

Human Resources Management Guidance

**Recruitment & Retention
Premia (RRP) - Management
Guidance**

Policy:	NHSBT Recruitment & Retention Premia Management Guidance
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1.0 Introduction

This paper 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 Agenda for Change: NHS Terms and Conditions Handbook which can be found on the NHS Employers website (see 'Related sites') and should be read in conjunction with this guidance.

2.0 RRP Panel

The Terms and Conditions Handbook states that the decision to award RRP must be done in partnership with Trade Union representatives. To achieve this a 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. The panel membership will however not normally exceed seven members

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 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 procedure outlined in the Agenda for Change Terms and Conditions Handbook are followed when considering requests for RRP and that the relevant checklist in Annex A, of this guidance has been completed.
- v) Check that the Labour Market Data is relevant to the application.
- vi) Where possible network with other Special Health Authorities and pharmaceutical companies to benchmark and understand what posts attract RRP. By examining the data supplied by NHSBT's pay and labour market information analyst provider the panel must understand what posts in the wider NHS are in receipt of RRP.
- vii) Confirm whether short term or long term RRP is appropriate and set relevant review dates;
- viii) Ensure all RRP are reviewed annually;
- ix) Ensure all Nationally (NHS) agreed RRP are paid to relevant NHSBT posts and where stipulated that the rate is paid in accordance with agreed Agenda for Change terms and conditions.
- x) Consider requests for removal of RRP in partnership in line with advice received from NHS Employers.

3.0 Procedure when considering a new request to pay RRP

3.1 The manager and Human Resources (HR) Business or Associate Business Partner will identify the potential need for a 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 checklists at Annex A of this guidance. 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 the employees must not be told that a request for an RRP is going forward.

The Manager and HR Business Partner 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 RRP:

- Higher starting pay as detailed in NHSBT policy Starting Salaries on Appointment (for new recruits only with the relevant skills)
- Re-evaluation of the post where the post has changed over time and now carries additional/more complex responsibilities.

Responsibility Allowance as outlined in Human Resource Management Guidance 'Remuneration when taking on permanent/temporary additional duties'

HR will also liaise with the Recruitment Manger to make sure that the most appropriate media has been used to recruit for the post

3.2 Once the manager and HR are satisfied that there is sufficient evidence the application must go to the relevant Director/Managing Director for approval.

3.3 The HR Lead on the RRP Panel for each Operating Division will make an initial assessment to check that the facts are clearly stated and that the checklist has been followed and there is enough evidence to support the application before submitting it to the RRP panel. Submission will be within 5 days of receiving the application.

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

- i) Vacancy rates for the post(s).
- ii) 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).
- iii) Number of people, and the reasons where known, who decline job offers.
- iv) 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 support the business case must be of a similar position and not for example be reporting straight to a director.
- v) Pay, labour and market information from NHSBT's contracted pay and labour market information analyst provider¹ arranged via HR Pay & Rewards. For pharmaceutical posts salary survey information will be required from a specialist provider.

¹ The NHSBT pay and labour market information analyst provider is a consultancy business which provides surveys, pay and labour market research to NHS organisations.

- vi) Evidence of any legal, regulatory and compliance requirements affecting the need to retain/recruit staff that is competent and appropriately qualified.
- vii) What the impact might be to NHSBT if RRP is not awarded.
- viii) Copies of the up to date Job Description and Person Specification for the post.
- ix) 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:

- i) 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.
- ii) Salaries and the AfC band of the post they are leaving.
- iii) 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.
- iv) 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.
- v) Pay, labour and market information from NHSBT's pay and labour market information analyst provider (where appropriate), arranged via HR Pay & Rewards. In some instances specialist salary survey information may be required if the information needed can not be sourced directly from NHSBT's pay and labour market information analyst provider.
- vi) Evidence of any legal, regulatory and compliance requirements affecting the need to retain/recruit staff who are competent and appropriately qualified.
- vii) What the impact might be to NHSBT if RRP is not awarded
- viii) Copies of the up to date Job Description and Person Specification for the post.
- ix) 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.

Once the RRP Business Case has been completed and the Manager and HR are confident in the information contained in the case and it is signed off by the relevant Director/Managing Director it will then be formally submitted to NHSBT's RRP panel.

The RRP Panel will meet monthly to approve new requests for RRP. A list of the agreed RRP panels can be found on the HR Pay & Rewards Intranet Site. In addition to this the panel will meet twice yearly (January and July) to carry out the RRP reviews.

In order for a RRP request to be considered by the panel, the full business case needs to have been approved and submitted to Head of Pay Rewards at least 5 working days before the panel.

The RRP Panel will notify HR of the decision within ten working days of the date that the panel met. The RRP Panel will produce a written report that outlines the decision, along with the reasons for this decision. Where a RRP is approved a sign off sheet will be completed by the panel (copy at Annex B). It is the responsibility of HR to inform the relevant manager of the decision. HR will need to liaise with the manager to ensure that

where an RRP is agreed that the appropriate paperwork is completed accurately and that the appropriate review dates are stated and submitted to NHSBT Pay Support for payment.

HR Pay & Rewards will issue a letter to the individual outlining the type of RRP, the amount and when it will be reviewed. The individual will also be advised that the RRP will be reviewed, at what point and the letter will outline what could happen at that review, i.e. it could be maintained, increased or withdrawn.

3.4 Where a 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 RRP will be reviewed annually after being applied to the post(s). Six weeks prior to being reviewed the secretariat for the RRP panel will contact HR and ask for evidence that details the following:-

- 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 removing, reducing or increasing the RRP; and
- iii) Any changes in labour market circumstances.

The Manager and the HR will also have to state what they believe should happen to the RRP at the review based on the three points above.

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

The evidence supplied will be considered and 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 will lead to the RRP ceasing within the relevant timeframe.

4.2 Following the Review the RRP panel will produce a written report that outlines the decision, along with the supporting reasons for this decision and will be sent to HR. The sign off sheet will be completed by the panel (copy at Annex B) and it will clearly state on here what the status of the RRP is following the review. It will be the responsibility of HR to inform the Manager of the decision.

HR will need to liaise with the manager to ensure that the outcome from the RRP Panel is reflected in the appropriate payroll form and Submitted to NHSBT Pay Support in a timely manner.

HR Pay & Rewards will issue a letter to the individual outlining the status of the RRP following the review. The individual will also be advised that the RRP will be reviewed again, at what point and

the letter will outline what could happen at that review, i.e. it could be maintained, increased or withdrawn.

5.0 Monitoring and Evaluation

5.1 The RRP Panel will monitor the overall use of RRP and will produce reports on the usage of RRP on an annual basis.



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ANNEX A

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).....

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>Where there was interest in the job but few applicants registered:</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? ▪ 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 	All of this information is available from the Recruitment Manager.
2.2	<p>Where there was little or no interest in job:</p> <ul style="list-style-type: none"> ▪ Did the advertisement 	<ul style="list-style-type: none"> • Attach copy of advertisement • Attach copy of Job Description and Person Specification

	bring out NHSBT's benefits e.g.: <ul style="list-style-type: none"> ▪ Final salary pension ▪ Childcare ▪ Flexible/family friendly working ▪ Training and career development opportunities 	
3.	Are NHSBT pay rates competitive? What is the market rate for the post – What is the difference between the mid point of the payband and the market rate?	<ul style="list-style-type: none"> • Attach pay data obtained
3.1	If the market rate lower or equal to NHSBT normal pay rates, what explanation is given for recruitment problems?	
4..	Is the difference between NHSBT rate of pay and the market rate likely to be short or long term?	State the reasons for this
5.	What would be the impact on NHSBT if no RRP is applied	Provide information to support the impact

Recruiting Manager (print name):

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

HR (print name):

HR (signature):... .. Date.....

Director/Managing Director (print name).....

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

Retention Premia

Application for RRP for Position Title of:

Position Number(s).....

Date:

	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 mid point 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.....

HR (print name):

HR (signature):... .. Date.....

Director/Managing Director (print name).....

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

Checklist for the Annual Review of Recruitment and Retention Premia.

The following checklist should be completed by the Head of Department, HR Manager 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).....

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.....

HR Manager (print name):

HR Manager (signature):... ..Date.....

Director/Managing Director (print name).....

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



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Approval to Pay Recruitment and Retention Premia (RRP)			
Position Title for which RRP has been approved	<input type="text"/>	Location of Position (s)	<input type="text"/>
Position Number (s)	<input type="text"/>		
Type of RRP			
Awarded for (please tick)	Recruitment <input type="checkbox"/>	Retention <input type="checkbox"/>	Both <input type="checkbox"/>
Short Term/ Long Term RRP	<input type="text"/>	Duration of RRP	<input type="text"/>
Value of RRP (per annum)	<input type="text"/>	To be reviewed on	<input type="text"/>
Summary why RRP has been awarded by NHSBT panel			
Signature of Chairperson	<input type="text"/>	Date	<input type="text"/>
Signature of Staff Side Representative	<input type="text"/>	Date	<input type="text"/>
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.			