

ANNUAL REVIEW OF MARKET SUPPLEMENT PAYMENTS

1. RECOMMENDATIONS

- 1.1 That HR Ctte note the current position of market supplements across the Council, and the introduction of a corporate annual review process.

2. INTRODUCTION

- 2.1 All pay decisions must be fair and transparent and be regularly reviewed.
- 2.2 With that in mind a corporate annual review of market supplements is being introduced to ensure consistency and fairness.

3. BACKGROUND

- 3.1 The current Market Supplement Policy already states that an annual review should be conducted. The responsibility for this has rested with the manager however there is little evidence to support that this happens in a consistent manner across the council.

4. CURRENT POSITION

- 4.1 As at 1st March this year 73 employees were in receipt of a market supplement payment.
- 4.2 45 of these are covered under the Market Supplement for Drivers which has been agreed by the portfolio holder.
- 4.3 9 of these have been newly implemented within the last 6 months. It is envisaged that where Market Supplements have been introduced within the last 6 months, they will not be subject to the annual review until the following year.
- 4.4 The remaining 19 have been subject to the review process set out in point 5.
- 4.5 In April 2021 there were 6 band 9 employees who were regraded and had their car allowance removed and either a market supplement/honorarium or both added to their pay instead. Three were given market supplements.
- 4.6 These were reviewed in December 2023, after the pay award was implemented. Therefore these have not been included in the review. However the letters sent to them confirming the pay award etc, states that the MS will be subject to an annual review and will therefore be included in the review in February 2025.

5. ANNUAL REVIEW PROCESS

- 5.1 The annual review process will start in February each year. Those on Market Supplements will be identified and their manager will be asked to review the payment and confirm whether it needs to continue as it is, whether it could be adjusted (%)

allowances are based on 2.5, 5, 7.5 or 10%) this could increase or decrease, or whether it could cease.

- 5.2 In instances where the direct manager is not a Service Manager or above then once received the recommendation will go to the Service Manager for approval.
- 5.3 As a final check all the recommendations will go to the relevant Strategic Director to ensure they are aware and also supportive.
- 5.4 This year the process has been mostly manual but we have discussed with ICT the scope for this being more interactive in the future using Power BI to generate the forms and inform the workflow.

6. CONCLUSION

- 6.1 Of the 19 market supplements reviewed this year, there have been no changes made to the existing arrangements.
- 6.2 All of them have been supported by the relevant Service Manager/Assistant Director and the Strategic Director.
- 6.3 The current make up of those receiving a market supplement is as follows:

Service Area	Band	Gender	Age Range	Number
Corporate Resources, S151 and Transformation	4	Female	31-50	1
	5	Female	31-50	1
	5	Male	>50	1
	7	Male	>50	1
	9	Male	>50	2
Housing, Communities and Governance	4	Male	31-50	1
	4	Male	>50	1
	5	Female	>50	1
	7	Female	31-50	1
	7	Female	>50	2
	7	Male	31-50	5
	7	Male	>50	4
Place, Operations & Sustainability	3	Male	>50	1
	4	Male	31-50	18
	4	Male	>50	27
	8	Female	31-50	1
	8	Male	31/50	2
	8	Male	>50	2

7. FINANCIAL IMPLICATIONS

- 7.1 The current costs of the 73 Market Supplements paid across the council is £197,228.10 per annum, including oncosts.

8. CRIME AND DISORDER IMPLICATIONS

- 8.1 None.

9. ENVIRONMENTAL IMPLICATIONS

- 9.1 None.

10. EQUALITY AND DIVERSITY IMPLICATIONS

- 10.1 Please see data at 6.3.

11. DATA PROTECTION IMPLICATIONS

- 11.1 None.

12. EMT COMMENTS

- 12.1 EMT welcomed the introduction of an annual corporate review to ensure Market Supplements are reviewed consistently on a regular basis.
- 12.2 EMT asked that a review of the current Market Supplement Policy be undertaken to ensure it remains fit for purpose in the current recruitment conditions.

13. ESLP COMMENTS

- 13.1 It was noted that there were only 7 female employees in receipt of a market supplement payment out of 28. (Excluding drivers)
- 13.2 It was explained that the majority of market supplements were approved to be used at the point of recruitment, meaning there was no knowledge at the time who the successful applicant would be, or their gender.

For further information contact:

Heleana Aylett
HR Service Manager
02380 285662
Heleana.aylett@nfdc.gov.uk

Jade Carter
Payroll Manager
02380 285947
Jade.carter@nfdc.gov.uk