

TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

11 October 2023

Report of the Director of Central Services & Deputy Chief Executive

Part 1- Public

Delegated

1 RECRUITMENT & RETENTION - MARKET SUPPLEMENT POLICY

EXECUTIVE SUMMARY

At the last meeting of this committee on 3 July 2023, Member's approved the use of market supplement and golden hello payments for specific hard to fill posts across the Planning department. This was in response to issues with the recruitment and retention of staff as well as the budgetary pressures linked to employing agency locum staff. It is important that the Council now adopts a formal market supplement policy.

The report presents for Member consideration of a Market Supplement Policy.

1.1 Introduction

1.1.1 In July 2023, for the first time, the Council adopted some targeted market supplement and golden hello payments for specific posts within the Planning Service.

1.1.2 A market supplement and/or golden hello payment for recruitment or retention purposes will only be used in exceptional circumstances and where there are clear justifiable business reasons.

1.1.3 It is hoped that further market supplement/golden hello payments will not be required or will be strictly limited to a small number of posts.

1.1.4 The Recruitment & Retention Market Supplement Policy presented in **Annex 1**, sets out the criteria for identifying posts which may require a market supplement and/or golden hello payment.

1.1.5 The draft policy further outlines the process and principles for agreeing a market supplement and/or golden hello payment and the annual review process to determine whether payments should continue, be reduced or be removed.

- 1.1.6 By adopting a market supplement policy, the Council will have an open and transparent framework to be able to identify potential skills-shortage posts to determine whether an enhanced salary payment is required.

1.2 Legal Implications

- 1.2.1 All jobs at the Borough Council are graded on merit using the Council's job evaluation process as referenced within the Council's pay policy statement. The Council also has a 'Grading Review and Appeals Procedure' which is available for all staff and sets out how staff can request that the grade of their post is reviewed. This ensures that the Council can meet the equal pay requirements of the Equality Act 2010.
- 1.2.2 Market supplements may be used to temporarily increase the pay awarded to specific post(s) without altering the job evaluation determined grade for the role. The adoption of a transparent policy for this purpose will ensure that a consistent and robust approach is taken to the use of such payments.
- 1.2.3 The use of market supplement/ golden hello payments is designed to address specific recruitment and retention difficulties in specific services/ posts. It is important that any market supplements/ golden hello payments made to staff are regularly reviewed to ensure that the ongoing payment can be objectively justified as a legitimate response to market forces.
- 1.2.4 Engagement has taken place with the Joint Employee Consultative Committee (JECC) and with UNISON.

1.3 Financial and Value for Money Considerations

- 1.3.1 The benchmarking of salary data with similar posts (both nationally and locally) will always be sought when determining whether a market supplement payment is required. The benchmarking data will likely give a good indication of where to set the level of remuneration in order for a market supplement payment to be effective in attracting staff into hard to fill posts.
- 1.3.2 Any post which attracts a market supplement payment is likely to be in response to paying enhanced rates to agency locum staff who are employed in a hard to fill positions. Hourly rates received by locum staff are usually significantly higher than the equivalent permanent role hourly rate. The Council will always ensure that any market supplement awarded will provide better value for money compared to hiring agency locum staff.
- 1.3.3 The original decision taken on the payments of these supplements covered a two year period to be funded by reserves, any period where these supplements are paid beyond August 2025 will be growth on the base budget within the current MTFS.

1.4 Risk Assessment

- 1.4.1 The recommendations in this report have been made in response to operational need and therefore mitigate against the risk that posts remain vacant.

1.5 Equality Impact Assessment

- 1.5.1 The proposed policy sets out a clear and transparent framework, with strict criteria to assess whether specific posts are eligible for a market supplement and/or golden hello payment.
- 1.5.2 The policy establishes a system to regularly monitor and review these payments on an annual basis.

1.6 Policy Considerations

- 1.6.1 The Pay Policy Statement
- 1.6.2 Business Continuity/Resilience

1.7 Recommendations

- 1.7.1 Members are requested to APPROVE the adoption of the Recruitment & Retention Market Supplement Policy in **Annex 1** attached to this report.

Background papers:

Nil

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