

# RECRUITMENT AND RETENTION PREMIA POLICY

## December 2020

**Important:** This document can only be considered valid when viewed on the CCG's website.

If this document has been printed or saved to another location, you must check that the version number on your copy matches that of the document online.

**If you need this document in a different format or language (e.g. large print, Braille, audio or easy read), please contact us on 01482 344700, or email [HULLCCG.contactus@nhs.net](mailto:HULLCCG.contactus@nhs.net), or write to: NHS Hull Clinical Commissioning Group, 2nd Floor, Wilberforce Court, Alfred Gelder Street, Hull HU1 1UY.**

Name of Policy:	Recruitment & Retention Premia Policy
Date Issued:	
Date to be reviewed:	3 years or if statutory changes are required

<b>Policy Title:</b>	Recruitment & Retention Premia Policy	
<b>Supersedes: (Please List)</b>	Recruitment and Retention Premia Policy	
<b>Description of Amendment(s):</b>	Policy Review	
<b>This policy will impact on:</b>	All Staff including board members, apprentices, students.	
<b>Policy Area:</b>	HR	
<b>Version No:</b>	2.0	
<b>Author:</b>	HR Policy Lead - adapted for local use by Embed Health Consortium on behalf of Hull CCG	
<b>Effective Date:</b>	01 <sup>st</sup> December 2020	
<b>Review Date:</b>	01 <sup>st</sup> December 2020	
<b>Equality Impact Assessment Date:</b>	01 <sup>st</sup> December 2020	
<b>APPROVAL RECORD</b>		<b>Date:</b>
<b>Consultation:</b>		



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## **1. INTRODUCTION**

- 1.1 This document outlines the policy and procedure utilised by NHS Hull Clinical Commissioning Group (the CCG) for awarding recruitment and retention premia.
- 1.2 This policy recognises the need for consistency, equity and fairness to be maintained at both local and national levels.
- 1.3 The CCG is committed to ensuring that all personal information is managed in accordance with current data protection legislation, professional codes of practice and records management and confidentiality guidance. More detailed information can be found in the CCGs Data Protection and Confidentiality and related policies and procedures.

## **2. SCOPE**

This policy will apply to all employees with Agenda for Change terms and conditions of employment.

## **3. POLICY PURPOSE AND AIMS**

The aim of the Recruitment and Retention Premia Policy is to ensure that the Organisation remunerates all of its employees at a level at which recruitment and retention difficulties will not be encountered. This policy should be read in conjunction with the NHS terms and conditions of service handbook.

## **4. IMPACT ANALYSIS**

### **4.1 Equality**

In applying this policy, the CCG will have due regard for the need to eliminate unlawful discrimination, promote equality of opportunity, and foster good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation.

- 4.2 In developing this policy, an Equality Impact Analysis has been undertaken and is attached at Appendix 2. As a result of the initial screening, the policy does not appear to have any adverse effects on people who share protected characteristics and no further actions are required at this stage.
- 4.3 The policy will be monitored alongside recruitment monitoring data to ensure fair application.
- 4.4 Further details around equality can be found on the [CCG website](#)

#### 4.5 Bribery Act 2010

The Bribery Act is particularly relevant to this policy. ERY CCG has a responsibility to ensure that all staff are made aware of their duties and responsibilities arising from the Bribery Act 2010. Under the Bribery Act 2010 there are four criminal offences:

- Bribing or offering to bribe another person (Section 1)
- Requesting, agreeing to receive or accepting a bribe (Section 2);
- Bribing, or offering to bribe, a foreign public official (Section 6);
- Failing to prevent bribery (Section 7).

These offences can be committed directly or by and through a third person and, in many cases, it does not matter whether the person knows or believes that the performance of the function or activity is improper.

It should be noted that there need not be any actual giving and receiving for financial or other advantage to be gained, to commit an offence.

All individuals should be aware that in committing an act of bribery they may be subject to a penalty of up to 10 years imprisonment, an unlimited fine, or both. They may also expose the organisation to a conviction punishable with an unlimited fine because the organisation may be liable where a person associated with it commits an act of bribery.

Individuals should also be aware that a breach of this Act renders them liable to disciplinary action by Hull CCG, whether or not the breach leads to prosecution. Where a material breach is found to have occurred, the likely sanction will be loss of employment and pension rights.

It is the duty of every member of staff to speak up about any genuine concerns in relation to criminal activity, breach of a legal obligation, miscarriage of justice, danger to health and safety or the environment and the suspected cover up of any of these in the workplace. To raise any suspicions of bribery and/or corruption please contact the Chief Finance Officer. Staff may also contact the Local Counter Fraud Specialist (LCFS) at – Audit Yorkshire, 01482 866800 email: [nikki.cooper1@nhs.net](mailto:nikki.cooper1@nhs.net) or mobile 07872 988939.

The LCFS or Chief Finance Officer should be the contact for any suspicions of fraud. The LCFS will inform the Chief Finance Officer if the suspicion seems well founded and will conduct a thorough investigation. Concerns may also be discussed with the Chief Finance Officer or the Audit & Integrated Governance Committee Chair.

If staff prefer, they may call the NHS Fraud & Corruption Reporting Line on 0800 028 40 60 between 8am-6pm Monday-Friday or report online at [www.reportnhsfraud.nhs.uk](http://www.reportnhsfraud.nhs.uk). This would be the suggested contact if there is a concern that the LCFS or the Chief Finance Officer themselves may be implicated in suspected fraud, bribery or corruption.

## **5. NHS CONSTITUTION**

- 5.1 The CCG is committed to: Designing and implementing services, policies and measures that meet the diverse needs of its population and workforce, ensuring that no individual or group is disadvantaged. Further details of the NHS constitution can be found on the [CCG website](#).

## **6. ROLES / RESPONSIBILITIES / DUTIES**

To ensure consistency in the application of payment of Recruitment and Retention Premia across the CCG, the Line Manager should work with the HR Manager in applying the appropriate award.

The application for the award of recruitment and retention premia can only be approved at a very senior manager level.

The application should also be agreed with the CCG's local staff representatives where appropriate.

## **7. IMPLEMENTATION**

This policy will be communicated to staff via team meetings/team brief and will be available for staff on the CCG website.

Support will be provided to all Line Managers in the implementation and application of this policy.

Breaches of this policy may be investigated and may result in the matter being treated as a disciplinary offence under the CCGs disciplinary procedure.

## **8. TRAINING AND AWARENESS**

A copy of the policy will be available on the CCG website and training needs will be identified via the appraisal process and training needs analysis.

## **9. MONITORING AND EFFECTIVENESS**

The policy and procedure will be reviewed and audited periodically by the HR Team in conjunction with the Senior Leadership Team and Trade Union representatives. Where review is necessary due to legislative change, this will happen immediately.

## 10. POLICY REVIEW

This Policy will be reviewed within 3 year from the date of implementation.

## 11. REFERENCES

This policy should be read in conjunction with the relevant recruitment policies and the NHS terms and conditions of service [handbook](#).

## 12. ASSOCIATED DOCUMENTATION

Recruitment & Selection Policy  
Starting Salary and Reckonable Service Policy

## 13. DEFINITIONS

- 13.1 Recruitment and Retention Premia (RRP) is an additional payment to the basic pay of an individual post or specific group of posts.
- 13.2 Recruitment and Retention Premia 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”.
- 13.3 Recruitment and Retention Premia is a supplementary payment over and above the basic pay that 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.
- 13.4 Recruitment and Retention Premia will apply to posts rather than to employees. Where an employee moves to a different post that does not attract a recruitment and retention premium, either within the same organisation or elsewhere in the NHS, their entitlement to any previous recruitment and retention premium will cease and pay protection will not apply.

### **Short-Term Premia**

- 13.5 Short-term Recruitment and Retention Premia will apply where the 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. Short-term premia will normally be applied for a period of no longer than two years. If it is expected that the premia payment will continue for more than two years, this should be considered under ‘Long Term Premia’ (6.7)
- 13.6 Short-term Recruitment and Retention Premia:
- may be awarded on a one-off basis or for a fixed-term;

- will be regularly reviewed (not less than bi-annually);
- may be withdrawn, or have the value adjusted, subject to a notice period of six months; and
- will not be pensionable, or count for purposes of overtime, unsocial hours payments or any other payments linked to basic pay.

### **Long-Term Premia**

- 13.7 Long-term Recruitment and Retention Premia will apply where the relevant labour market conditions are more deep-rooted and the need for the premium is not expected to vary significantly in the foreseeable future.
- 13.8 Long-term Recruitment and Retention Premia:
- will be awarded on a long-term basis;
  - will be regularly reviewed (not less than annually);
  - may be awarded to new staff at a different value to that which applies to existing staff;
  - may be withdrawn, or have the value adjusted, subject to a notice period of six months; and
  - will be pensionable, and will count for the purposes of overtime, unsocial hours payments and any other payments linked to basic pay.
- 13.9 Both long-term and short-term Recruitment and Retention Premia will be expressed as cash sums and will be separately identifiable from basic pay, any high cost area supplement, and any other component of pay.
- 13.10 Any locally awarded recruitment and retention premium for a given post shall not normally exceed 30% of basic salary. It will be the responsibility of the Organisation to ensure that any premia awarded locally do not normally result in payments in excess of this amount. In the event that, following review and subject to a 6-month notice period the Recruitment and Retention Premia is withdrawn, pay protection arrangements will not apply.

## **14. PRINCIPLES**

- 14.1 A recruitment and retention premium may be awarded on either a short-term or long-term basis, determined by principles outlined in the following paragraphs.
- 14.2 The CCG may use premia in two main ways; either through recruitment; or through a requirement to retain staff; based on the job within a locality or through a market shortage or a specific skill set, both of these may be applied in a long or short term capacity.
- 14.3 Recruitment and retention premia will be considered in cases where it is proven that



adjustments to non-pay benefits are unlikely to improve the situation and one or more of the following conditions apply:

- There are documented labour market shortages within a defined geographical area;
- NHS employers locally have jointly agreed to pay supplements for designated posts and the CCG needs to remain competitive in the recruitment market for equivalent posts;
- There is a competitive non-NHS labour market where salary survey data indicates that enhancements to Agenda for Change evaluated pay rates would be required to attract and retain staff;
- Where there is consistent data showing high patterns of turnover, supported by exit interview data, indicating a direct link to dissatisfaction with pay levels.

14.4 However, if on the basis of paragraph 7.3 above, it is decided that the vacancy problem can be addressed most effectively only through payment of a recruitment and retention premium, consideration should be given to whether the problem is likely to be resolved in the foreseeable future (in which case any premium should be short-term) or whether it is likely to continue indefinitely (in which case any premium should be long-term).

14.5 Before consideration is given to payment of Recruitment and Retention Premia to ensure retention of staff, management will ensure non-pay benefits (e.g. training and development) are sufficiently developed.

## **15. PROCEDURE**

15.1 This section sets out the procedure by which the need for a local recruitment and retention premium will be decided.

15.2 The application of this policy should be made in conjunction with the CCG's Starting Salary and Reckonable Service policy to ensure that a fair and consistent process is applied, and that consideration has been taken in regards to existing employees of the organisation who may hold similar roles but who may not currently be in receipt of a similar payment.

15.3 Managers who identify that they have a current or potential serious recruitment and retention difficulty should always discuss this with their HR Team in the first instance, with a view to establishing the underlying reasons and finding a solution.

The Manager and the HR Team will review:

- The recruitment activity to date, including the advertising that has already taken place (media, style etc.), the quality of the recruitment information pack (job description, person specification, department information etc.) and the response rates;
- Whether the difficulty could be addressed through a more flexible approach to

working patterns, the use of part-time staff, adjusted roles, service modernisation etc;

- Whether an increased supply of candidates could be achieved through the use of an improved non-pay employment package – improved training package, relocation expenses, etc;
- Whether the experience is national, local to the CCG only or whether it is also the case in other local relevant employers;
- Whether the problems are related to avoidable work-related pressures, working environment, volumes, procedures etc. that require attention; the staff survey may have useful pointers in this regard;
- The reasons for leaving given in recent exit interviews (where available);
- Whether the problem is seen as short or long term;
- Whether the use of bank, agency or locum staff is an acceptable and more cost effective solution.

15.4 Where appropriate, local staff representatives will also be included in these discussions.

15.5 Where the conclusion of these discussions is that it may be appropriate to pay a recruitment and retention premium, the Recruiting Manager should prepare a written business case (Appendix 1) setting out the case and including, for example:

- The department's staffing establishment and skill mix;
- The current level of staffing and skill mix;
- Relevant performance data – targets, achievements etc;
- Evidence of the difficulties in recruiting/retaining staff within the band(s) that are the concern;
- Details of the recent recruitment activity for the vacancies;
- Evidence that non-pay solutions have been tried and have proven unsuccessful;
- The proposed level of payment and the band(s) that this would apply to: this may be set at different rates for pay points within the same band;
- Whether a long term or short term premium is proposed;
- The number of staff involved;
- The cost of the proposal and the additional costs currently being incurred in supporting the service;
- Evidence that the proposed payment has a basis in terms of pay rates elsewhere in the NHS (for professional roles) or locally (for non-clinical roles);
- How and to what extent the proposed premium will address any current performance deficit i.e. what impact it will have on service delivery.

In other cases, such as the planned closure of a service or a significant service growth in a hard to recruit to service, the Manager may wish to anticipate any expected recruitment and retention difficulties. In this case the situation should be discussed with the Senior Manager/Head of Service and HR Manager as above and an appropriate action plan developed.

- 15.6 The business case must be approved by a Very Senior Manager and a HR representative.
- 15.7 The agreed business case should then be submitted to the CCG remuneration committee for consideration.
- 15.8 The agreed business case should also be shared with the CCG's local partnership representatives where appropriate.

## APPENDIX 1

### BUSINESS CASE FOR RECRUITMENT AND RETENTION PREMIA

#### Supporting Evidence

Post Title:	
Directorate:	
Post Pay Band:	
Number of Posts:	

Is this application for problems with: (Please Tick)		
Recruitment <input type="checkbox"/>	Retention <input type="checkbox"/>	Both <input type="checkbox"/>
Are you applying for:		
Short Term RRP <input type="checkbox"/>	Long Term RRP <input type="checkbox"/>	
Proposed Effective Date:	Proposed Duration:	
Is there any other RRP currently applied?		
Yes <input type="checkbox"/>	No <input type="checkbox"/>	
If YES, please give further details:		
Summary of identified difficulties to recruit or retain:		

Evidence of previous attempts to recruit or retain. In this section you should include information such as: exit interview results; response to adverts; turnover rates for post(s); National Shortages; Availability of Locum/Agency Equivalents; External (non-NHS) Rates of Pay, etc.

If you are providing information about external rates of pay for similar posts, please attach recent adverts

Suggested value of RRP based upon above information (per full-time post):	£..... per annum
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Please summarise any other action that has been taken/considered to overcome recruitment or retention issues. This should include: flexible working; additional training; changes to roles and recruitment initiatives.

Who else could be affected by this application? For example, are there any implications for posts that attract external sources of funding?

Please detail below how the total cost of the proposed RRP and any cost saving that could be achieved through the application of RRP (i.e. reduction in agency costs)

Suggested RRP VALUE	X	Number of EMPLOYEES	=	Total COST OF RRP
Current Cost of Cover (per person):				

Where will the RRP be funded from? (e.g. Existing/Additional Funding)
Expected benefits of applying RRP
<b>Proposed by (Manager)</b>
Name: Signed: _____ Date: _____
<b>Very Senior Manager Approval</b>
Name: Signed: _____ Date: _____
<b>HR Approval</b>
Name: Signed: _____ Date: _____
<b>Remuneration Committee Approval</b>
Date: _____

APPENDIX 2

<b>HR / Corporate Policy Equality Impact Analysis:</b>	
<b>Policy / Project / Function:</b>	Recruitment & Retention Premia
<b>Date of Analysis:</b>	12 <sup>th</sup> December 2018
<b>Completed by: (Name and Department)</b>	HR Representative, Embed HR Team
<b>What are the aims and intended effects of this policy, project or function?</b>	The aim of the Policy is to ensure that the Organisation remunerates all of its employees at a level at which recruitment and retention difficulties will not be encountered.
<b>Are there any significant changes to previous policy likely to have an impact on staff / other stakeholder groups?</b>	No
<b>Please list any other policies that are related to or referred to as part of this analysis</b>	Recruitment Policy Disciplinary Procedure
<b>Who will the policy, project or function affect?</b>	Employees only
<b>What engagement / consultation has been done, or is planned for this policy and the equality impact assessment?</b>	SLT All employees Social Partnership Forum Governing Body (approval)
<b>Promoting Inclusivity and Hull CCG's Equality Objectives.</b>  How does the project, service or function contribute towards our aims of eliminating discrimination and promoting equality and diversity within our organisation?  How does the policy promote our equality	This policy provides a clear framework relating to remuneration. The policy defines the CCGs duties under the Equality Act, including it's public sector duties, to ensure the policy does not discriminate on the ground of any protected characteristic.

<p>objectives:</p> <ol style="list-style-type: none"> <li>1. Ensure patients and public have improved access to information and minimise communications barriers</li> <li>2. To ensure and provide evidence that equality is consciously considered in all commissioning activities and ownership of this is part of everyone's day-to-day job</li> <li>3. Recruit and maintain a well-supported, skilled workforce, which is representative of the population we serve</li> <li>4. Ensure the that NHS Hull Clinical Commissioning Group is welcoming and inclusive to people from all backgrounds and with a range of access needs</li> </ol>	
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Equality Data	
<p><b>Is any Equality Data available relating to the use or implementation of this policy, project or function?</b></p> <p>Equality data is internal or external information that may indicate how the activity being analysed can affect different groups of people who share the nine <i>Protected Characteristics</i> – referred to hereafter as '<i>Equality Groups</i>'.</p> <p>Examples of <i>Equality Data</i> include: (this list is not definitive)</p> <ol style="list-style-type: none"> <li>1: Recruitment data, e.g. applications compared to the population profile, application success rates</li> <li>2: Complaints by groups who share / represent protected characteristics</li> </ol>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>Where you have answered yes, please incorporate this data when performing the <i>Equality Impact Assessment Test</i> (the next section of this document). If you answered No, what information will you use to assess impact?</p> <p><b>Please note that due to the small number of staff employed by the CCG, data with returns small enough to identify individuals cannot be published. However, the data should still be analysed as part of the EIA process, and where it is possible to identify trends or</b></p>



4: Grievances or decisions upheld and dismissed by protected characteristic group 5: Insight gained through engagement	<b>issues, these should be recorded in the EIA.</b>
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**Assessing Impact**

**Is this policy (or the implementation of this policy) likely to have a particular impact on any of the protected characteristic groups?  
(Based on analysis of the data / insights gathered through engagement, or your knowledge of the substance of this policy)**

Protected Characteristic:	No Impact:	Positive Impact:	Negative Impact:	Evidence of impact and, if applicable, justification where a <i>Genuine Determining Reason</i> <sup>1</sup> exists (see footnote below – seek further advice in this case)
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**It is anticipated that these guidelines will have a positive impact as they support policy writers to complete meaningful EIAs, by providing this template and a range of potential issues to consider across the protected characteristics below. There may of course be other issues relevant to your policy, not listed below, and some of the issues listed below may not be relevant to your policy.**

<b>Gender</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of gender
<b>Age</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of age
<b>Race / ethnicity / nationality</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of race/ethnicity/nationality
<b>Disability</b>				This policy has been considered against this

1. <sup>1</sup> The action is proportionate to the legitimate aims of the organisation (please seek further advice)

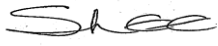
	✓			protected characteristic and applies equally to all staff regardless of disability
<b>Religion or Belief</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of religion/belief
<b>Sexual Orientation</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of sexual orientation
<b>Pregnancy and Maternity</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of pregnancy and maternity
<b>Transgender / Gender reassignment</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of transgender
<b>Marriage or civil partnership</b>	✓			This policy has been considered against this protected characteristic and applies equally to all staff regardless of gender

### Action Planning:

**As a result of performing this analysis, what actions are proposed to remove or reduce any risks of adverse impact or strengthen the promotion of equality?**

<b>Identified Risk:</b>	<b>Recommended Actions:</b>	<b>Responsible Lead:</b>	<b>Completion Date:</b>	<b>Review Date:</b>
Fair implementation of policy	Monitor application of this policy alongside recruitment monitoring data to ensure fair application	tbc	On going	On going
Fair implementation	An annual report will be	HR Team	Annual	On

of the policy	submitted to SPF on the use of recruitment and retention premia.			going
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<b>Sign-off</b>
<p><b>All policy EIAs must be signed off by Sue Lee, Associate Director of Communications and Engagement. An EIA Must be signed off in advance of final approval of policy. Allow 7 days for sign off of EIA email</b>  <a href="mailto:hullccg.equalityanddiversity@nhs.net">hullccg.equalityanddiversity@nhs.net</a></p>
<p><b>I agree with this assessment / action plan</b></p>
<p><b>If <i>disagree</i>, state action/s required, reasons and details of who is to carry them out with timescales:</b></p>
<p style="text-align: center;"></p> <p><b>Signed:</b></p>
<p><b>Date: 10.03.21</b></p>

