
Meeting: General Purposes Committee
Date: 24 August 2010
Subject: To receive and adopt the Market Rate Supplement Policy and Guidelines with immediate effect.
Report of: Acting Assistant Director – People
Summary: The report is to seek Member agreement that the Market Rate Supplement Policy and Guidelines is adopted.

Contact Officer: Rachel Hobbs, Head of Resourcing and Development
Public/Exempt: Public
Wards Affected: n/a
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

The application of the market rate supplement policy will enhance the ability of the Council to recruit to and retain skills within specialist positions, in order that critical front line and statutory services are delivered.

Financial:

None specifically arising from this report, but there will be costs attached where market rate supplements are applied. These costs will be met from within service budgets.

Legal:

The policy complies with employment legislation.

Risk Management:

None resulting from this report.

Staffing (including Trades Unions):

Trade unions have been consulted.

Equalities/Human Rights:

The policy takes account of equalities legislation and human rights.

Community Safety:

n/a

Sustainability:

n/a

RECOMMENDATION(S):

- 1. That the Committee adopts the Market Rate Supplement Policy and Guidelines with immediate effect.**

BACKGROUND

1. Market rate supplements (MRS) have historically been applied to various job categories in each of the legacy authorities in order to respond to difficulties experienced in recruiting and retaining certain staff groups.
2. The purpose of applying an MRS is to attempt to bridge the gap between an organisation's salary levels and the 'current' market rate pay. Payments are a valid response to difficult market conditions and can act as effective tools in relation to recruitment and retention to individual and groups of posts.
3. Any application of an MRS payment needs to be fair and transparent and should only be used when absolutely necessary and when there is clear evidence to support the application. The policy ensures that there is a focus on the 'hard to recruit' picture, due to skills and experience of the post or for example where there is a national shortage. It is important that the focus is on specific roles and not on individual employees.
4. Despite the recent economic and labour market changes there is still a requirement to have in place an MRS policy to be used:
 - for certain professional occupational groups and specialist skills which continue to be in short supply.
 - where there is need to retain high quality calibre of staff to ensure capacity to deliver quality services.

POLICY HIGHLIGHTS

5. To enable CBC to apply a fair and transparent approach to MRS it is recommended that a consistent policy is adopted, including an authorisation process for the sign off of all MRS requests. This will enable CBC to recruit to vacant posts, in the context of current employment market, and reduce turnover in areas where we need to retain key skills.
6. **Appendix A** provides the proposed policy and guidelines for the application of MRS. Key features of the policy include:
 - Procedure and authorisation process
 - Proposed length of each MRS payment
 - Review period and termination of a MRS
 - Impact on other job categories – horizontal and vertical (knock-on)
 - Advertising posts which attract an MRS payment

Appendices:

Appendix A – Market Rate Supplement Policy and Guidelines

Location of papers: Technology House, Bedford.