

**SALISBURY  
CITY COUNCIL**



# Market Forces policy

Policy No	Version	Owner	Doc No	PDF No	Date Published	Review date	Changes
TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC

**Distribution**

Internal: All SCC Staff

External: Website/Councillors/Partners

## **1. Policy statement**

- 1.1. This policy applies to all staff.
- 1.2. The purpose of this policy is to provide a clear and transparent policy, which demonstrates accountability and value for money.
- 1.3. This policy is non contractual and aimed as guidance.

## **2. Introduction**

- 2.1. Salisbury City Council recognises the importance of attracting and retaining highly qualified and skilled employees to meet the demands of the services it provides.
- 2.2. In certain situations the Council may face difficulties in recruiting candidates for specific positions due to external market conditions. To address these challenges, this market forces supplement policy is established to provide guidelines for the application of market forces supplements to salaries.

## **3. Purpose**

- 3.1. The purpose of this policy is to:
  - 3.1.1. Ensure the Council remains competitive in the job market
  - 3.1.2. Provide a framework for evaluating the need for market forces supplements
  - 3.1.3. Define the criteria and process for granting market forces supplements
  - 3.1.4. Maintain transparency and fairness in salary adjustments which demonstrates accountability and value for money.

## **4. Eligibility**

- 4.1. Pay arrangements should generally be at a level that recruit and retain employees, minimising the need to use market pay supplements.
- 4.2. HRM will carry out pay benchmarking, with other local public sector organisations, when required. The purpose of this is to ascertain if there is a Council wide issue.
- 4.3. However there may be a small number of jobs which it is not possible to recruit and/or retain employees at the job evaluated rate, because of local or national shortages, for example.
- 4.4. This will be evidenced on a case by case basis and will include what has been done to attract candidates at the job evaluated rate alongside evidence that the Council are paying below the market rate for the job, a market supplement may be applied

## **5. Criteria for evaluation**

- 5.1. Evidence of recruitment and/or retention problem. This will include evidence of repeated difficulties in recruiting candidates.
- 5.2. Market research – market data indicating that salaries for similar positions in the relevant geographical area or industry are significantly higher than the current salary range offered by the Council.
- 5.3. Essential nature of the role – the role should be significant to the Councils services i.e. may not include teams where there are a number of people doing the same role where activities could be reduced and redistributed amongst existing staff
- 5.4. Budgetary constraints – availability of budget to pay the market forces supplement

## **6. Process for granting market forces supplements**

- 6.1. Identification – HR Manager will identify positions that may qualify for a market forces supplement based on the criteria outlined above
- 6.2. Assessment – HR Manager will provide evidence to City Clerk covering criteria in paragraph 5.
- 6.3. Approval – The request for a market forces supplement will be reviewed and approved by City Clerk. If the City Clerk is not available then will be approved by Personnel Committee.
- 6.4. Implementation – In line with Green Book (paragraph 25 on Market Supplements) the market forces supplement will
  - 6.4.1. apply to existing as well as newly recruited postholders who are carrying out the same job.
  - 6.4.2. Clearly identify the job evaluated grade and market forces supplement separately.
  - 6.4.3. Ensure that the contractual terms of future payments are sufficiently clear to enable the payments to be withdrawn I the market changes.

## **7. Ongoing reviews**

- 7.1. Where market forces supplements are applied they should be reviewed regularly to ensure that they are consistent with the criteria above. If current payments cannot be justified by reference to these criteria then they should be discontinued.

## **8. Communication**

- 8.1. Employees who are subject to a market forces supplement should be advised that this is only paid while the market forces criteria is met.