



General Functions Committee

8 November 2017

Title	Recruitment and Retention Payments
Report of	Graeme Lennon – Strategic HR Director
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	None
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Summary

On 6th December 2016 the Council agreed the introduction of the Recruitment and Retention Policy in line with the principals set out as part of the Unified Reward implementation. This report is to appraise members on the use of the scheme.

Recommendations

The General Functions committee is asked to note the content of the report and agree to a further review being brought back to Committee in October 2018

1. WHY THIS REPORT IS NEEDED

- 1.1 General Functions Committee on 21st March 2016 approved the implementation of Unified Reward proposals. Part of Unified Reward included the development of a recruitment and retention scheme. The Recruitment and Retention Premia Policy was approved by General Function Committee on 6th December 2016 and introduced in October 2016. It was agreed at General

Functions Committee on 6th December 2016 that a report would be brought back in late 2017 for the Committee to note the current position on the use of recruitment and retention payments.

2. REASONS FOR RECOMMENDATIONS

2.1 Not applicable

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Not applicable

4. POST DECISION IMPLEMENTATION

4.1 The use of recruitment and retention payments is to be constantly reviewed and a further report brought back in October 2018.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Council believes that the added benefit to the Council of having a Recruitment and Retention Payments Policy increases productivity and lower staff turnover, which would reduce recruitment costs.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 The majority of costs associated with recruitment and retention payments are within the Social Care professions and these have not increased significantly since the report in December 2016. The other costs relate to key posts in specific service areas and have not significantly increased costs. Any costs associated with recruitment and retention payments will be contained within existing approved service budgets.

5.3 Social Value

5.3.1 Not applicable

5.4 Legal and Constitutional References

5.4.1 In accordance with Responsibility for Functions, Annexe A, the General Functions Committee has responsibility for decisions related to the pay and terms and conditions of employment for staff other than those within the remit of Chief Officer Appointment Panel

5.4.2 In addition, the Committee meeting in December 2016 requested for this report to be submitted on an annual basis to understand the use of recruitment and retention payments across the Council.

5.5 Risk Management

5.5.1 Not applicable

5.6 Equalities and Diversity

5.6.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

5.6.2 The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services.

5.6.3 Ensuring the Council's pay arrangements are fair, robust, equitable and comply with equalities legislation are key considerations. The impact of applying the recruitment and retention payments is a positive one for staff, however it is acknowledged that the schemes could lead to pay inequality if it is found that one group falling under a protected characteristic is paid more than another group.

5.6.4 If there were to be pay inequality between groups falling under a protected characteristic, the Council would need to demonstrate that the inequality is not discriminatory and is purely down to a robust and fair scheme. The Council aims to reduce any risk of unlawful discrimination by establishing a monitoring and review process which would consist of the following:

- Periodic review and audit of the policy and procedure by the General Functions Committee, in conjunction with the senior leadership team and Trade Union representatives.
- Annual report to the GFC which would include equality data.

5.6.5 An Equalities Analysis has been undertaken and no specific disproportionate impacts were identified on any protected characteristics relating to the Council's Equalities Duty.

5.7 Consultation and Engagement

5.7.1 Not applicable

5.8 Insight

5.8.1 Not applicable

6. DETAILED INFORMATION

- 6.1 Recruitment or Retention Payments (RRP) are additional payments to the basic pay of an individual post or specific group of posts. All payments are non-contractual.
- 6.2 Recruitment or Retention Payments may be paid in circumstances “where market pressures would otherwise prevent the employer from being able to recruit staff to and retain staff in sufficient numbers for the posts concerned at the normal salary for a job of that weight”. The payments are capped at 10% for each element.
- 6.3 A Recruitment and Retention Payment is a supplementary payment over and above the basic pay that the post holder receives by virtue of their position on their pay band. Recruitment or Retention Payments apply to posts rather than to employees. Where an employee moves to a different post that does not attract a recruitment or retention premium, the payment ceases. Only in exceptional circumstances would both recruitment and retention payments be applicable and therefore normally a post or post(s) would qualify for one payment capped at 10% of basic pay.
- 6.4 Prior to Unified Reward, the Council had a number of posts in receipt of market factor supplements which were introduced as a means of improving the Council’s ability to compete in competitive markets covering ‘hard to recruit to’ posts. Other market factor supplements were established purely on the basis of improving the Council’s ability to retain key members of staff in critical service areas. In the main these were introduced to cover specific groups of staff which were difficult to recruit and retain, for example Social Workers in Family Services or for very specific posts where the staff member’s particular skills and expertise were much sought after by other employers.
- 6.5 This report serves to provide information to the Committee on the number of recruitment and retention payments currently in place across the Council.
- 6.6 **Recruitment and Retention Payments:** A list of all posts in receipt of recruitment and retention payments is listed in Appendix A. Below is an explanation of the payments in each department.

Family Services

- 6.7 Recruitment and Retention payments, previously market factor supplements have been in place for Social Workers in Family Services since 2014. This followed an exercise where the Council benchmarked the salaries of Children’s Social Workers and introduced a market factor supplement payment which ensured the Council was competitive. There is a need to retain these payments following the introduction of unified rewards as the market for qualified Children’s social care staff remains extremely difficult to recruit. The payments vary according to the area of Social Work and a higher payment is paid to staff within Implementation and Planning which has proved a harder area of social work to recruit and retain staff. The staff covered under this are Social Workers, Senior Social Workers and Advanced Practitioners. In addition, there are

Deputy Team Managers and Team Managers who receive recruitment and retention payments but these are being phased out following Unified Reward as there is room within the new grade to ensure a competitive salary without the use of recruitment and retention payments. As such these do not represent any increase in costs to the Council when compared to prior the introduction of Unified Reward.

Adults and Communities

- 6.8 There are a few key posts where it has proved difficult to recruit permanently. In these cases recruitment and retention payments have been agreed as a way to recruit and pay a salary that was competitive.

Commissioning Group

- 6.9 The recruitment and retention payments currently paid to Staff within the Commissioning Group are limited to individuals where it has proved impossible to recruit or retain key staff without paying above the evaluated rate. These are limited to key roles such as highly specialised project roles where it has proved difficult for the Council to recruit key staff without the use of recruitment and/or retention payment to make a salary competitive with the private sector. As such these do not represent any increase in costs to the Council when compared to prior the introduction of Unified Reward.

Highways Maintenance

- 6.10 Following the introduction of Unified Reward, it was agreed the Highways Maintenance and Inspection Operatives should receive Recruitment and Retention Payments. This group of staff had a significant reduction in overall pay through the introduction of Unified Reward and as such the only way to retain their services was to introduce a recruitment and retention payment. This group of staff have acquired a range of skills and expertise combined with unique local knowledge of the borough that are invaluable to the Council delivering an effective highways maintenance service. In addition this group of staff are mainly responsible for providing the winter gritting service which is essential during harsh weather conditions. The Council would find it difficult to recruit new staff with this level of knowledge nor would we be able to retain this critical group of staff without the use of recruitment and retention premia. As such these do not represent any increase in costs to the Council when compared to prior the introduction Unified Reward.

Conclusion

- 6.11 The Chief Executive and Director of Human Resources have reviewed the list of posts currently in receipt of recruitment and retention payments, and in our view the list is justified but the use of recruitment and retention payments needs to remain regularly reviewed and challenged where it may no longer seem appropriate.