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Area CS People and
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Document Policy
Types

Recruitment and Retention Premia Policy

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1. INTRODUCTION

1.1. Purpose

Harrogate and District NHS Foundation Trust (HDFT) is committed to recruiting and retaining employees who are equipped with the knowledge, skills and behaviours to provide the highest standards of service and care to our patients, visitors and colleagues.

This framework builds on the national criteria for the application of recruitment and retention premia (RRP) and addresses the application of RRP to posts within the Trust.

This policy is based on the following principles and practices:-

- A clear framework with regards to when an RRP is appropriate will be in place;
- A clear framework with regards to the process that must be followed when implementing a new RRP will be in place;
- A clear framework with regards to the process that must be followed when reviewing an RRP will be in place;
- An RRP will apply to a post and not an employee;
- For nationally identified posts, the level of RRP determined locally will be sufficient to ensure that employees in those posts do not require protection arrangements;
- The combined value of any RRP should not exceed 30% of basic salary;
- The Trust will undertake consultation with local NHS organisations before implementing a local RRP.

When any aspect of this policy is being implemented, *Annexes J, K and R of the Agenda for Change (AfC): NHS Terms and Conditions of Service Handbook*, must be referred to.

1.2. Aims

This Policy sets out the principles and process to be followed when considering the payment of Recruitment and Retention Premia (RRP), and is intended to ensure that posts within the Trust, which are hard to recruit to and/or have low retention rates, are reviewed in a fair and consistent manner. In order to identify whether the application of an RRP would encourage a greater volume of applicants and increase retention.

1.3. Scope

This policy applies to all employees on (AfC) terms and conditions of employment.

1.4. Definitions

- **AfC** - Agenda for Change
- **CF** - Corporate Function
- **Employees** - All employees
- **HDFT** - Harrogate and District NHS Foundation Trust
- **HR** - Human Resources
- **LRRP** - Local Recruitment and Retention Premia (see also RRP)
- **NRRP** - National Recruitment and Retention Premia (see also RRP)
- **PNC** - Pay Negotiation Committee
- **PRB** - Pay Review Body
- **RRP** - Recruitment and Retention Premia. An additional payment to the basic salary of employees in specific posts or specific groups of posts, where market pressures would otherwise prevent the post from being recruited to and/or retention rates would be low, resulting in an adverse affect on service provision. It is a supplementary payment over and above the pay that employees receive by virtue of their position on their pay band, any high-cost area supplements and/or any payments for unsocial hours or on-call cover
- **The Trust** - Harrogate and District NHS Foundation Trust
- **Manager** - Line Manager

2. RECRUITMENT AND RETENTION PREMIA

RRPs will be expressed as cash sums and will be separately identifiable from basic pay, any high-cost area supplements, payments for unsocial hours or on-call cover or any other component of pay.

When an employee who currently receives an RRP moves to a post that does not attract a RRP, either within the same organisation or elsewhere within the NHS, their entitlement to any previous RRP will cease.

The combined value of any RRP should not exceed 30% of basic salary. It is the responsibility of the Trust to ensure that any RRP awarded locally is not in excess of this amount, taking into account any national awards for the posts in question.

Subject to the detail throughout this policy, the Trust may apply an RRP to posts of a specific class or type or to posts where the post is unique within the organisation (e.g. Head of a Department or Service, etc).

3. NATIONAL RECRUITMENT AND RETENTION PREMIA

From 2011 the national RRP's were withdrawn from all previously listed groups with advice provided that any staff group requiring a RRP should apply to have a local RRP in line with each Trust policy. Information regarding previous national RRP's can be found within the current AfC handbook available via NHS Employers.

4. SHORT-TERM RECRUITMENT AND RETENTION PREMIA

Short-term RRP will apply where the recruitment and retention problems are expected to be short-term and where the need for the RRP is expected to disappear or reduce in the foreseeable future.

Local short-term RRP:–

- May be awarded on a 'one off' basis or for a fixed period;
- Should be applied for no longer than 12 months and this must be reviewed;
- May be withdrawn or have the value adjusted subject to a six month notice period;
- Will not be pensionable, or count for the purposes of overtime, unsocial hours payments or any other payments linked to basic pay.

5. LONG-TERM RECRUITMENT AND RETENTION PREMIA

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 foreseeable future.

Local long-term RRP:–

- Will be awarded on a long-term basis, for minimum of 12 months;
- Will be reviewed annually, based on market forces;
- Will go to Pay terms and Conditions Group (as a sub group of Partnership Forum) for consultation and agreement prior to implementation of any value adjustments or withdrawal;
- May be withdrawn or have the value adjusted, subject to a six month notice period;
- Will be pensionable and will count for the purposes of calculating overtime, unsocial hours payments and any other payments linked to basic pay;
- May be awarded to new employees at a different value from that which applies to existing staff.

6. LOCAL RECRUITMENT AND RETENTION

PREMIA CRITERIA

In accordance with *Annex R of the AfC: NHS Terms and Conditions of Service Handbook*, and in order to ensure consistency in the application and payment of RRP, the Trust must adhere to the following:-

Recruitment

- All new vacancies may be advertised in www.jobs.nhs relevant local, regional, national and/or professional media;
- Where adverts have produced no suitable applicants, the reasons for this must be considered;
- Consideration must be given to the number of applicants, relevant national vacancy data, local labour market information, the media used, any non-pay improvements that could be made to the benefits package (e.g. training and development, childcare support, relocation expenses, etc.) or any expected increase in the supply of staff suitable for the post (e.g. new trainees);
- If it could be reasonably assumed that vacancies could be filled via another mechanism, such as advertising in different media or by waiting for an expected increase in supply (e.g. new trainees) then vacant posts should be re-advertised at an appropriate time;
- If none of the above are relevant, and it is decided that the vacancy problem can be addressed most effectively through payment of a RRP, then the manager must follow the procedure set out in Section 7 of this policy.

Retention

- Before consideration is given to paying a RRP to increase the retention rate in a particular post/staff group, consideration must be given to alternatives to non-pay benefits (e.g. training and development, childcare support, relocation expenses, etc.);
- Where possible, local turnover rates should be compared with national turnover rates;
- Results of exit questionnaires should be assessed in order to establish if, and to what extent, pay is a factor in an employee's decision to leave the Trust;
- If none of the above are relevant, and it is decided that the retention problem can be addressed most effectively through payment of a RRP, then the manager must follow the procedure set out in Section 7 of this policy.

7. PROCESS FOR IMPLEMENTING LOCAL RECRUITMENT AND RETENTION PREMIA

Any employee or manager may identify a potential issue in relation to recruitment or retention to their manager. The manager or senior manager, in consultation with appropriate colleagues, must consider all other alternatives, such as role redesign, flexible working, etc.

If all other alternatives have been exhausted, the manager must decide if the problem is likely to be resolved in the foreseeable future (in which case the RRP should be short-term, see Section 4) or whether it is likely to continue indefinitely (in which case the RRP should be long-term, see Section 5).

The manager must then complete in full a *RRP Application Form* (see **Appendix 1**) and forward the completed form to their Operational Director or relevant senior manager, for consideration.

The Operational Director or relevant senior manager, Finance Manager and HR Business Partner for the relevant Directorate will be responsible for checking that due process is followed and sufficient evidence is available to support a case for applying a RRP. Any specific issues arising at this stage will be referred back to the manager.

After considering the application for an RRP, their Operational Director or relevant senior manager, Finance Manager and HR Business Partner should complete an *RRP Recommendation Form* (see **Appendix 2**), and forward a copy to the relevant manager.

Prior to completing the *RRP Recommendation Form*, the Operational Director or relevant senior manager, Finance Manager and HR Business Partner may ask the manager to clarify any issues or submit additional information.

If the RRP has been agreed the Operational Director or relevant senior manager, may be required to consult with interested parties within the Yorkshire and Humberside Region. Advice must be sought from a HR representative with regard to which organisations should be included, for example other Acute Trusts, Foundations Trusts, or other NHS and Health providers in the region.

If consultation is required this should be made via email using the *RRP Consultation Form* (see Appendix 3)

If consultation is required then local NHS organisations who are being consulted should be given twenty-one days to respond in writing on the *RRP Consultation Form*. If a response has not been received within this timescale, then an assumption will be made that no objection will be made.

If there are any objections to the RRP being implemented, the Operational Director or relevant senior manager, with advice from the HR Business Partner, must address the reasons for the objection and contact the local NHS organisation(s) with the aim of the objections being retracted.

If the objections are not retracted, the Deputy Director of Workforce and Organisational Development and the relevant Clinical Director must be informed of the reasons for the objections, in order that they can decide if the RRP should be implemented.

The Operational Director or relevant senior manager must notify the manager of the decision. If there are currently employees in the post(s) that the RRP will be applied to, the manager must write to the employee(s) to notify them of the decision. The RRP will be backdated to the date the manager submitted the *RRP Application Form* and will be paid in equal payments on

a monthly basis.

If the employee does not agree with the decision, they can raise a grievance in accordance with the Trust's *Grievance Policy*.

8. REVIEW OF RECRUITMENT AND RETENTION PREMIA

RRP must be reviewed at least every twelve months by the relevant Operational Director or relevant senior manager, Finance Manager and HR Business Partner.

When reviewing the RRP, the following must be considered:–

- How far the RRP has allowed the Trust to reduce its vacancy rates and/or; increase its retention for particular posts or staff groups;
- The likely impact on vacancies of removing or reducing a RRP;
- The likely impact on retention rates of removing or reducing a RRP;
- Any changes in labour market circumstances;
- The principle consistent with equal pay for work of equal value should be that where the need for a RRP is reduced or has ended, the RRP should be reduced or withdrawn as soon as possible in accordance with the notice periods detailed in Sections 4 and 5.

When a review decision has been made, the Operational Director or relevant senior manager must notify the manager of the employee(s) who are currently receiving the RRP. The manager must write to the employee(s) to notify them of the decision. The Head of Service must also inform Pay Terms and Conditions Group as a sub group of Partnership Forum prior to the removal.

If the employee does not agree with the decision, they can raise a grievance in accordance with the Trust's *Grievance Policy*.

9. ROLES AND RESPONSIBILITIES

9.1. Employees

- Identify a potential issue in relation to recruitment or retention to their manager.

9.2. Line Managers

- Identify a potential issue in relation to recruitment or retention to their staff member(s);
- In consultation with the staff, consider all other alternatives, such as role redesign, flexible working, etc;
- Decide if a recruitment or retention problem is likely to be resolved in the foreseeable future and decide if RRP is appropriate;

- Complete a *RRP Application Form* and forward it to their Operational Director or relevant senior manager;
- When requested, provide additional information with regards to the RRP application process;
- Write to the employee(s) to notify them when an RRP has been approved, extended or withdrawn;
- Notify Payroll when a RRP is approved and date application is extended or withdrawn.

9.3. Operational Director or Relevant Senior Manager

- Check that due process has been followed and that sufficient evidence is available to support a case for applying for a RRP;
- Notify the manager, HR Business Partner of any issues that arise;
- Consult with local NHS organisations before the RRP is finalised;
- If there are any objections to the RRP being implemented, seek advice from the HR representative, and address the reasons for the objection ;
- Contact the local NHS organisation(s) who made the objections with the aim of the objections being retracted;
- If the objections are not retracted, inform the Deputy Director of Workforce and Organisational Development and the relevant Clinical Director of the reasons for the objections;
- Review RRP's annually;
- Decide if there are any changes to RRP;
- Notify the manager if an RRP has been approved, extended or withdrawn.

9.4. HR Business Partner

- Advise on the implementation of this Policy;
- Support the Operational Director or relevant senior manager in checking that due process has been followed and that sufficient evidence is available to support a case for applying a RRP;
- Refer any issues back to the manager;
- Support the Operational Director or relevant senior manager in resolving objections to RRP's from local NHS organisations;
- Support the Operational Director or relevant senior manager in reviewing RRP's.

9.5. Finance Manager

- Support the Operational Director or relevant senior manager in checking that due process has been followed and that sufficient evidence is available to support a case for applying a RRP;

- Refer any issues back to the manager;
- Support the Operational Director or relevant senior manager in reviewing RRP's;
- Responsible for ensuring appropriate budgetary management issues have been addressed.

9.6. Deputy Director of Workforce and Organisational Development/Clinical Director/Director

- If the objections from a local NHS organisation are not retracted, decide if RRP should be implemented regardless.

10. POLICY DEVELOPMENT

10.1. Identification of Stakeholders

Trade Union representatives along with management representatives who are members of the Policy Advisory Group (PAG) have been involved in the development of the policy. HR have reviewed the policy to reflect current HR employment practice.

10.2. Equality Impact Assessment

This policy has undergone Stage 1 Equality Impact Assessment screening.

This policy does not require a full Stage 2 Equality Impact Assessment screening as it is judged that the consequences of the policy do not differ according to any person's racial group, for example their disability, gender, age, sexual orientation, or religious belief.

The Trust is committed to creating a culture that fully respects equality and diversity and aims to ensure that all its services are accessible, appropriate and sensitive to the needs of the whole community. It believes in fairness, equity and above all values diversity in all its dealings, both as a provider of health services and an employer of people.

This policy has been developed to reinforce the Trust's vision in this respect and to give direction for the pursuit of the highest standards of equality and diversity in all our services.

This policy reflects the following:-

- opportunities for employment, promotion, training and development are open to all on an equal basis;
- access to services are sensitive to individual needs irrespective of colour, disability, ethnic origin, age, gender, illness (such as HIV/Aids), marital status, nationality, race, religion, sexual orientation and social background;
- all future service developments take into account the needs of all groups within the community;
- patients, staff, volunteers and all other service users and providers are treated with dignity and respect;

- every member of staff has a role to play in recognising and respecting equality and diversity in others;
- staff are able to carry out their duties effectively without fear of discrimination, harassment or bullying of any kind;
- The Trust will continue to embed its equality and diversity values into all of its policies, procedures and everyday practice, so that equality and diversity is the norm.

11. REVIEW AND REVISION ARRANGEMENTS

The HR Department will make draft amendments to this policy when there are changes in:–

- Legislation
- NHS national terms and conditions
- Local process changes

Changes will be made as quickly as possible, irrespective of the normal review date. The review process will follow the same stages as the original development and implementation. The review will be the occasion when further information can be added which has been identified during the life of the policy.

Where any changes are solely as a result of changes in legislation, these will be affected in the document and PAG informed rather than using the consultation process. HR will research the background information for inclusion, keeping in touch with current developments in the field and will consult with those in the organisation who hold expertise in the area.

When reviewing the policy, HR will use feedback from managers/staff on the practical application of the policy. This will be fed into the document, where appropriate, by the HR team or staff representatives who have had direct involvement.

12. CONSULTATION, APPROVAL AND RATIFICATION PROCESS

12.1. Consultation Process

The Policy Advisory Group which is a sub group of the Partnership Forum is composed of management and Trade Union representatives and considers all draft HR policies and guidance. All members have the opportunity to make comments and suggestions on the document content which is debated within the group and amendments made and agreed.

Any additional individuals or groups that are relevant to include in the consultation process will be identified in Appendix 4.

12.2. Approval Process

All HR policies are approved at the Partnership Forum which is the formally constituted management and Trade Union consultation committee which is made up of staff side representatives from recognised Trades Union and Staff Association along with Trust Directors and the Chief Executive (or their representatives).

12.3. Ratification Process

All HR policies approved by the PAG are submitted for ratification by the Partnership Forum

13. DOCUMENT CONTROL

13.1. Publication

The policy will be published in the electronic document library i.e. on the Trust's intranet under the HR Department, in the Policies/Guidance section.

Details of the issue of the document will be communicated to Senior Managers, through the monthly directorate report.

13.2. Archiving Arrangements

Where the policy replaces a previous version, the old policy will be archived as evidence of a previous policy. The front page of the policy will indicate the version number, the approving body and date of approval along with the next review date.

13.3. Access

The policy should be accessed from the electronic document library. Copies of this document should not be printed unless it is absolutely necessary as there is a risk that out of date copies may be in circulation. Requests for this policy in an alternative language or format (such as Braille, audiotape, large print etc.) will be considered and obtained whenever possible.

14. DISSEMINATION AND IMPLEMENTATION

14.1. Dissemination and Communication

Senior Managers will have responsibility for ensuring that their staff are aware of the new/ revised policy. The policy will be sent to all members of the HR team and discussed at the HR team meeting to ensure all members of the HR team are fully aware of any changes to the policy.

14.2. Implementation

Once a new version of the Policy has been approved, loaded to the intranet and senior managers and the HR team have been informed any new disciplinary cases will be handled in accordance with the new policy. Any cases already in progress will continue to use the previous version of the policy current at the time the case began, unless there is agreement from all parties to follow the new policy.

14.3. Training and Support

Any relevant training or advice in relation to the implementation of the policy will be specified and provided by the HR Department where appropriate.

15. MONITORING COMPLIANCE AND EFFECTIVENESS

The monitoring, audit and feedback process is summarised in Appendix 5.

15.1. Standards/Key Performance indicators

The Trust will monitor to ensure compliance with this policy and effective management. The key performance indicators are:-

- Monitoring the number of applications, including extensions, for RRP and the reasons for the request;
- Monitoring the number of successful/unsuccessful RRP applications, including extensions, and the reasons why they are/are not successful;
- Monitoring the number of grievances raised, as a result of this policy, the reason for the grievance and the outcome of the grievance.

15.2. Process for Monitoring Compliance

1. Monitoring/Audit

HR has identified processes for routine monitoring of key performance indicators see Appendix 5.

2. Feedback

The results of monitoring/audit will be available upon request and will show:-

- The results of the monitoring/audit;
- An analysis of the results in relation to why the policy has/has not been effective in achieving it's aims;
- Recommendations for actions to be taken, including amendments to the policy;
- An action plan with proposed actions, person/group responsible and dates for the actions to be completed;

- The action plan will be monitored by the Deputy Director of Workforce and Organisational Development.

16. REFERENCE DOCUMENTS

- Agenda for Change Terms and Conditions Handbook

17. ASSOCIATED DOCUMENTS

- Grievance Policy

18. APPENDICES

Appendix 1: RRP Application Form

Appendix 2: RRP Recommendation Form

Appendix 3: RRP Consultation Form

Appendix 4: Consultation Summary

Appendix 5: Monitoring, Audit and Feedback Summary

Please see the attached Appendix 1: RRP Application Form.

Please see the attached Appendix 2: RRP Recommendation Form.

Please see the attached Appendix 3: RRP Consultation Form.

Appendix 4 Consultation Summary

Those listed opposite have been consulted and comments/ actions incorporated as required.	List Groups and or Individuals Consulted
The author must ensure that relevant individuals/groups have been involved in consultation as required prior to this document being submitted for approval.	Policy Advisory Group
	HR Team
	Partnership Forum

Appendix 5

Monitoring, Audit and Feedback Summary

Audit/ Monitoring Criteria	Audit /Monitoring questions	Audit/ Monitoring performed by	Audit/ Monitoring frequency	Audit/ Monitoring reported to	Concerns with results escalated to
The current number of RRPs in place; the number of applications, including extensions, for a RRP and the reasons for the request	How many applications, including extensions, for a RRP are made? How many RRPs are in place? What are the reasons for the request? How many posts are applied a short-term RRP and what are the reasons? How many posts are applied a long-term RRP and what are the reasons? How many RRP applications are unsuccessful and what are the reasons?	Operational Director or relevant senior manager	As and when required	Directorates HR Results can be requested as and when required	Deputy Director of Workforce and Organisational Development
System in place to monitor how many grievances are raised as a result of this policy, the reason grievance being raised and the	How many grievances are raised as a result of this policy? Why is the grievance raised? What is the	HR	As and when required	Directorates HR Results can be requested as and when required	Deputy Director of Workforce and Organisational Development

outcome of the grievance	outcome of the grievance? What is their gender, age, race, disability, sexual orientation and religion?				
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Attachments

 [Appendix 1: RRP Application Form](#)

 [Appendix 2: RRP Recommendation Form](#)

 [Appendix 3: RRP Consultation Form](#)

Approval Signatures

Step Description

Approver

Date