the RRP removal checklist must be completed by the manager and PCP for review by the RRP panel. Following RRP panel approval of the removal of the RRP, staff in receipt of the RRP will retain it on an individual basis, however, the RRP will be removed from the post and will not be used for future recruitment into the post. It is the responsibility of the PCP to ensure that the staff and the Pay Support Team are notified of the change.

6.0 Monitoring and Evaluation

6.1 The Pay and Reward Team will monitor the overall use of RRP and will produce reports on the usage of RRP on an annual basis.

Checklist

Introduction

The following checklists are designed to help you compile an audit trail of evidence to demonstrate recruitment and retention premiums are justified and provide a defence should an equal value claim arise.

Checklist for the consideration of recruitment premium

The following checklist should be completed by the recruiting Manager and HR Manager for each case where a recruitment or retention premium is being considered. It will provide an audit trail of why recruitment and retention premiums are required for a particular post.

The completed checklist must be submitted with any further information that supports the business case to HR.

Recruitment Premia

Application for RRP for Position Title of:

Position Number(s).....

Location:

Date:

Step	Issues to be Considered	Evidence Required by RRP Panel
1	Establish whether there is a recruitment problem	
2	Understand why there is a recruitment problem:	
2.1	<p><i>Where there was interest in the job but few applicants registered:</i></p> <ul style="list-style-type: none"> ▪ How many expressions of interest/requests for information packs were there from suitable applicants following the job advertisement appearing? 	All of this information is available from the Recruitment Manager.

	<ul style="list-style-type: none"> ▪ What proportion of application forms were returned? ▪ How many people were short-listed but dropped out of the recruitment process or declined a job offer? ▪ What reasons were given for dropping out? 	
2.2	<p>Where there was little or no interest in job:</p> <ul style="list-style-type: none"> ▪ Did the advertisement bring out NHSBT's benefits e.g: ▪ Final salary pension ▪ Childcare ▪ Flexible/family friendly working ▪ Training and career development opportunities 	<p>Attach copy of advertisement Attach copy of Job Description and Person Specification</p>
3.	<p>Are NHSBT pay rates competitive?</p> <p>What is the market rate for the post – What is the difference between the midpoint of the pay band and the market rate?</p>	<p>Attach pay data obtained</p>
3.1	<p>If the market rate lower or equal to NHSBT normal pay rates, what explanation is given for recruitment problems?</p>	
4.	<p>Is the difference between NHSBT rate of pay and the market rate likely to be short or long term?</p>	<p>State the reasons for this</p>
5.	<p>What would be the impact on NHSBT if no RRP is applied?</p>	<p>Provide information to support the impact</p>

Recruiting Manager (print name):

Recruiting Manager (signature): Date.....

PCP (print name):

PCP (signature):... ..Date.....

Assistant Director (print name)

Assistant Director (signature)... ..Date.....

Retention Premia

Application for RRP for Position Title of:

Position Number(s).....

Location

Date:

Step	Issues to Consider	Evidence
1.	What are the main reasons for staff resigning?	Please attach evidence from appropriate sources such as your Staff Opinion Survey or Exit Interviews/Leavers Surveys
2.	If the cause of staff leaving is not a pay problem what action has been taken to overcome it?	
3.	What is the difference between the midpoint of the grade and the market rate?	Please attach pay data obtained Please attach current Job Description and Person Specification
4.	Is the cause of staff leaving likely to be a short or long term problem?	State reasons for this
5.	What would be the impact on NHSBT if a RRP is not retained	

Manager (print name):

Manager (signature): **Date**.....

PCP (print name):

PCP (signature):.....Date.....

Director (print name).....

Director (signature)... ..Date... ..

Checklist for the Annual Review of Recruitment and Retention Premia.

The following checklist should be completed by the Head of Department, the People and Culture Partner annually where a recruitment or retention premium has been awarded. It will form an ongoing record of the rationale for any increase, decrease or withdrawal decision.

Position title to which premium applies:

Position number(s).....

Location

Date:

Step	Issues To Consider	Evidence
1.	What is the current premium attached to this post and to how many postholders	
2.	Has the premium been effective in improving recruitment/retention?	Please provide evidence to support this
3.	What is the current market rate for the post and what changes in the labour market have taken place affecting recruitment and retention?	Please attach data/evidence obtained
4.	What is the difference between the mid point of the payband and the new market rate?	
5.	What would be the impact of reducing or withdrawing the premium?	State reasons
6.	Should the premium be increased, remain the same, be reduced or removed?	Please outline the rationale and supply an further evidence already supplied

Manager (print name):

Manager (signature): **Date**.....

PCP (print name):

PCP (signature):... ..Date.....

Director (print name).....

Director/Managing Director (signature)... ..Date... ..

Blood and Transplant

Approval to Pay Recruitment and Retention Premia (RRP)

Position Title for which RRP has been approved

Location of Position (s)

Position Number (s)

Type of RRP

Awarded for (please tick)

Recruitment Retention Both

Short Term/ Long Term RRP

Duration of RRP

Value of RRP (per annum)

To be reviewed on

Summary why RRP has been awarded by NHSBT panel

Signature of Chairperson

Date

Signature of Staff Side Representative

Date

If the RRP has been awarded for Recruitment purposes this signed form must now be sent to the Recruitment Unit.

If the RRP has been awarded for Retention purposes this signed form must be attached to the Change to Contractual Details Form to enable the RRP to be paid.