

Market Supplement Policy

Organisational Development and Performance

Date March 2024

Version Control

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1.0	First version	Jan 2023
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Approvals

Approved by	Date
JNG	
Finance and Management Committee	

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1.0 Purpose

To provide a corporate framework for the consideration and payment of market supplements to support the recruitment and retention of the Council's workforce in the delivery of services.

This Policy sets the out the Council's position in relation to the payment of market supplements and is supported by a separate Market Supplement Procedure that provides the framework and approach to be followed to request the consideration of these payments.

2.0 Introduction

The Council recognises that sustained financial pressures and pay restraints imposed nationally have impacted on the ability of public sector employers to compete effectively in the employment market.

The employment market continues to be challenging and candidate driven. Following the pandemic, people have changed their attitudes and behaviours towards employment and work to take into consideration the need to achieve their own level of life/work balance.

This has resulted in a significant change to the employment market and the drive towards providing more choice on how people work and are employed. The Council has taken early action to change its employment model to provide for flexible working and this has had a positive impact on the recruitment and retention of staff.

There are posts where recruitment at the salary level determined by job evaluation presents challenges in relation to the recruitment and retention of employees. This has a sustained and negative impact on levels of service, the health and wellbeing of the retained workforce, restricts growth in the service and resulted in the use of agency staff to cover vacancies, often at significantly higher cost.

A market supplement is a separate payment in addition to the current salary for the post. Its purpose is to increase the overall pay package for a specific post where the Council has been unable to recruit or is unable to retain employees.

The key features of the market supplement are that;

- It is a fixed temporary payment only and forms part of the contract for a specified period of time
- The payment is linked to clear demonstrable business reason where difficulties in recruiting and retaining staff have been experienced
- It is time limited and subject to review.
- It will only be paid for the time period and amount that has been approved and there is then no ongoing contractual commitment on the Council to continue with the payment.



- The level of payment is determined through an assessment of market conditions for comparable posts in relevant sectors, primarily local government.
- The market supplement is subject to review on an agreed basis, at least annually, which could lead to the payment being stopped, changed, or continued.
- The market supplement payment will be made to all employees that are employed in the same or similar posts or from the start date when new employees join.

It is not designed to reward individual performance. Payment of supplements under this Policy will provide a legitimate business reason to mitigate against any claims under employment legislation and will not deviate from the principles of the organisation wide pay and grading structure based on a robust system of job evaluation or other agreed assessment system.

The payment of a market supplement must be justified, only considered where existing internal processes such as job evaluation have been completed and alternatives to an additional payment must be considered demonstrable, including possible succession planning arrangements should the supplement be changed or removed at a later date.

3.0 Scope

All posts on the establishment can be considered for the payment of a market supplement.

4.0 Definition

A market supplement is a separate fixed temporary payment for an identified period of time in addition to the normal salary of the post. The reason for using a market supplement is to recognise the current market conditions in order to attract and retain suitable applicants/employees for a particular post or posts.

5.0 Criteria for requesting a market supplement

Market supplements will only be considered in the following circumstances and evidenced by a Business Case as provided for in the Market Supplement Procedure.

- There must be clear evidence that there are difficulties in attracting staff to the particular post or in retaining staff in the role. This must include evidence of repeated failed recruitment exercises, high turnover rates or changes to the recruitment market that increases the demands for certain occupations.
- Analysis of current pay rates for similar roles in other comparable Councils.
- To demonstrate what action has been taken to resolve the issue without having to resort to applying a market supplement. This will include actions taken to consider redesigning the job, the structure of the service and consideration of providing current employees with opportunities for personal and professional development.



5.0 Roles and responsibilities

Leadership Team

Are responsible for;

- Reviewing and assessing the impact of the Market Supplement Policy and procedure on the pay and grading structure of the Council.
- Under the overall control of the Chief Executive, reviewing and determining applications for the payment of market supplements against this Policy and the market supplement procedure.

Heads of Service

Are responsible for;

- Developing and presenting the business case for the payment of a market supplement to a post or a particular group of posts. This will include clear and detailed documentation that evidences the current and projected resourcing of the service and the options progressed to recruit and/or retain employees.
- Engaging with Human Resources, Finance, employees, and Trade Unions in the process and seek any feedback on the proposal being developed.
- Ensuring that the overall process is monitored and reviewed, and where market conditions change the payment is then subject to a review.
- Ensuring that posts are evaluated in line with the job evaluation scheme before consideration is made of a market supplement.
- Ensuring that annual reviews, or sooner if agreed and/or market conditions change, are completed, and documented.

Human Resources

Are responsible for;

- Working with managers to explore possible solutions to resolve identified recruitment and retention issues relating to specific posts.
- Ensuring that up-to-date data is retained on all posts attracting a market supplement and that the continuation of the market supplement payment is subject to a review on at least on annual basis.



- Submitting information to Leadership Team which summarises the allocation of market supplements across all services of the Council and an assessment of their impact on recruitment, retention, and business risk.
- Monitoring the allocation of market supplements to identify any potential equality issues that arise and actions to consider areas of under representation.
- Completing an equal pay audit as part of the annual workforce profile.
- Providing support and guidance on the application of the Market Supplement Procedure including the development of a business cases by managers.

Employees

When their post is being considered for a market supplement they are responsible for;

- Accessing and making themselves familiar with the Market Supplement Policy and Procedure.
- To provide any information in relation to the payment that may require a further review to be undertaken

Trade Unions

- Trade Unions will be provided with information and details on all market supplements that are under consideration and be asked to provide their views and other supporting information as appropriate before the final decision is taken by the Chief Executive.

6.0 Performance and monitoring

The application of the Policy will be reviewed on an annual basis through a report to Leadership Team provided by Human Resources as well as included in the annual Pay Policy Statement. This report will list the payments being made, reference the supporting business cases made, the impact on the recruitment and retention of relevant post and any subsequent changes to market conditions along with recommended actions to ensure ongoing compliance and adherence to the Market Supplement Policy and Procedure.

7.0 Sustainability Impact Assessment

Our Environment	Potentially positive impact (Y/N)	Potentially negative impact (Y/N)	No disproportionate impact (Y/N)	Sustainable Assessments findings <i>(Please utilise the guidance provided for assessment findings.)</i>
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Improve the Environment of the District			N	
Tackle Climate Change			N	
Enhance the attractiveness of South Derbyshire			N	
Our People				
Engage with Communities			N	
Supporting and safeguarding the most vulnerable			N	
Deliver Excellent Services	Y			Support the recruitment and retention of staff to delivery Council services and meet the priorities in the Council Plan.
Our Future				
Develop Skills and careers	Y			Retained staff will be supported through development plans to increase levels of skills and knowledge.
Support economic growth and infrastructure			N	
Transforming the Council	Y			Support the recruitment and retention of staff to delivery Council services and meet the priorities in the Council Plan.

8.0 Policy Review

This Policy will be reviewed every three years and more frequently if the need arises as a result of a change of regulation or legislation, misuse of the policy or changes in circumstances at the Council.

The review of the policy will be carried out in accordance with the established procedures agreed and include engagement with Trade Unions.

9.0 References

Equality Act 2010

10.0 Associated Documentation

Description of Documentation
Market Supplement Procedure



Market Supplement Procedure

Service Area: Organisational Development and Performance

Date: March 2024

Version Control

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1.0	First version	4 March 2024

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Approved by JNG/Leadership Team	Date

Associated Documentation

Description of Documentation
Market Supplement Procedure

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1 Introduction

The Market Supplement Policy and Procedure will ensure the Council has a consistent, transparent, and robust process in place to determine any requests for a separate fixed temporary payment to be made for a post (s).

This Procedure sets down the framework to be followed for Heads of Service to develop and submit a business case and the support available from Human Resources and Finance as well as ensuring that the appropriate Trade Unions are involved in the process.

It is important that before any further considerations are made that the potential equality implications are given due regard. Whilst it is understood that moving outside of an established grade for a post could increase the risk of equal pay claims being entered against the Council, this should not be viewed in isolation and other impacts also need to form part of the business case – such as the demographic of the workforce, marketplace for applicants and other actions taken before a business case is progressed.

All proposals will be submitted to Leadership Team for consideration and determination. The Chief Executive has delegated authority to approve the award of a market supplement payment.

2. Context

The payment of a market supplement is to recognise market and other pressures which affect the Council's ability to recruit and retain employees. These are not considerations made when any post is assessed under the job evaluation scheme used by the Council.

The payment of a market supplement is not a "quick fix" for an immediate and possibly short-term difficulty. The case for market supplements must be substantiated to ensure that the value of the payment is justified, provides for a proportionate means of achieving a legitimate business aim and to mitigate the risk of legal challenge.

Alongside the submission of a business case, Heads of Service should also be progressing alternative options that provide for a longer-term solution go the appropriate resourcing of the service.

Recruitment and/or retention difficulties may be a consequence of a range of factors including:

- internal pay levels relative to the employment market
- the reputation of the Council as an employer and the other employment benefits offered such as flexible working
- a national skills shortage or higher demands levels in particular occupations.
- high turnover of employees
- career and development opportunities offered

- the costs associated with the employment (travel, parking, access etc)
- the agility of the Council to take action to reward and retain employees

A market supplement will only be paid where it is clearly evidenced that this provides for the most viable option to recruit or retain suitably qualified employees. It is expected that other options such as recruitment, job redesign, re-evaluation of the post and alternative delivery models will have been already considered and discounted as appropriate.

The fact that similar posts elsewhere are paid more is not a sufficient reason on its own, as other elements may also influence people's employment choices.

Where recruitment and/or retention difficulties are experienced and continuing, Heads of Service should first discuss the issue with the Human Resources Team and the options available to resolve the specific circumstances related to the post.

These options may include:

- organisation and/or job re-design, to identify any scope for parts of the job to be undertaken by less skilled/qualified employees, thereby reducing the need for fully qualified staff.
- non-pay benefits such as
 - Additional learning and development opportunities
 - Different working patterns (e.g. term time working)
 - Job rotation
 - Investment in further academic qualifications (apprenticeship funded)
 - Secondment or redeployment opportunities
 - Access to employee benefits

These options should also be considered through discussion with Human Resources before any further consideration is made to the payment of market supplements.

3. Developing a business case

To progress any market supplement payment the business case must demonstrate:

- identifiable and measurable benefits to the Council in terms of services to customers.
- the payment is a reasonable and justifiable expenditure of public money.
- a robust, evidence-based business case presented, and any payments reviewed on at least a 12-month basis.
- the supporting information relied upon to assess the payment and the value of the payment being made

A template is available at the end of this document to be used. This is a guide and should be used to frame your business case, provide information on where the market supplement is being requested and why, and demonstrate that other options have been duly considered and where appropriate, with supportive evidence on the cost incurred and impact on services to the customers.

This should include the following details as appropriate;

- Levels of current employee turnover in the particular post(s).
- The length of time the post has been vacant
- Outcomes from recent recruitment campaigns, i.e. within the last six months. A market supplement will not normally be considered unless the service can demonstrate that they have made a meaningful attempt(s) to recruit.
- A profile of other team members to establish if shifting of resources/duties can create growth opportunities for other employees.
- A wider review of the workforce to establish if transferable skills are available in other service areas
- Information from exit interviews to evidence why former employees moved to different employment opportunities.
- Information from current employees on their future career/employment options to assess the level of risk of them moving to different employers – i.e. where there is clear evidence of increased competition and movement in the profession/sector.
- Examples of similar posts in comparable public sector organisations offering different overall employment packages within the same geographical or recruitment market within the last six months.
- It is important when comparing job roles with information drawn exclusively or largely from other employers who operate in a different sector (private) pay structures this increase risks and may not be considered appropriate.
- Surveys indicating market rates or skills shortages.
- Action taken to redesign the existing post to enable lower entry levels if appropriate.
- Consideration of different service delivery models or employment options such as secondments either internally or from other organisations.
- The cost of using agency workers and any turnover/retention issues with these workers.

In order to ensure that the payment of each market supplement remains justified, no market supplement can be agreed for an initial period of more than two years and the business case for a market supplement will be subject to a review after 12 months.

4. Identify the specific post(s) affected

The proposal should be clear on the post(s) and the number of employees (current and future) that are included. Considerations to be made include;

- The post(s) experiencing recruitment and/or retention problems including any existing post-holders within similar roles.

- Check with Human Resources whether there are posts in other services that may be affected by the payment of a market supplement, e.g. in comparable roles.

Note – the market supplement will not be extended to employees outside of the specified group to maintain existing pay differentials if they are not similarly affected by recruitment or retention problems.

5 Review the job description and person specification for the post(s)

The job description and person specification for the post(s) concerned should be reviewed and updated.

It may be possible to re-design the post to make it more accessible to potential applicants, for example, through including opportunities to work across traditional boundaries or to undertake a wider variety of work.

Where jobs are re-designed consideration should be given to the potential impact of changes on any existing employees undertaking the same or similar work and if the review results in a material change to the content of the job and its requirements then it should be evaluated in line with the job evaluation scheme. Any changes to jobs should be subject to consultation with any employees that is directly impacted.

6 Options to resource the service

Consider different options to resource the service such as;

- Offering growth or development options for existing members of the team or other employees such as secondments internally and externally.
- Redesigning the delivery model of the service – this should include the potential costs/time scales to move to a new model and the availability/viability for using other providers
- Overview of the use of agency workers and the impact on the service, cost, and ongoing resourcing
- Sharing resources with other providers or generating additional income

7 Market assessment

It is critical to provide a fair and current assessment of the market that you are encountering recruitment and retention issues. Take into account;

- The relevant “market” – sector and geographic for comparison/ research. For some posts the market will be almost exclusively local government, for others the market is much wider.

- Identify comparable roles based on job content, accountabilities, and responsibilities. Whilst it will not be possible to find exactly similar roles it is essential to measure like-with-like as far as possible, so ideally market data should include job/role descriptions and/or person specifications.
- Comparisons based on job roles and advertisements should be treated with caution, as similar titles can cover different roles, levels of skill and/or experience.
- Market pay and recruitment data can be obtained from a range of sources including: the public sector salary and benefits surveys available; professional associations and/or professional journals

The Head of Service is responsible for the data collection and analysis, and for any costs incurred in the process.

8. Identify service benefits

As well as establishing a business case for the payment of a market supplement, the service must also identify specific benefits which will result, for example:

- improvements in service delivery and customer experience
- impact on team members and/or other services at the Council
- filling vacant posts
- reduction in recruitment costs
- reduction in the cost of employing agency workers or temporary staff
- reduction in the level of additional hours being worked by other colleagues

All cases must clearly state the performance outcomes over the next year if the market supplement is approved and include a statement on how the proposal achieves value for money.

9 Qualify the business case with other solutions

If a recruitment and retention problem is confirmed, Heads of Service should consider the various options for responding to this.

Long-term solutions should be considered first, as market supplements will only be effective as a short-term measure.

A clear plan to resource the service beyond the payment of market supplements should be identified, progressed, and monitored to take further action should other issues or similar issues develop.

Where non-pay options have been considered and discounted, please include the reasons.

The market supplement is not a permanent solution and presents risks to the Council, the service and to our customers – a longer term solution must be progressed whilst the market supplement is in place.

10 Identify the level of market supplement

If it is determined that a market supplement is the best way forward in the short term, the manager should assess the level of payment required with support from Human Resources.

In particular, consideration should be given to where to benchmark the overall salary package (i.e. the job evaluated grade plus market supplement plus any other allowances) against external comparators.

Consideration has to be given to the impact on other posts across the Council that have been assessed under job evaluation on the same grade. The case will have to demonstrate that the market supplement presents a proportionate means to achieve a legitimate aim.

It does not automatically follow that the upper end of the salary range from the comparator group is the most appropriate level as this will depend on the objective circumstances of the particular case.

Unless there are exceptional circumstances, a market supplement will normally fall within the range of between **5-15%** of top of the substantive salary at the highest scale point in the grade. This can then be paid as either a specified cash amount or as a percentage of the job evaluated pay rate.

The starting point is to assess the extent of the difference between the comparator group and the Council's salary range for the post taking account of any additional allowances which may not be appropriate to consider such as pension scheme contribution, lease car contributions, area weighting allowances etc.

Market supplements are normally based on the median substantive pay of comparators and should not exceed the level deemed necessary to attract suitable candidates.

When recruiting to a post that attracts a market supplement payment, care must be taken to make it clear that it is a temporary payment only and it is subject to an annual review that could result in the payment being removed, changed, or retained.

11 Authorisation

The business case for the introduction of a market supplement must be presented to Leadership Team for review and Chief Executive approval and evidence the relevant issues covered in the procedure. In particular that, advice and information has been sought from Human Resources and Finance and been subject to engagement with the Trade Unions.

Changes to, or renewal of, existing payments which involve commitment of additional expenditure from the service budget (i.e. not funded by savings from vacant posts or a commitment that exceeds the salary budget) will require the approval of the Finance and Management Committee.

Changes to, or renewal of, existing schemes not involving commitment of additional expenditure (i.e. funded by savings from vacant posts or a commitment that is within the salary budget) require the approval of Leadership Team.

If payment of the market supplement is approved, the Head of Service will authorise Payroll to implement payment from the relevant date. This will require the completion of a change to terms and conditions form for existing employees and/or the submission of the approved business case for any vacant posts.

The market supplement will only be paid for a period of up to two years. It will then be stopped unless confirmation is given in advance to continue with or change the level of the payment. Any changes will be stopped on the end date given for the extension.

12 Market supplements – deductions and related conditions

The value of the market supplement to the employee will not be the amount actually approved as the payment will be subject to pension, tax, and NI deductions.

It will be paid as a clearly identifiable and separate supplement to basic pay (NB: the market supplement will not be shown as a separate payment for periods of absence that are remunerated through a combination of occupational and statutory pay, e.g. sick or maternity pay)

Other conditions that will be relevant to the payment of the market supplement include;

- Subject to eligibility, included in occupational and statutory calculations for periods of paid sickness, maternity and adoption leave in line with the appropriate national or local conditions of service.
- Occupational and statutory rates will be recalculated for employees who are on maternity/adoption leave when a market supplement is introduced.
- When market supplements are reduced or removed during a period of maternity/adoption leave, only the occupational element is recalculated and reduced from the date of the change
- Paid monthly (pro rata for part-time employees)

- Paid as an additional payment on top of the hourly rate for casual workers
- Paid for authorised paid absences
- Paid at the appropriate rates for each post where an employee has more than one eligible job that are in receipt of a market supplement payment
- Adjusted accordingly where there is a change in contracted hours
- Paid on accrued annual leave on part time hours up to a maximum of 37 hours per week
- Included in any deductions related to unpaid absences, e.g. unpaid leave
- Paid for all additional hours worked up to 37 per week including the plain time hours worked at times that attract enhancements
- Only included in redundancy pay calculations if the market supplement is still being paid when the notice period ends.
- Will be stopped if an employee moves to, or is seconded to, a post without a market supplement
- Will not attract annual pay award increases or be affected by incremental progression
- Will not be paid for any hours over 37 per week, i.e. overtime
- Will not be paid on any other enhancements to pay or other contractual benefits
- Will not be included in pay protection

If any further advice is needed then please contact Human Resources.

13 Recruitment

Should a market supplement be approved then all recruitment materials, including adverts, supporting information need to clarify the amount of the payment, length of time it is being paid and advise potential employees that the payment will end on a given date with no pay protection offered.

No misleading information should be provided and the value of the market supplements should be stated separate from the salary for the post.

14 Confirmation of the market supplement

The conditions will be set out in the contract of employment (in the case of new employees), or in a standard letter/amendment to the statement of particulars (for existing employees). Employees must sign the appropriate document confirming that they understand and accept the conditions attached before payment is made.

The following general conditions will also apply;

- The market supplement will be payable for a specified period not exceeding two years from the date they are introduced. At the end of this period they will be automatically withdrawn unless further approval of a revised business case is approved. Such reviews should be undertaken in good time to allow for reasonable notice to the employee of any change to the existing arrangements.

- If the supplement is to be discontinued the employees in receipt of the payment should be advised of this at least two months before the payment is to cease.
- Where an existing employee is in receipt of a market supplement and a protected pay allowance, the value of the protected element will be offset against the supplement payable.
- Supplements are attached to posts, not employees. Therefore, if an employee is redeployed, transferred, promoted, demoted or subject to any other job change, the payment will be withdrawn from the date of the change.
- Where the job description for a post in receipt of a market supplement payment is subsequently reviewed and amended, it will be evaluated in accordance with the job evaluation procedure.
- If the new grade is higher than the original substantive grade (i.e. not including any market supplement), then any resulting increase in pay will be offset against the market supplement. This is necessary to ensure that the market pay for the post remains in line with the level set under the original business case.

15 Equality, Diversity, and Inclusion

Where a market supplement is paid the potential for an equal pay claim arises. The Council will need to demonstrate that there is a “material factor defence” which is neither directly nor indirectly sex discriminatory to avoid or defend such claims.

The state of the employment market, which may lead to increase the pay of a particular job in order to attract candidates, may constitute an objectively justified economic ground for a pay disparity.

Adherence to the Market Supplement Policy and Procedure, which is kept under review, and which requires the market conditions and recruitment difficulties to be evidenced, will mitigate these risks.

16 Equality Impact Assessment

The Procedure is not considered to have an adverse impact on any particular group but it will be monitored to ensure it is being fairly applied and that the equality impact is considered in each case.

The case for a market supplement must be supported by the completion of an equality impact assessment.

If an adverse impact on any group is identified, the measures proposed to be taken to minimise this impact should be specified.

17 Appeal process

If an employee and/or Trade Union representative considers that the Market Supplement Policy or Procedure is not being correctly or consistently applied then they should raise their

concerns initially with their line manager or Head of Service. It is expected that following this route should enable any concerns or issues to be discussed and resolved.

If this does not resolve the issues being raised, then a formal grievance can be submitted in line with the Grievance Procedure.

18 Monitoring and Review

The procedure will be subject to a review every three years.

Human Resources are authorised to make changes to the procedure that arise from organisational changes

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Appendix 1: BUSINESS CASE TEMPLATE

Payment of a market supplement

This form is to be completed by the Head of Service and submitted to Leadership Team for consideration.

NOTE: A market supplement application can only be made by a Head of Service. Individual employees or groups of employees may not apply for a Market Supplement.

Please ensure you have read the Market Supplement Policy and Procedure before completing this application.

1. The post the market supplement is being applied for:

Post title:	
Service Area:	
Directorate:	
Current grade and salary range:	
Is this an application for approval of a new market supplement or continuation of an existing one	

2. The reasons why:

Please outline the recruitment/retention difficulties? For example, recruitment difficulties, the number of recruitment attempts, where advertised; response rates etc.

<p>Use the following questions as a guide;</p> <p>Number of times the post has been advertised, where, how, and dates</p> <p>Number of responses to adverts</p> <p>Assessment on the quantity and quality of the responses to the advert</p> <p>Turnover rates for the post</p> <p>Average length of service in the post</p> <p>Supporting data from exit interviews, staff surveys or other industry/sector feedback</p>

What evidence indicates that it is pay alone that is root cause of the difficulty in recruiting staff?
What is the regional/national position in relation to the recruitment of these posts?
What are others comparable organisations doing to recruit/retain staff
Labour market data – what is the salary being offered in other comparable organisations

Please list all non-financial incentives that have been unsuccessfully promoted/ utilised to address the recruitment/retention issues.

Use the following questions as a guide;
Are there issues that could be more appropriately resolved by management actions – investment in the service, talent mapping, using new work methods/digital
Are there any changes in job roles to support the retention of current employees and/or encourage secondments from across the workforce

3. The market supplement payment

Please provide details of the market supplement applied for:

The value of the market supplement (per post)	
Post numbers and names of employees and current grade and salary	
The duration (no more than two years)	

4. Financial implications:

The value of the market supplement (per post)	
The number of posts and employees to receive the supplement	
Total costs (per annum/duration) including on costs	
Anticipated savings e.g. agency or recruitment savings	
Can the full value of the payment be met from existing budgets – please give further details below	
Please specify;	

4.1 Financial comments (to be completed by Finance) including the source of the additional funding to fund the full amount of the proposed market supplement.

5. Consultation – please provide details on the employees consulted and trade unions

Please give details of support for or concerns raised with the payment of the market supplement

5.1 Equality, diversity, and inclusion considerations (please complete and attach an Equality Impact Assessment)

Provide details of the outcomes from the equality impact assessment and reference any potential impact on other colleagues?

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6. The business case for a market supplement

Please make your case for the market supplement. Your case must include details of how the market supplement payment was established, how it meets the criteria set down in this Procedure and evidence provided below.

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For example:

...recruitment difficulties...evidenced by vacancy rates and unsuccessful recruitment exercises [provide evidence] is considered to result from an uncompetitive total remuneration package. The market rate has been established as [£] evidenced by [...]. The application of a market supplement [£] would bridge the gap between the evaluated salary and the market rate The market supplement would be applied in equal monthly instalments of [£]. Filling the vacant posts is expected to save [£] as it would no longer rely on agency cover. The agency costs are [£] while the remuneration package, including the market supplement, would be [£]. In addition, the following service benefits will add value... I can confirm that non-pay benefits have been publicised and did not resolve the recruitment difficulties. It is expected that the market value (as stated above) will remain the position for at least the next 12 months and at least two months before the expiry of this 12-month period this market supplement will be reviewed.

7. Evidence

Please attach evidence gathered to support your proposal – summary of job adverts and payments from other comparable organisations

Please find attached:

- 1.
- 2.
- 3.

For example:

1. Vacancy rates
2. Failed recruitment attempts - details on when, where advertised, response rates
3. JDs, PSs, and adverts from at least two comparable organisations that have recruited including an assessment of the job content and accountability – including size of organisation, number of posts managed etc
4. Annual cost of agency cover

5. Benchmarking from salary surveys

8. Signature - Head of Service

I agree that the payment of a market supplement is appropriate in this instance and that all the necessary checks have been carried out as detailed in this application. I am satisfied that other options to resource the service have been thoroughly explored and not been successful in sustaining the staffing levels required to the deliver the service.

Name:	
Post title:	
Service Area:	
Directorate:	
Date of application:	

9. Authorisation process

- The Market Supplement applied for has been agreed
- The Market Supplement has not been agreed
- The Market Supplement has been agreed in part

✓

Please specify:

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10. Approval – Chief Executive

Name	
------	--

Post title	
Signature:	
Date:	

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Equality Impact Assessment - Preliminary Assessment Form

<i>Title of the strategy, policy, service or project:</i>	Market Supplement Policy
<i>Service Area:</i>	All
<i>Lead Officer:</i>	David Clamp
<i>Date of assessment:</i>	05.03.24
<i>Is the strategy, policy, service (procedure) or project:</i>	
<i>Changed</i>	<input type="checkbox"/>
<i>New</i>	<input checked="" type="checkbox"/>

Section 1 – Clear aims and objectives

1. What is the aim of the strategy, policy, procedure or project?

A brief description of the aims of the policy – use a bullet point list if appropriate

To provide a corporate framework for the consideration and payment of market supplements to support the recruitment and retention of the Council's workforce in the delivery of services.

This Policy sets the out the Council's position in relation to the payment of market supplements and is supported by a separate Market Supplement Procedure that provides the approach that is to be taken to request the consideration of these payments.

2. Who is intended to benefit from the strategy, policy, procedure or project and how?

All Employees.

3. What outcomes do you want to achieve?

The Policy aims to provide a consistent approach to additional temporary payment to the basic salary of an individual job or specific group of jobs where market pressures would otherwise prevent the Council from being able to recruit or retain staff with a particular skill or group of skills.



	Potentially positive impact	Potentially negative impact	No disproportionate impact
Age			The policy is about posts not people. There is no impact to individuals or groups of people.
Disability and long-term conditions			
Gender reassignment			
Marriage or civil partnership			
Pregnant women and people on parental leave			
Sexual orientation			
Race			
Religion or belief			
Sex (Gender)			

Section 3 – Recommendations and monitoring

If you have answered that the strategy, policy, procedure or project could potentially have a negative impact on any of the above characteristics then a full Equality Impact Assessment will be required.

4. Should a full EIA be completed for this strategy, policy, procedure or project?

Yes No

Please explain the reasons for this decision:

There is no impact on people or groups of people as this policy relates to Posts. The Policy aims to provide a consistent approach on addressing recruitment and recruitment challenges across the Council.

Section 4 – Approval

Please note the assessment should be reviewed and approved by the appropriate Head of Service **before** the Committee report (if required) is produced.



Reviewed by Strategic Director (Corporate resources)	Name:	Fiona Pittam
		<i>F Pittam</i>
	Date:	05.03.24

For further information regarding this assessment is required, please contact the Lead Officer for this assessment (outlined in Section 1.)



Equality Impact Assessment - Preliminary Assessment Form

<i>Title of the strategy, policy, service, or project:</i>	Market Supplement Procedure	
<i>Service Area:</i>	All	
<i>Lead Officer:</i>	David Clamp	
<i>Date of assessment:</i>	05.03.24	
<i>Is the strategy, policy, service (procedure) or project:</i>		
<i>Changed</i>	<input type="checkbox"/>	
<i>New</i>	<input checked="" type="checkbox"/>	

Section 1 – Clear aims and objectives

1. What is the aim of the strategy, policy, procedure, or project?

The Market Supplement Policy and Procedure will ensure the Council has a consistent, transparent, and robust process in place to determine any requests for a separate fixed temporary payment to be made for a post (s).

This Procedure sets down the framework to be followed for Heads of Service to develop and submit a business case and the support available from Human Resources and Finance as well as ensuring that the appropriate Trade Unions are involved in the process.

2. Who is intended to benefit from the strategy, policy, procedure, or project and how?

The Market Supplement Procedure will enable the Council to consider further action to recruit and retain staff through adding a market supplement payment to a post. This will support the Council with resourcing the workforce to deliver services for the community.

3. What outcomes do you want to achieve?

The Procedure provides a consistent approach to the consideration of additional temporary payments to the basic salary of an individual job or specific group of jobs where market pressures would otherwise prevent the Council from being able to recruit or retain staff with a particular skill or group of skills.



	Potentially positive impact	Potentially negative impact	No disproportionate impact
Age	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disability and long-term conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Marriage or civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pregnant women and people on parental leave	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sexual orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Race	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Religion or belief	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sex (Gender)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Section 3 – Recommendations and monitoring

If you have answered that the strategy, policy, procedure, or project could potentially have a negative impact on any of the above characteristics then a full Equality Impact Assessment will be required.

4. Should a full EIA be completed for this strategy, policy, procedure, or project?

Yes No

Please explain the reasons for this decision:

The Procedure provides a fair and consistent framework for the consideration of an additional payment to be made for post or posts in the Council where it has been identified that there are current and known risks for the recruitment and retention of staff. All payments will be subject to annual review that will further consider any potential equality issues.

Section 4 – Approval



Please note the assessment should be reviewed and approved by the appropriate Head of Service **before** the Committee report (if required) is produced.

Reviewed by Strategic Director (Corporate resources)	Name:	Fiona Pittam
		<i>F Pittam</i>
	Date:	05.03.24

For further information regarding this assessment is required, please contact the Lead Officer for this assessment (outlined in Section 1.)

