

## APPLICATION FOR THE PAYMENT OF A MARKET SUPPLEMENT

### Approval Process

The hiring manager should complete this approval form and submit it to their Assistant Director ensuring that they have gathered and can supply all the relevant documentary evidence as detailed in the application form below. In cases where large numbers of employees may be involved or where the supplements are part of a package of recruitment and retention initiatives, a full report to CMT may be necessary as an alternative to this application process. The report must cover the essential information to ensure the supplements are justified.

The application should be considered by the Directorate DMT and then approved and signed by the appropriate Corporate Director. The final decision will be made by the Senior Manager, People Management, to ensure that all issues of fairness and corporate consistency are taken into account.

The total costs of payments (including on costs as market supplements will be considered as pay for pension, NI and tax purposes) will be met by the employing directorate from within existing / available resources.

Payments will be made through the Service Centre payroll and will be subject to the appropriate statutory deductions. They will however be clearly identified as a separate payment from the substantive salary.

The payment of Market supplements will be included in the monthly Management Information.

**Managers must review these payments regularly and inform the Service Centre when the Market Supplement should cease.**

### **PART ONE - To be completed by the manager:**

#### **1. POST DETAILS**

<b>Post:</b>	
<b>New / Existing Post:</b>	
<b>Post Group Number:</b>	
<b>Number of staff in this post:</b>	
<b>Directorate:</b>	
<b>Service Area:</b>	
<b>Grade / Job Family / Job Family Level Salary:</b>	
<b>Total Amount of Market Supplement and period of payment e.g. one off or one year:</b>	
<b>Time limit / end date for the payment:</b>	
<b>Budget Implications / Source of funding:</b>	
<b>Date of Application:</b>	

## 2. JUSTIFICATION FOR PAYMENT

The application for a Market Supplement must be fully supported and evidenced by completing the following:-

1. Describe the job or group of jobs for which payment is proposed, include:
<ul style="list-style-type: none"> <li>• post title and brief outline of responsibilities</li> <li>• Position in structure</li> </ul>
2. Describe the evidence of pay-related recruitment and retention difficulties e.g.
<ul style="list-style-type: none"> <li>• number of times the post has been advertised / different advertising methods used</li> <li>• number of responses to job advertisements</li> <li>• turnover rates in the particular occupational group</li> <li>• qualitative / quantitative assessment of applicants</li> </ul>
3. Detail other measures explored e.g. changes to organisational / working arrangements and / or new longer term resourcing solutions

4. Specify how the payment is essential to maintaining adequate staffing levels to ensure service delivery?

5. Explain the impact the payment will have on other staff and how this effect will be managed

6. Detail how the amount of the market supplement has been determined e.g. what market data (benchmarking) has been used and what calculations have been used.

### 3. PAYMENT AMOUNT AND TYPE

How will this be paid? (Complete either recruitment incentive or retention payment box below):

**a. Recruitment Incentive:**

<b>Amount:</b>	£
<b>Date of payment (normally after successful completion of the probation period):</b>	

**b. Retention Payment:**

<b>Monthly Instalment amount:</b>	£
<b>Start Date of Payments:</b>	
<b>End date of payments:</b>	

### 4. MANAGER'S SIGNATURE

I agree that a market supplement is appropriate in this instance and that all other avenues as per the scheme have been explored appropriately.

<b>Signature of Manager:</b>	
<b>Date:</b>	

<b>Post:</b>	
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Once you have completed this section of the form, please pass it to your Assistant Director for presentation and consideration by the Directorate DMT. This is essential to ensure consistency and fair pay.

## Part Two - DIRECTORATE DMT APPROVAL

I agree that a market supplement has been considered by DMT and is appropriate in this instance and that all other avenues have been explored appropriately.

<b>Signature of Corporate Director on behalf of DMT:</b>	
<b>Date:</b>	
<b>Directorate:</b>	

Please pass this to the Senior Manager, People Management for final approval and signature.

## Part Three - PEOPLE MANAGEMENT AGREEMENT TO MARKET SUPPLEMENT

I agree that a market supplement is appropriate and justified in this instance and that all other avenues as per the scheme have been explored appropriately.

<b>Signature of Senior Manager, People Management:</b>	
<b>Date:</b>	
<b>Date Considered by CMT if applicable:</b>	

## Part Four - ADMINISTRATION

**People Management:**

<b>Date Manager informed of decision (and given copy of the completed approval form):</b>	
<b>Effective date of payments:</b>	

**Manager:**

<b>Date affected employees notified where appropriate:</b>	
<b>Date(s) Appendix 2 signed by relevant employees:</b>	
<b>Date Service Centre notified of the changes to pay and given copies of agreements (through the service centre</b>	

**Appendix 2**

**Agreement between CUMBRIA COUNTY COUNCIL (“THE Council”), and  
 ..... (the employee) relating to payments of a Market  
 Supplement.**

1. The Council has determined that your post is entitled to the benefit of a Temporary Market Supplement Payment for [*recruitment or retention*] (*managers need to specify which*) purposes.
2. You will commence employment on .....  
 as.....in the .....Directorate.
3. The Council agrees to pay you a Market Supplement either as a one off recruitment incentive or a time limited monthly retention payment as follows:

**a. Recruitment Incentive:**

<b>Amount:</b>	£
<b>Date of payment (after successful completion of the probation period):</b>	

**b. Retention Payment:**

<b>Monthly Instalment amount:</b>	£
<b>Start Date of Payments:</b>	
<b>End Date of payments:</b>	

\*Delete as appropriate

4. Payment of a Market Supplement is subject to you remaining in post for 3 years from the commencement date of the supplement. If you leave within this period full repayment of the supplement will be required. Repayment will be deducted from your final salary and any outstanding amount must be repaid to the Council within 28 days of the date of termination.
5. Payments under this scheme will not form part of your contractual salary. However payments will be subject to statutory deductions and pensions contributions (where you are a member of a relevant pension scheme).
6. Payments will be taken into account for Maternity / Adoption / Sickness and Annual Leave pay where applicable to the relevant qualifying period.
7. If you work part time payments will be made on a pro-rata basis.
8. Where the payment is monthly it will be regularly reviewed (at least every 12 months) and if market conditions change and the supplement can no longer be justified, the payment will cease with 3 months' notice. The amount may also be reduced depending upon a reassessment and review of the payment.
9. The market supplement will either cease or be proportionally reduced with immediate effect if your circumstances change (which lasts more than one month) e.g. a change of job or grade.

I understand and accept the basis on which a market supplement is paid and accept that it may be reduced or stopped with 3 months' notice where it can no longer be justified.

I also agree that if I leave the council within 3 years of commencement of employment I will have to repay the market supplement paid to me as shown below:

Timescale – Leaving	Percentage amount to be Repaid
Within 12 months	Full Repayment
Between 12 – 18 months	75%
Between 18 – 24 months	50%
Between 24 – 36 months	25%

Signed ..... Date .....  
(Employee)

Signed ..... Date .....  
(Manager)

N.B. Manager to copy completed agreement to the Service Centre