

Recruitment

1. To ensure consistency in the application and payment of recruitment and retention premia, local employers should adhere to the following protocol.
2. All new vacancies should be advertised in relevant local, regional, national and/or professional media.
3. Where adverts have produced no suitable applicants, HR personnel service/department managers and staff side representatives should consider the reasons for this. Account should be taken of the number of applicants, relevant national vacancy data and local labour market information, the media used and any non-pay improvements which could be made to the employment package (e.g. training opportunities, childcare, relocation), or any expected increase in the supply of staff suitable for the post.
4. If it could be reasonably assumed that vacancies 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 vacant posts should be re-advertised.
5. However, if on the basis of paragraphs 2 and 3, it is decided that the vacancy problem can be addressed most effectively only through payment of a recruitment and retention premium, the employer should decide in partnership with local staff representatives 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 (see section 5: Recruitment and retention premia).
6. The employer should then consult with neighbouring employers, staff side organisations and other stakeholders, before implementing any premium.

Retention

7. Before consideration is given to paying recruitment and retention premia to increase retention of staff, HR personnel, service/department heads and relevant staff representatives should ensure non-pay benefits (e.g. childcare support, training and development) are sufficiently developed. Where possible, local turnover rates should be compared with national rates. Employers are also advised to undertake regular exit surveys to assess how far pay is a factor in employees' decisions to leave the organisation.
8. However, if it is decided that a retention problem can be addressed most effectively only through payment of a recruitment and retention premium, the employer should decide 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 (see section 5: Recruitment and retention premia).
9. The employer should then consult with neighbouring employers, relevant staff side organisations and other stakeholders.

Review

10. Once recruitment and retention premia are awarded, they should be reviewed annually. This review should be done by HR personnel, relevant service/department heads and staff representatives.
11. The review should consider, amongst other factors:
 - how far the recruitment and retention premia have allowed the NHS organisation to reduce its vacancy rates and turnover;
 - the likely impact on vacancies of removing or reducing a recruitment and retention premium;
 - any changes in labour market circumstances.

12. The principle consistent with equal pay for work of equal value should be that where the need for a recruitment and retention premium is reduced or has ended, short-term premia should be reduced or withdrawn as soon as possible, consistent with the protection period in section 5: Recruitment and retention premia. Long-term premia should be adjusted or withdrawn for anyone offered a qualifying post after the decision to withdraw or reduce the premium has been made.

13. Local recruitment and retention premia policies and processes should be subject to an Equality Impact Assessment.

Pay circular (AfC) 2/2013: amendment number 28