

APPENDIX 1

POLICY : Market Factor Supplements

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1.0 INTRODUCTION

1.1 The Council recognises that there are certain circumstances where it might be necessary to have to pay a salary that is over and above the job evaluated rate of pay for the job. One example of this is where there are skills shortages for particular specialist or hard to fill jobs that results in the pay for those jobs being inflated.

Market Factor Supplements must only be awarded to jobs that meet the criteria below. The council has to be able to provide a material factor defence to justify applying a Market Factor Supplement. Payments must be reviewed annually to ensure that they are still appropriate.

A list of jobs that attract Market Factor Supplements, and the value of the payment will be maintained by Human Resources. The Head of Human Resources will inform UNISON/ employee representatives via respective liaison and consultation groups. The list will be published and may be viewed by employees on the Intranet.

2.0 CRITERIA

In order for a job to be considered for a Market Factor Supplement, **both** criteria below must be met:

Evidence must be provided that we have been unable to fill the post by following normal recruitment methods. A minimum of one attempt will have been made to fill a vacant post without success.

Evidence must be provided that the salary level proposed for the post is not competitive relative to comparable roles. Such evidence in the first instance will be information provided by an external agency (such as Croner). Where this is insufficient or needs to be supplemented by additional information, sources could include:

- Vacancy web sites including Jobs go Public
- Professional web sites such as planning, environmental health news, law society gazette
- Professional journals
- Making contact with other local authorities across the wider south east region (or nationally in appropriate cases)

3.0 APPROVAL

Proposals for Market Factor Supplements will be made by the appropriate Head of Service, and endorsed by the Executive Director to the Head of Human Resources. Market Factor Supplements will be approved by Management Board/ Leadership Team in the respective council and where appropriate also by the relevant committee (for example Joint Committee for Shared Services).

Recipients of Market Factor Supplements will be made aware of this policy and informed that the payments will be reviewed. Payments may increase, reduce, or cease and can not be guaranteed to be paid indefinitely.

4.0 ANNUAL REVIEW

The list and details of all jobs that attract Market Factor Supplements will be maintained by Human Resources. The annual review will be in accordance with the following process:

- The review will take place during September/October as part of the forthcoming years budget review process.
- The review will look at the application of the Market Factor Supplement and whether it requires amendment (up or down) or removal.
- The review will be conducted using information provided by an external agency (such as Croner) and the data will be reviewed by the relevant Head of Service and HR. Where there is insufficient pay data further areas to research information may be used as follows:

Vacancy web sites including Jobs go Public

Professional web sites such as planning, environmental health news, law society gazette

Professional journals

Making contact with other local authorities across the wider south east region (or nationally in appropriate cases)

- The outcome of the review will be shared with the individual as soon as practical and no later than 1st January of the following year. This will include the data that has been used for the review as well as an explanation of the decision reached.
- Any changes to the Market Factor Supplement will be effective from the following 1st April, allowing for a minimum period of three months notice of any planned change.

5.0 APPEAL

In the event that there is disagreement with the outcome of the Market Factor Supplement review, a business case will be presented by the appellant to the appropriate Head of Service, who will review and pass on to Human Resources. HR will arrange for the appeal to be heard within 10 working days from receipt of the appeal, by a Head of Service from another Service and a member of HR. The employee will have the right to be accompanied by a Union representatives, staff

representative (for Three Rivers District Council employees) or colleague at the meeting.

The decision of the chair of the appeal will be given to the appellant within 10 working days of the date of the appeal hearing and is final. There will be no further right of appeal.

All changes to Market Factor Supplements are applicable from the 1st April, which should allow in all but exceptional circumstances for a minimum of three months notice to be given to the post holder.

Approved:

Amended: