

The Newcastle Upon Tyne Hospitals NHS Foundation Trust

Procedure for the Payment of Recruitment & Retention Premia

Effective: February 2011

Review: December 2013

This policy is subject to review and amendment pending the outcome of the national review of RRP to ensure it is compliant with NHS Terms and Conditions of Service and/or equal pay

1. Introduction

- 1.1 This policy has been produced in light of the national provisions contained within the NHS Terms and Conditions of Service Handbook' (Section 5 and Annexes J and R) for the payment of Recruitment and Retention Premia (RRP).
- 1.2 An RRP is an addition to the pay of an individual post, or specific group of posts where market pressures would otherwise prevent the Trust from being able to recruit, or retain staff in sufficient numbers for the post(s) concerned, at the normal salary for the job(s) of that weight.
- 1.3 An RRP is paid in addition to the pay the post holder receives by virtue of their position on their pay band, any high cost area supplements, or any payments for unsocial hours or on-call cover.
- 1.4 Under NHS Terms, RRP's can be awarded on either a national or local basis.
- 1.5 Where an RRP is awarded on a national basis for a particular group and the level of payment is specified, employees within the Trust in the particular group concerned will receive the specified amount.
- 1.6 Where a RRP is awarded nationally but the level of payment is not specified, or where an RRP is awarded locally (i.e. by the Trust) the level of payment will be set by the Trust following consultation with Staff Side and due consideration of any national guidance/recommendations from the Pay Negotiating Council and/or Pay Review Body for Nursing and Other Health Professionals.
- 1.7 An RRP should not normally exceed 30% of basic salary except where specified in the AfC Handbook, or it is justified having followed the procedure and applied the criteria contained within this policy.
- 1.8 An RRP applies to an individual post, or specific group of posts, not to employees. Where an employee moves to a different post that does not attract an RRP, either within the Trust or elsewhere in the NHS, their entitlement to any previous RRP will cease.
- 1.9 An RRP should not be regarded as the only means of resolving recruitment and retention problems. Non-pay benefits could help, therefore, before considering an RRP, steps should be taken to ensure benefits, such as childcare support and training and development opportunities, are sufficiently well developed.

2. Purpose

- 2.1 The purpose of this policy is to ensure consistency in the application and payment of RRPs within the Trust.

3. Scope

- 3.1 This policy covers the application and procedure of provisions for the payment of RRPs on a short-term and long term basis.
- 3.2 It applies to all posts within the Trust covered by NHS Terms and Conditions of Service.
- 3.3 The Terms specify a number of posts where a prima facie case currently exists for the payment of a long term RRP. These are: chaplains; clinical coding officers; cytology screeners, dental nurses, technicians, therapists and hygienists; estates officers/works officers; financial accountants; invoice clerks; biomedical scientists; payroll team leaders; pharmacists; qualified maintenance craftsperson's; qualified maintenance technicians; qualified medical technical officers; qualified midwives (new entrant); and qualified perfusionists.

4. Definitions

Short-Term RRPs

- 4.1.1 A short-term RRP may be awarded where labour market conditions giving rise to recruitment and retention problems are expected to be short-term and where the need for the premium is expected to disappear or reduce in the foreseeable future.
- 4.1.2 Short-term RRPs:
- a. may be awarded on a one-off basis or for a fixed-term
 - b. will have their value regularly reviewed (i.e. at least annually)
 - c. may be withdrawn, or have the value adjusted subject to notice of six months
 - d. are not pensionable, or count for purposes of overtime, unsocial hours payments or any other payments linked to basic pay
- 4.1.3 It is envisaged that short-term RRPs would normally only apply to problematic situations likely to last between six months and three years.

Long Term RRPs

- 4.2.1 A long term RRP may be awarded where labour market conditions giving rise to recruitment and retention problems are more deep-rooted and the need for the premium is not expected to vary significantly in the foreseeable future.
- 4.2.2 Long term RRPs:

- a. will be awarded on a long term basis
- b. will have their values regularly reviewed (i.e. at least annually)
- c. may be awarded to new employees at a different value to that which applies to existing staff
- d. are pensionable and will count for the purposes of overtime, unsocial hours payments and any other payments linked to basic pay
- e. may be withdrawn, or have the value adjusted subject to notice of not less than six months

4.2.3 It is envisaged that long term RRP's would normally apply to problematic situations likely to last three years or more.

5. Procedure

5.1 Recruitment

5.1.1 All vacancies should be advertised in relevant local, regional, national and/or professional media.

5.1.2 Where an advert has produced no suitable applicants a review of the process and outcome should be undertaken to consider/establish the reason(s). The manager and relevant Human Resources Officer with input, as appropriate, from a relevant Staff representative, should normally undertake this review.

5.1.3 Account should be taken of:

- a. the number of applicants
- b. relevant national vacancy data
- c. local labour market information
- d. the media used
- e. any non-pay improvements that could be made to the employment package (e.g. training and development opportunities, childcare, relocation)
- f. any expected increase in the supply of suitable staff

5.1.4 If it could be reasonably assumed that the vacancy could be filled through, for example, advertising in different media, or by waiting for an expected increase in supply (for example, from new trainees), then the post should be re-advertised.

5.1.5 If, following the review, it is decided that the most effective way to recruit to the vacancy is only through the payment of an RRP, the manager must make an application to pay an RRP – see 5.3 below.

5.1.6 If the problem is likely to be resolved in the foreseeable future (i.e. within three years), the request should be for a short-term RRP.

5.1.7 If the problem is likely to continue indefinitely (i.e. longer than three years), the request should be for a long term RRP.

5.2 Retention

- 5.2.1 Before consideration is given to paying an RRP to increase the retention of employees, managers should ensure non-pay benefits are sufficiently developed e.g. flexible working arrangements, childcare support, training and development opportunities.
- 5.2.2 Where possible, local turnover rates should be compared with national rates.
- 5.2.3 Account should also be taken of other relevant available information, such as the findings from the annual staff attitude survey, exit interviews and survey reports, and staff experience interviews.
- 5.2.4 If, following the above actions, it is decided that the most effective way to retain employees is only through the payment of an RRP, the manager must make an application for an RRP – see 5.3 below.
- 5.2.5 If the problem is likely to be resolved in the foreseeable future (i.e. within three years), the request should be for a short-term RRP.
- 5.2.6 If the problem is likely to continue indefinitely (i.e. longer than three years), the request should be for a long term RRP

5.3 Application Process

- 5.3.1 All applications to pay an RRP must be made using the pro-forma at Appendix 1.
- 5.3.2 All requests will be considered by the Employment Partnership Forum (EPF). The EPF will consist of:

Management Side:

Director of Human Resources
Head of Human Resource Services
Head of Medical, Dental, Planning and Reward
Head of Nursing, Freeman and Walkergate
Operational Services Manager
Directorate Manager
Head of Payroll
Payroll Operations Manager

Staff Side Representatives to represent the following staff groups:

Nursing and Midwifery
Estates/Laboratories
Ancillary
Allied Health Professionals

- 5.3.3 The EPF will meet on the third Wednesday of each month. A minimum of two Management and two Staff representatives must be present to consider an application for RRP.
- 5.3.4 The EPF will then make a recommendation to the Executive Team.

5.3.5 The final outcome of an RRP application will be communicated to the manager in writing by the Chair of EPF within 10 working days.

5.3.6 Decisions will be final unless circumstances have changed since the application was made, or new information is available that would have a significant impact on the ability to recruit and/or retain staff. Where either applies, the manager must submit a written request to the EPF for the changed circumstances, or new information to be considered. .

6. Review of RRP Payments

6.1 A review will be carried out annually by the EPF who will consider evidence concerning the need (or otherwise) for the continuation, adjustment or withdrawal of an RRP.

6.2 In preparation for reviews, managers will be asked to submit information for the EPF to consider. The EPF will then make a recommendation to the Executive Team.

6.3 The final outcome of the review will be communicated to the manager in writing by the Chair of EPF within 10 working days.

7. Audit & Monitoring

7.1 Operation of this policy will be monitored by an Audit of reviews submitted to the EPF on an annual basis to identify the number agreed and denied.

8. Further Advice and Guidance

Please contact a Human Resources Officer in the Human Resources Department.

Author: The Director of Human Resources

**The Newcastle Upon Tyne Hospitals NHS Foundation Trust
Request for the Payment of Recruitment & Retention Premia**

To be completed by the recruiting manager in conjunction with their Human Resources Officer.

1. Post Details

1.1	Job Title	
1.2	Grade	
1.3	Hours	
1.4	Ward/Department	
1.5	Directorate	
1.6	Site	
1.7	Number of these posts within Dir/Dept	
1.8	Number of these posts within the Trust	

2. Request Details

2.1	Short-term or long term RRP	
2.2	Reason (i.e. problem is recruitment, retention or both)	
2.3	How much and why	
2.4	Effective date from and to	<u>From:</u> <u>To:</u>
2.5	Staff groups/specific posts affected	
2.6	Effect if RRP not payable e.g. inability to meet key target(s)	
2.7	How do you propose to fund the RRP	

2.8	Financial position	<u>Overall position as at</u> (month): £ <u>Staff budget total:</u> £ <u>Staff budget over/under spend:</u> £
2.9	Are any cost savings likely to be achieved e.g. reduction in agency costs	
2.10	What measures will be taken to address the need to pay an RRP	

3. Action Taken to Recruit

3.1	Date(s) advertised	
3.2	Media used	
3.3	Number of Enquiries	
3.4	Number of Applicants	
3.5	Reason(s) for difference between number of enquiries and actual applicants	
3.6	Number of shortlistable applicants	
3.7	Number invited for interview	
3.8	Number interviewed	
3.9	Number of Offers Made	
3.10	Reason(s) for difference between number invited for interview and those who turned up	
3.11	Reason(s) for declining offer	
3.12	Reason(s) for not readvertising	
3.13	Have non-pay benefits been highlighted in the advert. If not, would this make a difference – please give reasons	

4. Details of Recruitment / Retention Problems

4.1	Number of vacant posts of the type this request relates to within the work area and within the Trust	<u>Work area:</u> <u>Trust:</u>
4.2	Length of time posts have been vacant and reason(s)	
4.3	Number of attempts recruitment has actively been pursued if different to above? Please provide details	
4.4	Turnover rate for these posts within the work area and within the Trust	<u>Work area:</u> <u>Trust:</u>
4.5	External factors affecting recruitment e.g. lack of appropriately qualified/trained individuals, better terms and conditions offered by other Trusts/private health care/private industry. Please give details including how terms and conditions are more favourable and how long these factors are expected to continue	

5. Other Factors

5.1	Average sickness absence rate in last 12 months	
5.2	Evidence of well developed non-pay benefits e.g. childcare support, flexible working, training and development. Please give details	
5.3	Relevant feedback from exit interviews/surveys. Please give details	
5.4	Are there any other RRP's currently applied? Please give details	

Signed: _____

Print Name: _____

Designation: _____

Date: _____

**Send form to: Head of Human Resource Services, Human Resources
Department, 3rd Floor Cheviot Court, Freeman Hospital**

THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST
IMPACT ASSESSMENT – SCREENING FORM A

This form must be completed and attached to any procedural document when submitted to the appropriate committee for consideration and approval.

Policy Title:	Procedure for the Payment of Recruitment & Retention Premia	Policy Author:	Ms Karen Pearce – Senior HR Manager (Projects)
		Yes/No?	You must provide evidence to support your response:
1.	Does the policy/guidance affect one group less or more favourably than another on the basis of the following: (* denotes protected characteristics under the Equality Act 2010)		Policy applies to all posts within the Trust covered by NHS Terms and Conditions of Service.
	• Race *	No	
	• Ethnic origins (including gypsies and travellers)	No	
	• Nationality	No	
	• Gender *	No	
	• Culture	No	
	• Religion or belief *	No	
	• Sexual orientation including lesbian, gay and bisexual people *	No	
	• Age *	No	
	• Disability – learning difficulties, physical disability, sensory impairment and mental health problems *	No	
	• Gender reassignment *	No	
	• Marriage and civil partnership *	No	
2.	Is there any evidence that some groups are affected differently?	No	
3.	If you have identified potential discrimination which can include associative discrimination i.e. direct discrimination against someone because they associate with another person who possesses a protected characteristic, are any exceptions valid, legal and/or justifiable?	N/A	
4(a).	Is the impact of the policy/guidance likely to be negative? <i>(If “yes”, please answer sections 4(b) to 4(d)).</i>	No	
4(b).	If so can the impact be avoided?	-	
4(c).	What alternatives are there to achieving the policy/guidance without the impact?	-	
4(d)	Can we reduce the impact by taking different action?	-	

Comments:	Action Plan due (or Not Applicable):
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Name and Designation of Person responsible for completion of this form: Ms K Pearce Date: 24 November 2010

Names & Designations of those involved in the impact assessment screening process: The Employment Policies and Procedures Consultative Group
 (If any reader of this procedural document identifies a potential discriminatory impact that has not been identified on this form, please refer to the Policy Author identified above, together with any suggestions for the actions required to avoid/reduce this impact.)