

## **Recruitment and Retention Supplements Policy and Procedure**

### **1 INTRODUCTION**

Whilst the University expects its employees and staff to comply with this policy, it does not confer contractual rights or form part of any contract of employment and may be amended by the University or replaced at any time following appropriate consultation and negotiation with recognised trade unions. Breach of this policy may be addressed via the University's Disciplinary Policy and Procedure and Code of Conduct.

This policy will be reviewed by the Human Resources department on a 3-year basis or amended in response to changes in future legislation and/or case law.

### **2 OWNERSHIP**

The Human Resources department owns and manages this policy on behalf of The University of Northampton.

### **3 ORGANISATIONAL SCOPE**

This Recruitment and Retention Supplements policy is a corporate policy and applies to all employees (and workers, as applicable) of The University of Northampton including any wholly owned subsidiaries, unless an alternative policy exists, subject to any qualifying conditions.

### **4 POLICY STATEMENT**

- 4.1 The University of Northampton is committed to the principles of equal pay for work of equal value and has a job evaluation/role analysis scheme (HERA) to measure the value of all jobs below senior management. The grading and salary range of all posts is determined by the outcome of job evaluation.
- 4.2 There is a risk that the University is unable to recruit or retain staff due to the grading of a particular post. In such cases it may be appropriate to pay a

market supplement in addition to the basic salary, to ensure the post is filled by an applicant with the required qualifications and experience, or in the case of retention, that the post holder is retained.

- 4.3 Supplements are lawful under the Equality Act (2010) where there is evidence to justify market conditions as the “material factor” for the post attracting a higher rate of pay than other posts graded similarly. There is a requirement to set out how supplements are paid, the process by which these cases are considered and approved, and the conditions applied to them.
- 4.4 In line with the Equality and Inclusion Policy, the business case for implementing a recruitment or retention supplement will consider the equality impact. Where potential or actual negative impact is identified for those with a protected characteristic, recruitment adverts will encourage applications from those with the protected characteristic. Where appropriate, further positive action may be taken.
- 4.5 A market supplement is an additional temporary payment to the basic salary of an individual job or group of jobs where market pressures prevent the University from being able to recruit or retain staff with a particular skill or group of skills.
- 4.6 Recruitment and Retention payments should only be considered where difficulties attracting and retaining high quality staff can be demonstrated through a clear business need.
- 4.7 Consideration of the post should also take account of the relevant specialism, not just role title.

## **5 DEFINITIONS**

- 5.1 A **Recruitment** Supplement is a temporary payment given to a role to ensure recruitment by enhancing the salary being offered, bringing their total reward package up to the market rate. These payments will be subject to regular review.
- 5.2 A **Retention** Supplement is a temporary payment made to an existing employee over and above their basic salary in order to retain their services, bringing their total reward package up to the market rate. These payments will be subject to regular review.
- 5.3 A market supplement is the general term that incorporates both recruitment and retention supplements.

## **6 KEY PRINCIPLES**

- 6.1 If a recruiting manager wishes to pay a market supplement, this must be discussed with their HR Business Partner in the first instance. The intention to pay a market supplement should not be discussed with recipients until the proper authorisations have been obtained.
- 6.2 The value of the supplement will be determined by the difference between the top of the grade for the job as determined by job evaluation and the market rate for the job. (The payment will not exceed 20% of the maximum point on the grade).
- 6.3 Market supplements will only be paid where there is a clear business need and normal methods of recruiting and retaining staff have been exhausted.
- 6.4 A market supplement is not a substitution for the policy that deals with incremental position on appointment (Starting Salaries Procedure) or normal recruitment and selection processes.
- 6.5 Market supplements will only be paid in exceptional circumstances once

alternative options have been considered and where market forces indicate that pay and benefits significantly exceed that being offered by the University.

6.6 Unauthorised audio recording of conversations is prohibited. Anyone in breach of this may be subject to disciplinary action.

## **7 PROCEDURE**

7.1 This process must be followed for determining the appropriateness of applying recruitment and retention supplements, including sources of qualitative market data to support the business case. The appropriate external market will be determined by the line manager and their HR Business Partner.

7.2 The recruiting manager will need to produce an evidence base with specific information to support consideration of the case.

7.3 The evidence base, in the form of a template, should contain the following:

- Details of the particular recruitment/retention situation (including information on any previous unsuccessful recruitment attempts for the role; other information demonstrating market issues including similar roles elsewhere, reports on market rates, copies of adverts etc; Information on resignations from the role during the previous year);
- Details of the post and the individual's current salary and, if applicable, offers made by other institutions (to include a copy of the relevant job description and a copy of the HR Recruitment Approval (HRRRA) form);
- The strategic/significant operational value of the individual to the organisation (including the impact of any recruitment or retention issue in relation to existing staff);
- The consequences of not recruiting/retaining the particular individual;
- The level of supplement being requested (including confirmation of the budget available for the post from their Faculty/Professional Service Accountant);
- Any conditions attached to the supplement.

7.4 The evidence base will be submitted to the Chief Operating Officer, or in the event of the post being line managed by the Chief Operating Officer, the Vice

Chancellor who will make the final decision.

- 7.5 Once a market supplement has been authorised the amount should be included in the advert for the position.
- 7.6 The successful candidate will need to meet all the essential criteria for the position in order to be offered the market supplement.

### **Review**

- 7.7 All market supplements will be subject to a review every 24 months. It is the line manager's responsibility to be aware of the review date, update the evidence base and where it is determined that the market supplement should be maintained or increased, produce the business case in time for consideration by the Chief Operating Officer, or in the event of the post being line managed by the Chief Operating Officer, the Vice Chancellor.
- 7.8 Where the review indicates that the market supplement should be reduced or withdrawn, the line manager is not required to produce a business case but they should collate the evidence (e.g. copies of job adverts or salary benchmarking information) and submit it to be reviewed by their HR Business Partner.
- 7.9 Where the review indicates a change in market conditions the individuals will be notified in writing. If the market-based evidence suggests that the supplement should be reduced or withdrawn, the employee should be consulted with before the supplement is removed or changed.
- 7.10 Any new employees starting a job that receives a market supplement, will receive a pro-rata amount up to the next review.

## **Conditions**

- 7.11 If the job is re-graded through the HERA process, or the employee moves to another job that does not attract a market supplement, payments will cease.
- 7.12 The market supplement will:
- Be subject to the normal statutory deductions
  - Be pensionable
  - Be paid pro-rata to part time staff
  - Be included in calculations for the purposes of other payments such as maternity/paternity/adoption and sickness
  - Not be subject to any annual increases other than the review
- 7.13 A market supplement will not be incorporated into basic salary at any time.
- 7.14 There is no right of appeal by an individual against a decision to reduce or remove a market supplement. The evidence can be shared to show what information was used and how the decision was made.
- 7.15 Market supplements are paid in relation to specific posts/specialisms. Therefore, where it is agreed that the payment of a market supplement is appropriate, all staff carrying out the duties of the post in the particular, identified specialism (if appropriate) must receive the same supplement on the same conditions.

## **8 ASSOCIATED DOCUMENTS**

- 8.1 Highlight an associated document and legislation within this section.

## **9 EQUALITY ASSESSMENT**

An Equality Assessment must accompany this document.

## 10 VERSION CONTROL

<b>Version Control</b>		<b>Approval record</b>	
Author:	Clair Culverhouse	Approval:	TU Liaison – 18/12/18 UMT – 18/01/19 JCNC – 24/01/19 Board – NA
Date written:	25/09/2017	Updates:	Revised March 2021
Current status:	Approved	Approval of revision	TU Liaison – 02/03/2021 UMT – 10/03/2021 JCNC – Board – NA
<b>Record of Amendments</b>			
Date	Version number	Details of Change	Approval
17.11.2017	2	<p>Rewrite of 2007 policy outlining a clearer procedure, the requirement for a business case and what needs to be included.</p> <p>A robust approval process is now included meaning the request has to be approved by a panel.</p> <p>Requirement to consider inequality of payments approved in line with Equality and Inclusion Policy and to address any issues through positive action.</p> <p>Also includes requirements for review of supplements.</p>	13/02/2018

October 2018	3	Clarified and revised review process to reflect the reality of different scenarios	24/1/19
February 2021	4	Clarity of wording Revised evidence base criteria Approval changed to Chief Operating Officer or Vice Chancellor Template added	09/03/2021



## Recruitment and Retention Supplement Request

Before completing this form please refer to your HR Business Partner

Job role	
Job description	Please attach
Grade and salary band	
Line Manager	
No. of employees in post (any supplement added will apply to all post holders)	
Recruitment or Retention?	
New request or review	
HR Recruitment Approval (HRRR) form	Please attach

Details of unsuccessful recruitment attempts (recruitment only)	
Details of similar roles elsewhere	Job title, organisation and salary (please attach copy of advert/ Job description)
Market Rate reports	Headline details here. (please attach copy of report)
Resignations from the role during the previous year and reason	
Any other market issues e.g. in demand role,	
Strategic/significant operational value of the individual to the organisation	

Impact of any recruitment or retention issue on existing staff	
Consequences of not recruiting to the post or retaining an individual	
Offers made by other institutions (to include a copy of the relevant job description) (retention only)	
Supplement amount being requested (no more than 20% of the top scale point in grade)	
Conditions attached to the supplement e.g. achievement of qualifications	

Signed by

Faculty/ Professional Service Accountant confirmation of available budget	
Line manager	
HR Business Partner	

On completion please forward to [hr@northampton.ac.uk](mailto:hr@northampton.ac.uk) for authorisation.

**Authorised by**

Chief Operating Officer/ Vice Chancellor	
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