

## HR COMMITTEE – 19 June 2025

### Annual Review of Market Supplement Payments

Purpose	For information
Classification	Public
Executive Summary	To provide a report on the outcome of our annual Market Supplement payments review for April 2025.
<b>Recommendation(s)</b>	<b>That HR Committee note the current position of market supplements across the Council</b>
Reasons for recommendation(s)	To produce a report detailing the results of our most recent market supplement review
Ward(s)	All
Portfolio Holder(s)	Councillor Jeremy Heron – Finance and Corporate
Strategic Director(s)	Alan Bethune – Strategic Director Corporate Resources, S151 and Transformation
Officer Contact	Jade Carter Payroll Manager 02380 285947 Jade.Carter@nfdc.gov.uk

#### Introduction and background

1. All pay decisions must be fair, transparent and be regularly reviewed.
2. With that in mind a corporate annual review of market supplements is undertaken to ensure consistency and fairness. The review begins in February with a view that any changes take effect from April 2025.
3. The current Market Supplement policy states that an annual review should be conducted.

## **Current Position**

4. Prior to the review, as at 1<sup>st</sup> March this year 64 employees were in receipt of a market supplement payment. 10 of these were receiving a market supplement by way of a higher SCP than the top of their band. 54 were receiving an extra monetary amount in their wages whilst on the top SCP of their band.
5. 46 of those in receipt of a market supplement are covered under the market supplement for drivers and were considered as a group for the annual review.
6. The remaining 18 have been subject to the review process set out below.
7. The majority of the market supplement payments have been bought in to successfully recruit LGV Drivers and Building Control Surveyors (51 of the market supplement payments are for these roles). The remaining are more wide spread, not covering any particular area and have been introduced where necessary to enable recruitment.

## **Annual Review Process**

8. The annual review process starts in February each year. Those in receipt of market supplements are identified and their manager asked to review the payment, confirm whether it needs to continue as it is, be adjusted or whether it should cease. The manager is required to give an explanation for their decision.
9. Once the manager has made their recommendation this then goes to the Service Manager for approval and finally to the relevant Strategic Director for their approval.
10. 2024 was our first year conducting the market supplement payment review and was done manually. This year we have worked with ICT to create an automated process with Power BI to generate the forms and control the approval process.

## **Conclusion**

11. Of the 64 market supplements reviewed this year, there have been no changes made to the existing arrangements.
12. It is important to note that our market supplement policy states 'Market supplement salaries are fixed, they are not subject to annual pay awards until such a time that the top scale point within the band overtakes the market adjusted salary'.

13. The current make up of those receiving a market supplement is as follows:

Service Area	Band	Gender	Age Range	Number: April 2025	Number: April 2024
Corporate Resources, S151 and Transformation	4	Female	31-50	0	1
	5	Female	31-50	0	1
	5	Male	>50	0	1
	5	Female	>50	2	0
	7	Male	31-50	1	0
	7	Male	>50	1	1
	9	Male	>50	1	2
	10	Female	31-50	1	0
Housing and Communities	4	Male	31-50	1	1
	4	Male	>50	1	1
	4	Female	31-50	1	0
	5	Female	>50	0	1
	7	Female	31-50	1	1
	7	Female	>50	0	2
	7	Male	31-50	1	5
	7	Male	>50	1	4
	8	Male	31-50	1	0
	9	Male	31-50	0	1
Place, Operations & Sustainability	3	Male	>50	1	1
	4	Male	31-50	28	18
	4	Male	>50	16	27
	8	Female	31-50	1	1
	8	Male	31-50	2	2
	8	Male	>50	2	2

14. From the data available, it is clear that spread of market supplement payments has remained fairly consistent. The main difference is the reduction in the number of market supplement payments given to Band 7 employees in the Housing and Communities area. This is due to a job re-evaluation earlier in the year which resulted in the removal of the market supplements for a number of employees.

### **Corporate plan priorities**

15. To ensure fair wages to support to Council's ambition of being an employer of choice.

## **Options appraisal**

16. No recommendations, this report is for information only.

## **Consultation undertaken**

### **EMT Comments**

17. EMT have requested that the current Market Supplement policy is reviewed in 2025/26.

18. EMT have requested that all current market supplement payments are reviewed to be inline with the revised policy by 1<sup>st</sup> April 2026.

## **Financial and resource implications**

19. The cost of market supplements paid across the Council over the 24/25 tax year was £98,420.89 including oncosts.

## **Legal implications**

20. None.

## **Risk assessment**

21. None.

## **Environmental / Climate and nature implications**

22. None.

## **Equalities implications**

23. Please refer to the data in point 13 to see a breakdown of market supplement payments by age and gender.

## **Crime and disorder implications**

24. None.

## **Data protection/ Information governance/ ICT implications**

25. None.

### **Appendices:**

None

### **Background Papers:**

None