



# **MARKET SUPPLEMENT POLICY**

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## **1.0 Scope**

This policy applies to all posts, of Broxtowe Borough Council.

## **2.0 Purpose**

Broxtowe Borough Council uses a job evaluation scheme to establish relative pay levels within the organisation. This helps to ensure that salary levels are fair and set based on objective criteria. While the scheme ensures internal fairness, the Council also need to take account of market pressures that impact on its ability to attract and retain skilled people in key roles. Therefore, the Market Supplement policy provides a pay supplement in circumstances where the Council have reasonable grounds and evidence that an enhancement to the salary of a role is required.

## **3.0 Policy**

### **3.1 Circumstances where a Market Supplement may be appropriate**

A market supplement may be considered appropriate in the following situations: -

- Where a vacancy has been advertised and has not been successful recruiting suitable candidates, and the lack of response is not due to reasons of timing (for example peak holiday period, or a very short application window);

Or

- Where, through pay benchmarking similar roles, there is evidence that the salary being offered elsewhere is higher than that offered by Broxtowe Borough Council and this is adversely affecting retention of technical and profession skills in high demand.

### **3.2 Authority to Apply a Market Supplement**

Authorisation of a market supplement will be made by GMT (through the application of the Chief Executive's delegated powers) following the receipt of a suitable business case from a member of the Senior Management Team (this policy does not apply to employee led re-evaluations which are covered by the Evaluation and Re-evaluation of Posts policy), the business case should include any HR advice.

### **3.3 The Level of Market Supplement**

The amount to pay as a market supplement should be based on pay benchmarking information, so that a supplement enables the Council to pay at a level in line with comparable roles, for example close to the median level, or upper quartile where there is a particular market pressure. The supplement will be applied on a pro-rata basis to part-time roles.

### **3.4 Duration of a Market Supplement**

The supplement will be paid as a clear addition to the base salary and will be paid on a temporary basis, for no more than 2 years before it is reviewed. Pay benchmarking will be carried out on comparable roles to inform the review to establish whether there is evidence and grounds to continue paying the supplement. Continuation or removal of a market supplement will be authorised by GMT, based on the information provided by the line manager of the role and on HR advice. The review will establish whether a supplement should continue, and the appropriate level of any supplement. A review of the market supplement will also be triggered following a review under the Evaluation and Re-evaluation of Posts Policy. Should the latter review result in a change to the base salary a review of the market supplement will determine whether a proportionate change to the market supplement will be applied.

### **3.5 Extending a Market Supplement to Existing Employees in the Same Role**

To support retention and positive morale, where it has been decided that there are grounds to authorise a market supplement to assist with recruitment, the supplement will be applied to existing employees in the same job, including to part-timers on a pro-rata basis.

### **3.6 Discontinuation of a Market Supplement**

Where there are no longer grounds to support continuing the payment of a market supplement, the supplement will be removed after giving the postholder(s) 3 months' notice. Pay protection will remain in place for 6 months.

## **4.0 Equality and Diversity**

An equality impact assessment of this policy has been undertaken.

## **5.0 Related Policies, Procedures and Guidelines**

This policy should be read in conjunction with the:

- Evaluation and Revaluation of Posts Policy

## **6.0 Review**

This policy will be reviewed every three years.

## **7.0 Document History and Approval**

<b>Date</b>	<b>Version</b>	<b>Committee Name</b>
29/06/2021	1.0	Personnel
07/01/2022	2.0	Personnel