

Audit 22 March 2018

ANNUAL REVIEW OF RECRUITMENT AND RETENTION ALLOWANCES

Purpose of report

This report is to update audit on aspects of human resources and in this case for the Audit Committee on 22 March the issue of Retention and Recruitment Allowances for 2018/19.

Back in 2017 Management Team agreed to expand the current Recruitment and Retention Scheme to include a more flexible element to include Market Supplements. This is used by Human Resources for hard to fill posts using wider external benchmarking.

Background

Recruitment and Retention Allowances have been in place since 2003 for use in difficult recruitment circumstances. Recruitment allowances may be applied to new staff where it has been difficult to recruit and where there has normally been at least 1 unsuccessful advertisement, with an allowance of 10% of salary paid.

Retention allowances can be paid to staff in 'hard to fill' posts with recruitment and retention difficulties or in 'one off' situations where it is essential to retain staff for the duration of particular work or projects. Retention allowances have been reviewed annually with payments of 5% of current spinal point; split into 2 annual payments.

Use of recruitment and retention allowances in 2017

Management Team are aware of the difficulties encountered by a number of service areas to recruit into. A number of posts have had recruitment and retention payments attached to them in 2017.

The following service areas have applied Retention and Recruitment payments during 2017:

Retention Allowances

- Senior/Environmental Health Officers (3 posts)
- Principal Environmental Health Officers (2 posts)
- Housing Options Officers (6 posts)
- Housing Options Team Leader
- Senior Housing Options Officer
- Housing Register Team Leader (2 posts)
- Housing Options Manager
- Building Control

Recruitment Allowances

- Housing Inspections Officer (2 posts)
- Environmental Health Regulatory officer (2 posts)
- Environmental Health Officer
- Housing Options Officer
- Housing Options Team Leader
- Housing Options Manager (for new appointment)

Recruitment and Retention Allowances for 2018

Environmental Health

Current payments are due to be reviewed at the end of April 2018 and the Senior Environmental Health Manager has requested that they be extended for a further year. It is still widely recognised that professional Environmental Health posts are hard to fill. The Senior Environmental Health Manager reports: "We are still experiencing a high throughput of staff and recruitment remains difficult. The salary situation has not changed, with exception of one other local authority in the south of Surrey, Spelthorne's EHO continue to be the lowest paid EHOs in Surrey".

Building Control

The current payments are also due to be reviewed at the end of March 2018 and the Building Control Manager has requested that the payments continue and has stated: "the case for a retention allowance is even stronger at this point in time as a result of the current Building Control employment market, not only are salaries in private sector Building Control significantly outstripping our salaries but, increasingly, the salaries offered by other county wide local authority Building Control services are also way beyond what we at Spelthorne earn. Should the allowance be removed then we will almost certainly lose a number of surveyors and we'll back to the situation of trying to attract alternative staff. I suspect it will be extremely challenging to attract any surveyors to Spelthorne should the necessity arise. Not only will this result in a huge workload being placed on any remaining staff but it will also drive down our service levels and consequently reduce our income significantly, an income which has been increasing greatly year on year for the past several years and which has consistently more than covered the cost of providing our service by a significant and ever increasing sum.

Housing Options

As a part of the Housing Options restructure in December 2017, it was agreed that the payments would no longer continue and would cease with effect from the last payment on 31 December 2017

Agreed Recommendation

As a result of the report taken by Human Resources to Management Team in February it was agreed to extend retention payments for a further year. Accountancy have budgeted for recruitment and retention payments for the 2018/19 financial year. The cost will be approximately 25k.

It was recommended the allowances are extended for a further year for the following posts:

- Senior/Environmental Health Officers (2 posts)
- Principal Environmental Health Officers (2 posts)
- Building Control Manager
- Area/Building Control Surveyor (4 posts)

Human Resources will be undertaking a wider external benchmarking to identify if there is a business case for implementing more flexible market supplements that would potentially allow higher payments to be made.

Management Team were also asked to consider payment of Recruitment Allowances to attract suitable candidates if any of the above posts become vacant as it is acknowledged that these are hard to fill posts. We also have the discretion to use these tools, if key members of staff are likely to leave, as incentives for them to stay.

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