

ATTRACTION & RETENTION PAYMENTS PROCEDURE

This document applies to all Council employees except:

- Employees on Teachers' Terms & Conditions

Notes:

- This policy is advisory only for all school based employees

This document may not be applicable to employees who transferred into LCC under TUPE legislation and remain on the terms and conditions of their previous organisation.

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INTRODUCTION

Managers are required to provide evidence of a recruitment or retention issue where pay is a key factor, and apply the discretions on payments outlined in this procedure.

Recruitment and retention payments can be applied to individual's and/or posts.

MINIMUM STANDARDS

Managers should demonstrate that pay is a genuine problem with the recruitment or retention of:

- a specific occupational group, or
- a specific post, or
- posts in a specific geographical area of the County

The appropriate portfolio holder must be informed of any payments made.

Evidence should be provided to, and advice should be sought, from the relevant Strategic People Management Adviser when considering the application of any payments.

ASSESSMENT AND APPROVAL PROCESS

Where a Director/Service Area believes that there may be a case for the payment of either an attraction or retention supplement in relation to a particular job, the Senior Manager responsible for the job will submit evidence to the relevant Strategic People Management Adviser who will pass this to the Service Manager – People for approval.

The evidence should show that pay is a key factor in relation to the council's ability to recruit/retain employees in this job. The evidence submitted will be based on the following criteria and should be shown in a number of these areas in order to give a rounded picture:

- Information from external salary surveys showing that Council pay for the post is below the market rate for the job. This should include the salary of similar posts in organisations within Lincolnshire, salaries for posts in similar Councils within the East Midlands region and beyond
- Press articles about particular national skills shortages
- Information about similar jobs elsewhere that offer greater remuneration packages. These should not be taken simply at face value, but should consider:
 - the comparability of the job description and person specification requirements
 - the geographical location of the job(s) and the relative cost of living
 - how typical the job(s) and package is – a “trawl” of other recently advertised, similar jobs should take place to get a balanced view
- Evidence that employees/potential employees within a particular employment catchment group are being attracted to alternative jobs within that employment catchment group, and that pay is the main driving factor in this

- Evidence of recruitment difficulties. The reasons for such difficulties need to be examined to establish whether or not pay is the key issue. Closer examination should involve:
 - advertising response rates and the media used
 - surveys of individuals who have shown an interest (requested job details) but not returned an application to establish their reasons
- Other supporting evidence may include:
 - evidence of job offers to individuals
 - turnover rates within the team/section – there would need to be evidence from exist interviews that pay is the cause of high turnover and not some other factor

Further information can be found in [Appendix 1](#).

In relation to joint funded or partnership posts where LCC will be the employer, Attraction/Retention Supplements will be considered by the relevant Strategic People Management Adviser where information supported by the above criteria can be evidenced by the partnership board. The grounds for such decisions will be recorded, to help ensure a consistent approach to these cases and will ensure that:

- the procedure is applied fairly, consistently and is not gender biased
- evidence is clear and objective
- awarding an attraction/retention supplement can be justified
- record all attraction/retention supplements awarded
- comparable jobs will be a mixture of posts held by males and females
- the procedure is reviewed regularly to ensure it remains 'equality proof'
- an Equality Impact Assessment will be carried out

In cases where insufficient evidence exists to show the need to pay an attraction/retention supplement the request may be:

- Rejected giving reasons to the Director concerned, or
- Returned with a request that more evidence is provided in order that further consideration may be given

Where sufficient evidence exists (in accordance with the criteria set out above) an appropriate level of an attraction/retention supplement will be determined and recommended for final approval by the relevant Director.

ELIGIBILITY

Attraction/retention supplement payments apply to the following:

New Recruits

Paid as an **attraction supplement** during the **first** and **second** year of employment, subject to satisfactory performance in the role, and will be in addition to any pay increments granted under the terms of the [Performance and Development Appraisal Policy](#).

The payment of any supplement will be time-limited for a period of up to **two years** (or for the duration of the appointment if shorter than 2 years) and subject to re-assessment.

Existing Employees

Paid as a **retention supplement** during the **first** and **second** years, subject to satisfactory performance in the role, and will be in addition to any pay increments granted under the terms of the Performance & Development Appraisal Policy.

Re-assessment of supplement payment will take place through the process set out in this document and will also be time limited for a period of up to **two years** and subject to re-assessment.

Attraction & Retention supplements will cease should the employee's individual contribution in the role be below the expected standard of the councils performance management policies, i.e. disciplinary, capability and performance appraisal (i.e. a rating of 1 - Low performance or 2 - Inconsistent performance).

The manager will write to the employee with details of the supplement payable which will also contain an agreement to the terms of the supplement which the both the employee and manager are required to sign. See [template letters and forms](#).

KEY ELEMENTS

Attraction/retention supplements will not exceed 15% of the maximum of the current grade; however in exceptional circumstances and with the approval of the Service Manager – People this may be increased.

Attraction/retention supplements are not consolidated into basic salary but are pensionable.

Recognised trade unions will be consulted on all decisions to pay attraction/retention supplements.

It is accepted that without changes to the external labour market, attraction/retention supplements are likely to continue following re-assessment. Where a base grade changes as a result of job evaluation or appeal the attraction/retention-supplement will be assimilated into the pay adjustment.

Where applicable, staff in receipt of GLPC pay protection may opt to receive the supplement or the protected pay whichever is most favourable.

RECOVERY OF PAYMENTS

Where an employee voluntarily leaves the council or is dismissed for any reason other than redundancy within 2 years of receiving the attraction/retention supplement, the employee will be required to repay the council the attraction/retention supplements paid to them.

The amount of the payment will be reduced proportionately by reference to each month of service completed (e.g. by 1/24 for each completed month)

The method and period of the payments, and any conditions applicable to recovery should be explicit in the Terms and Conditions of employment document issued by HR Admin Service.

FURTHER INFORMATION

Please contact People Management for further advice.

ADDITIONAL RELEVANT POLICIES

[Attraction and Retention Policy](#)

[Relocation and Disturbance Allowances](#)

[Recruitment and Selection Policy and Guidance \(including Safer Recruitment\)](#)

[Attraction Supplement Agreement](#)

[Attraction Supplement Letter](#)

[Retention Supplement Agreement](#)

[Retention Supplement Letter](#)

APPENDIX 1 - EVIDENCE SUMMARY TABLE

Issue	Evidence criteria	Evidence supplied
Pay related retention difficulties	<ul style="list-style-type: none"> Labour Turnover should be in excess of 20% over a 12 month period or: number of times vacant over a 12 month period: twice in one year 	
Identification of reasons for retention difficulty	<ul style="list-style-type: none"> Information from exit interviews Evidence of leaving for higher pay at same job level 	
Pay related recruitment difficulties	<ul style="list-style-type: none"> Insufficient number of applicants or of a suitable quality Number of attempts at recruitment 	
Identification of reasons for recruitment difficulty	<ul style="list-style-type: none"> Establish the link with pay. Ensure other factors are not influencing i.e. job structure, advertising, recruitment pack, selection process, development opportunities etc. 	
Market issues	<ul style="list-style-type: none"> Surveys, professional body information, journal articles illustrating skill shortages or difficulties with occupational groups. Large numbers of advertisements for similar posts. Information from similar Authorities. 	

Where above criteria have been satisfied

Issue	Examples	Assessment
Likely effectiveness of a supplement payment	<ul style="list-style-type: none"> Attract more applicants Pay in line with other authorities Pay databases 	
Evidence of difference of terms and conditions between LCC & market place	<ul style="list-style-type: none"> Define the significant difference between LCC and national. Should be at least 10% on salary Telephone survey or questionnaire 	
Assessment of likely impact of supplement payment	<ul style="list-style-type: none"> Existing post holders Starting a precedent Budget provision 	
Review every 2 years	<ul style="list-style-type: none"> Check against criteria 	
Consideration of alternative recruitment & retention strategies	<ul style="list-style-type: none"> Consult with the Resourcing Service Team 	