

Staff attraction and retention

PROCEDURE 1.2.1(al)

POLICY NO AND TITLE	1.2.1	Conditions of Employment policy
PROCEDURE	1.2.1(al)	Staff attraction and retention
VERSION AND DATE ADOPTED	1	April 2008
RESPONSIBLE OFFICER		Rob Cattanach

Introduction

Bega Valley Shire Council acknowledges that in certain circumstances the remuneration package offered for some positions will not be sufficient to attract and/or retain quality candidates. This may be due to factors such as labour supply/demand or external market forces.

These guidelines aim to provide a mechanism for Group Managers/Chief Operating Officer to attract and retain high quality staff through the application of a range of incentives beyond those already available to all employees, whilst maintaining the integrity of the salary system.

These guidelines apply to permanent appointments/positions within Council and individual employees occupying a specific role.

ROLES AND RESPONSIBILITIES

Chief Operating Officer/Group Managers/ Managers

- Responsible for identifying situations where attraction and retention incentives may be required
- Responsible for recommending incentives for consideration/approval

Human Resources

- Responsible for determining appropriateness of incentive package based on market information and benchmarked research data
- Responsible for liaising with other sections of Council to ensure the effective implementation of an approved incentive package

General Manager

- Responsible for approving an incentive package

Employees

- Responsible for providing receipts (where relevant) to seek re-imburement

ISSUES TO CONSIDER

The following issues are important to consider in determining if an incentive package needs to be offered and if so, what the specific benefits are;

1. The range of incentives and benefits available are **in addition** to those already available to employees as part of the general conditions of employment.
2. The equity and integrity of the salary system must be maintained at all times.
3. The job evaluation process only reflects grade relativities within Council and does not take into account external or market trends.
4. The grade of the position reflects the level of authority, responsibility and skills required for the role.
5. Any fringe benefit tax (FBT) implications need to be fully considered and minimised where practicable.
6. FBT costs incurred as part of an incentive package will be paid for by the relevant Group.
7. Each situation needs to be treated on its merits to ensure that there are no precedents created.
8. The use of incentives/benefits would generally only be used to secure an outstanding job applicant or to retain a high performing employee in those areas where supply/demand and external market forces have a significant impact
9. The benefit/incentive package applies only to the employee concerned and will be reviewed if the position becomes vacant or if the employee moves to another role within Council.
10. The employee should be advised to seek independent financial advice where salary packaging and fringe benefits tax is involved.

BENEFITS/INCENTIVES

The following benefits/incentives are available to be used and are a combination of both once off and ongoing benefits;

Full payment of reasonable relocation expenses (if employee resigns within 2 years they will be required to reimburse 50% of the initial payment)

Rental assistance for up to 6 months at a maximum of \$200 per week (on a reimbursement basis)

An additional salary payment of up to 15% above the Step 12 rate for that position (this option would only be considered where the Step 12 rate is considered insufficient)

Provision of a vehicle on either commuter use or leaseback

PROCEDURES

Where it has been identified that an incentive/benefit package may need to be considered for a particular position, the Chief Operating Officer/Group Manager will prepare a proposal for consideration. This would generally occur prior to making an offer of

employment to a potential employee following interview or where a retention situation arises with a current employee

The proposal will identify the position and individual concerned, the proposed benefits and incentives (including a full costing, eg; FBT, vehicle figures etc) as well as the attraction and retention issues relating to the situation

This proposal is then forwarded to the Human Resources Manager who will examine the various aspects and consider all available information, including;

Supply/demand issues through liaising with other councils/organisations

The current salary market using existing benchmark data, current research and various publications

The calibre of the applicant in comparison to other applicants (following consideration of all recruitment information and discussions with all panel members)

The employees previous performance record (if a current employee)

Consideration of other options/Council policies

The Human Resources Manager will provide an overall comment on whether or not the proposal is appropriate for the circumstances considering both internal and external factors.

The proposal is then forwarded to the General Manager for consideration

If approved;

The Chief Operating Officer/Group Manager will advise the individual concerned and inform them of the exact nature of the incentives/benefits

The Human Resources Manager will ensure that all necessary documents are drafted and liaise with other relevant sections to ensure the effective implementation of the arrangement

If not approved, the Chief Operating Officer/Group Manager or Manager can undertake further discussions with the Human Resources Manager on other alternatives that may exist.

RELEVANT LEGISLATION

Notional Agreement Preserving the Local Government (State) Award 2004
Fringe Benefits Tax Assessment Act 1986
Taxation Administration Act 1953

RELATED COUNCIL POLICIES

Recruitment & Selection Policy
Salary System Policy
Job Redesign Policy
Equal Employment Opportunity Policy