

STAFF ATTRACTION AND RETENTION

Procedure 5.5.32

Policy No. and Title	5.5	Conditions of Employment Policy
Procedure	5.5.32	Staff Attraction and Retention
Version	1	
Date Adopted	27 November 2013	

1 OBJECTIVE

To provide a mechanism to assist in the attraction and retention of highly competent and motivated staff.

2 INTRODUCTION

a) Council's ability to provide services to the community and to deliver Operational Plan objectives is compromised when it is unable to fill key positions, reward outstanding performance or when staff with scarce or specialist skills, qualifications or experience leave Council's employ to take up roles offering a higher level of remuneration. The following mechanisms may be considered to address this matter:

- i) The payment of a retention allowance in addition to the base salary to attract and retain suitably qualified or experienced key staff.
- ii) The payment of a performance bonus to reward outstanding performance and contribution to Council's objectives.

3 DEFINITIONS

Performance Bonus: A one off payment made to recognise outstanding performance and contribution to Council's objectives. Performance bonuses are not ongoing or considered as part of ordinary pay.

Retention Allowance: A fixed amount or percentage of base salary paid to the employee on an ongoing basis in addition to their base salary. A retention allowance is considered part of ordinary pay.

Key positions include:

- i) Positions that require uncommon industry specific skills, qualifications or experience;
- ii) Positions where there are severe limitations on the number of potentially qualified and experienced applicants as evidenced by previous attempts at recruitment;
- iii) Positions identified within Council's Workforce Management Plan as "mission or service critical", or
- iv) Positions identified as experiencing skills shortages as defined within the Government Skills Australia (GSA) annual Environmental Scan.

4 GUIDELINES

- a) It is recognised that there can be external supply and demand forces within the employment market that impact on Council's ability to attract and retain key staff.
- b) This is especially true for positions for which there are identified skill shortages in the labour market, unusual skill requirements of a particular position or a high level of experience is required.
- c) Where the payment of a performance bonus or retention allowance is considered essential to recruit a particular individual, to reward or to prevent a key member of staff from leaving Council's employ, the relevant Director will submit a Request for Performance Bonus or Retention Allowance to the MANEX for consideration.
- d) The nomination must address one or more of the following criteria:
 - i) The acquisition or retention of scarce skills critical to Council's service and operation;
 - ii) Market relativities where documented evidence can be produced e.g. several relevant job advertisements for similar sized operations or current salary survey data, or
 - iii) Acknowledge sustained superior contribution where the employee has been capped at the top of the salary band for more than two years.
- e) An existing employee must have a current performance appraisal completed and on file with overall performance considered to be "commendable" or above for any performance bonus to be considered.
- f) MANEX will consider nominations for a performance bonus during March each year to enable any impact on the forthcoming budget to be considered. Any performance bonus would then normally be paid after the start of the new financial year.
- g) The General Manager's decision on nominations will take into account such factors as budgetary restrictions, market forces, staff relativities, turnover rates for particular positions, recruitment prospects, advertising costs, lost productivity and any anticipated impact on projects or programs.
- h) All payments are at the General Manager's discretion.
- i) The existence of this procedure does not oblige Council to make such payments or adjustments.

5 ASSOCIATED DOCUMENTS

- Local Government (State) Award Clause 9.C "Bonus and Additional Performance Payments".
- Kempsey Shire Council Workforce Management Plan.

VARIATION

Council reserves the right to review, vary or revoke this procedure which will be reviewed periodically to ensure it is relevant and appropriate.