



People, Performance and Development Committee  
29 January 2016

**Corporate 'Refer a Friend' incentive scheme**

**Purpose of the report:**

To seek endorsement from the People, Performance and Development Committee to implement material changes to the 'Refer a Friend' incentive scheme that was presented to the Committee on 29 September 2015.

**Recommendations:**

It is recommended that the People, Performance and Development Committee endorses and supports the proposed changes to key elements of the scheme; specifically:

- i. A one off payment of £1000 as the financial incentive of the scheme;
- ii. the scheme excludes any member of staff directly involved in the recruitment process; and
- iii. the 'refer a friend' scheme is incorporated into key worker concept agreed by PPDC in July 2015.

**Introduction:**

1. In September 2015 the People, Performance and Development Committee (PPDC) endorsed the implementation of the 'Refer a Friend' incentive scheme as one strand of the Council's drive to improve recruitment to qualified social care roles on the basis that it extended to both Adult and Children's services. The report set out key conditions for the scheme.
2. In July 2015 PPDC agreed that where the Council was experiencing difficulties in recruiting 'key workers' then additional attraction and retention payments could be offered subject to evidence of a business case. The Committee agreed that key worker status would be applied to

social workers and occupational therapists in Adult Social Care (ASC) and to social workers in Children's Services.

3. Further work undertaken by the ASC and Children's services has identified that a small number of key conditions initially proposed in the scheme would benefit from revision.

<b>Proposed revisions:</b>
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4. Following feedback from ASC, Children's and HR colleagues, it was agreed that in order for the scheme to have most impact the amount and timeliness of the financial incentive was paramount. Generally, the feedback from staff indicated that a delayed payment (after six months and one year) was not sufficient incentive. Staff felt that the delay showed a sense of 'mistrust' about their referral.
5. In addition, it was recognised that two of the key conditions of the scheme required refinement.
6. The initial key conditions and the proposed revisions are outlined in the table below.

<b>Key Condition as outlined in September 2015 report</b>	<b>Proposed Revision</b>
a) Financial incentive made over 2 instalments: £500 after the successful completion of the probation period and £500 after a year's service	£1000 to be paid on appointment ( after first day of work)
b) People making a referral must be a Surrey County Council Staff member; excluding agency staff	People making a referral must be a Surrey County Council Staff member. Agency staff, HR staff or anybody directly involved in the recruitment process is excluded
c) The posts referred to must be qualified Social Work or Occupational Therapy roles within Adult Social Care	The posts referred to must satisfy the business case for key worker and thereby also be entitled to special attraction and retention payments; thereby incorporate Social Workers in Children's Services.

6. The reasons for the proposed changes are:

**Revision a) - A one off payment of £1000 on appointment**

7. One significant payment is a far greater incentive for people to engage with the scheme. In addition, it demonstrates confidence in the staff member's referral and judgement; fostering a greater sense of commitment to the organisation.

8. It is in line with the payments Surrey County Council (SCC) currently makes to employment agencies upon appointment.
9. It preserves the duty of confidentiality in relation to the newly appointed person, avoiding the referrer being aware of the outcome of the new member of staff's probation period.
10. It is more cost effective to have one payroll transaction both in terms of the transaction itself and the officer resource required across Council departments.

**Revision b) - The scheme excludes any member of staff directly involved in the recruitment process**

11. This creates a credible and transparent process around the scheme, ensuring that there is no opportunity for a conflict of interest to be created through the recruitment process.

**Revision c) – Incorporating key worker status**

12. This extends the scheme to include Children's Services, making it available to any other Council where there are recruitment and retention difficulties and a business case exists to award key worker status.

<b>Conclusions:</b>
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13. The majority of the scheme and its intention remains the same. However, the proposed amendments will help to make sure the scheme is as effective as possible.

**Financial and value for money implications**

14. As outlined in the previous report, the scheme has the potential to make savings in the recruitment process when compared to filling vacancies via employment agencies and employing locum staff. Any staff recruited through the scheme staff will provide savings in terms of reduced locum and agency costs.
15. Offering the financial incentive as one lump sum will attract more people to the scheme and provide the most efficient use of officer time.

**Equalities and Diversity Implications**

16. At this point no adverse impacts have been identified. This scheme will follow established recruitment policy and process.

**Risk Management Implications**

17. Providing a one off lump sum payment may increase the risk that members of staff are recruited, the incentive paid and then the member of staff leaves within a short period. However, data shows that in Adult Social Care qualified roles only around 7% of people leave within the first

six months of their employment. To limit the risk of the scheme being abused, the number of people leaving these roles will be monitored against the 7% baseline. Should the percentage increase action will be taken to review the scheme.

18. These refinements to the key conditions will help to improve the robustness of the process; particularly providing transparency in relation to the exclusion of people involved in the recruitment process.

<b>Next steps:</b>
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19. Pending the decision of the Committee next steps would include:

- finalise the key conditions of the scheme
- Implement scheme as of 1 February 2016

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**Report contact:** Sonya Sellar – Area Director, Mid Surrey, Adult Social Care

**Contact details:** Tel. 01372 832310, Email: [Sonya.sellar@surreycc.gov.uk](mailto:Sonya.sellar@surreycc.gov.uk)

**Annexes**

None

**Sources/background papers:**

- 29 September 2015, People, Performance and Development Committee Report 'Social Worker and Occupational Therapist Refer a Friend Incentive Scheme'
- 17 July 2015, People, Performance and Development Committee Report 'Arrangements to address recruitment and retention problems'