

INFORMATION TECHNOLOGY - RETENTION OF STAFF

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1. Purpose

- 1.1 To gain approval for the cessation of the retention scheme within the Information Technology (IT) Division for both new employees appointed on or after 1 December 1999 and those current employees who have not subscribed to the scheme by that date.

2. Summary

- 2.1 It is critical that this Authority retains specialist IT staff until July 2000 in order to overcome any problems caused by the millennium. Accordingly, a scheme to pay a series of bonus payments at six-monthly intervals to each eligible employee, was agreed by the Policy and Resources Committee on 15/29 September 1998 (Minute PR84/99 refers).
- 2.2 The bonus payments were intended to reward loyalty during preparations for the millennium and it is, therefore, specialist IT employees appointed after 1 December 1999 should not benefit.

3. Recommendation

- 3.1 That the Loyalty Bonus Scheme be ceased for all specialist IT employees who have not joined the scheme before 1 December 1999.

4. Background

- 4.1 The Committee will be aware of the need to prepare for the millennium, and the difficulties experienced in recruiting and retaining appropriately skilled IT Technical and Training staff to carry out this work.
- 4.2 In order to retain current staff and help to attract new employees, a Loyalty Bonus Scheme was implemented which paid a bonus of 5% of salary for eligible employees with one month's service on the following dates:
- (a) 1 January 1999;
 - (b) 1 July 1999;
 - (c) 1 January 2000; and
 - (d) 1 July 2000.
- 4.3 Employees included in the scheme are required to remain employed within the IT Division of the Council until 1 July 2000.

5. Issues and Choices

- 5.1 Of the 71 posts within the IT Division, 22 are currently vacant. Although measures will be taken to recruit to these posts, it is expected that about 11 posts will remain vacant on 1 December 1999.
- 5.2 The payment of bonus is intended to reward those eligible employees who will have had the opportunity to significantly contribute to the millennium preparations and demonstrate their loyalty to the work of the Authority. Employees who are appointed after 1 December 1999 will not be able to make a significant contribution to the millennium and should not, therefore, be eligible to receive the payments scheduled for 1 January 2000 and 1 July 2000.

6. Implications

6.1 Environmental

None.

6.2 Equalities

This Loyalty Bonus scheme only applies to the IT Division of the Council. All specialist IT staff are now contained within this Division.

6.3 Financial

It is estimated that this proposal could affect eleven posts. Budgetary savings would amount to approximately £11,000.

6.4 Legal

Current staff are required to give their agreement, in writing, to the scheme. This includes giving permission for the Authority to reclaim any repayment of bonus necessary from moneys owed to them by the Council if they leave before 1 July 2000. Two eligible employees have declined to subscribe to the scheme and they will be offered a final opportunity to do so prior to 1 December 1999.

6.5 Staff and Accommodation

None.

7. Conclusions

- 7.1 The Loyalty Bonus scheme is intended to reward IT staff who have significantly contributed to the preparation for the millennium, accordingly it would not be appropriate to reward staff who had not made this contribution.

Background Papers: Pay Sub-Committee Report dated 25 August 1998
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