

## **Gateshead Council**

# Pay Policy Statement 2016/17

#### Introduction

- 1. This document sets out Gateshead Council's pay policy in relation to the remuneration of its staff in accordance with section 38(1) of the Localism Act 2011. The policy reflects the Council's consideration of the Guidance issued by the Department for Communities and Local Government under Section 40 of the Act, and is subject to review and changes approved by the Council. The policy will be published on the Council's website as soon as reasonably practicable after approval or amendment.
- 2. The key principles of the Council's pay policy are set out below and are effective from 1 April 2016. The policy includes commentary upon:
  - The general principles that underpin the Council's approach to its pay policy;
  - Definitions of the 'lowest paid employees' and 'chief officers' for the purposes of pay comparison;
  - The relationship between the remuneration of chief officers, average pay, and the remuneration of the lowest paid employees; and
  - The re-employment of former employees who left the Council with enhanced retirement and redundancy benefits.
- 3. The policy also includes discretion for the Strategic Director, Corporate Services & Governance, in the interpretation and application of nationally agreed terms and conditions of employment to Gateshead Council employees.
- 4. The arrangements set out within this document do not extend to those members of staff who are employed within schools, which are matters for the schools' discretion.
- 5. The salaries quoted in the pay policy reflect the last pay award, which was implemented with effect from 1 January 2015. At the time of publication, National Employers have made final two- year pay offers for 2016 18 as follows:
  - For NJC Green Book the pay offer is 1% for scps18 and above with bottomloading for scps 6 -17. The trade unions are currently consulting their members on the offer.
  - For JNC Craft & Associated employees the pay offer for 2016 ranges from 1.65% to 6.30% depending on trade. For 2017 it ranges from 1.76% to 3.12%.
  - For JNC Chief Officers the offer is 1% for each of the years 2016 and 2017 which is still subject to agreement.

## General principles regarding employee pay

- 6. This pay policy provides a basis on which Gateshead Council can compete in labour markets at all levels and for all roles, enabling the Council to attract, retain, and fairly reward people with the knowledge, experience, skills and attributes that are essential to the effective delivery of services to residents, businesses, and other stakeholders in Gateshead.
- 7. Gateshead Council is mindful of its obligations as an equal opportunities employer, and wants to ensure that people are treated fairly and with respect in all its activities and processes. The Council aims to be an organisation that recruits and retains a diverse and skilful workforce from the local community and beyond, and its approach to the pay and conditions of its workforce is intended to support this objective.
- 8. In supporting the aim of ensuring equality and transparency in its pay practices, the Council recognises the role of trade unions and employee representatives in consultation and negotiation within a process of free collective bargaining. It supports the national machinery for negotiation of terms and conditions of employment and applies the agreements reached in the various Joint Councils.
- 9. The Strategic Director, Corporate Services & Governance, following consultation with the Leader of the Council, the Strategic Director, Corporate Resources, and (if deemed appropriate by him/her) having taken advice from the LGA and/or Employers' Organisation, has the discretion to interpret and apply national agreements if the subject matter is not specifically covered by the pay policy.
- 10. Gateshead Council's main (NJC) pay and grading structure has been developed by creating grades around the national 'spinal column' of salary points. The grades allocated to particular posts in Gateshead Council are determined by job evaluation (JE) of the posts, with jobs of the same JE size being allocated to the same grade.
- 11. The Council's graded pay structures include scope for service-based incremental advancement in every case except for the Chief Executive, who is paid a spot salary of £158,307 and is not eligible for salary increments. The Council's lowest pay point, Grade A (SCP 9), is also a spot salary of £14,075. Increments are paid on 1<sup>st</sup> April each year until an employee reaches the top of their grade, subject to the following qualifications:
  - Increments may be accelerated within an employee's grade at the discretion of the Authority (exercisable by the Strategic Director, Corporate Services & Governance at the request of the employee's Service or Strategic Director) on the grounds of special merit or ability, subject to the maximum of the grade not being exceeded.
  - An increment may be withheld by a Service Director following an adverse report on an employee. Any withheld increment may be paid subsequently if the employee's services become satisfactory.
  - Employees with less than six months' service in the grade by 1 April are granted their first increment six months after their appointment, promotion or re-grading: except where their salary on the 1 April would be less than one SCP in excess of the salary they would have received on that day had they remained on their previous grade, when they will be entitled to their increment on 1 April.

- 12. New appointments are subject to the Council's recruitment and selection policies and will generally be made at the bottom spinal column point of all pay bands unless there are special circumstances that objectively justify payment at a higher level within the grade, as determined by the Strategic Director, Corporate Services & Governance. An example would be where the appointment is made at a higher level within the grade in order to match the employee's previous salary.
- 13. The Council operates a recruitment and retention policy which is shown at annexe 2. This allows a market supplement to be applied on top of basic salary in order to attract applicants of the right calibre and retain employees with necessary skills and experience. A market supplement can only be approved by the Strategic Director, Corporate Services and Governance and is subject to review.
- 14. In the event of any employee securing a higher-graded post via internal promotion/recruitment and there being an overlap of spinal column points between their current post and bottom point of the newly secured position, then the Council will generally pay salary on the next-higher spinal column point.
- 15. Arrangements exist to protect for a limited period the basic pay of employees who are appointed for various reasons to posts with a lower substantive salary. These arrangements are set out in collective agreements and policies covering redundancy, re-structuring, redeployment, ill health and disability, and bullying and harassment.
- 16. There may from time to time be situations where employees are transferred into the Council from other organisations which have different pay and conditions. The employees' terms and conditions on transfer may be subject to protection under TUPE or TUPE-like arrangements, and as such may be outside the Council's main pay structure until such time as it is possible for them to be integrated.
- 17. Various pay enhancement arrangements are in place to reflect non-standard working patterns at a local operational level or in recompense for taking on additional duties and responsibilities. In order to protect employment or to win contracts, it may from time to time be appropriate and necessary to agree local variations to terms and conditions of employment in full consultation with the Trade Unions. The general objective, however, is to apply standard terms and conditions as far as possible right across the Council so that employees are paid the same enhancements or premiums for working in similar situations.
- 18. The Council does not operate performance bonus payment schemes at any level of the organisation.

# National Living Wage / UK Living Wage, Lowest Paid Employees and Chief Officers

## National Living Wage / UK Living Wage:

19. The new compulsory National Living Wage (NLW) for employees aged 25 and above will be introduced on 1 April 2016 and will begin at £7.20 per hour in 2016. It is projected to rise to at least £9 per hour (possibly up to £9.35) by 2020.

20. On 25 February 2016, in response to the introduction of the National Living Wage (NLW) and as part of the Council's commitment to addressing the issue of low pay and taking a further move towards the UK Living Wage, the Council agreed an amendment to the NJC pay structure that deleted the Council's lowest incremental point on the NJC spinal column and a change to the grading structure at that level. The revised pay scale is attached as Annexe 1 to this policy statement. The Council remains committed to reviewing low pay and has the objective of moving towards a Living Wage at a pace and in steps that are affordable and minimise the risk of job loss.

The current Living Wage of £8.25 per hour outside London was announced on 2 November 2015 and is likely to be reviewed again in November 2016.

# Lowest-paid employees:

- 21. In previous versions of this policy, 'lowest paid employees' was defined as those full-time employees in jobs paid at Grade A at spinal column point 8, as this was the lowest salary paid to suitably experienced and competent members of staff. It excluded apprentices, whose pay remains subject to other regulations or conditions, and has specific treatment under this policy.
- 22. Spinal column point 9 is now the lowest pay point for the purposes of this policy. It is £0.10 (£0.56) per hour more than the National Living Wage and £0.95 (£0.49) per hour less than the Living Wage (outside London).
  - Spinal Column point 9 is currently £14,075.
  - The mode (i.e. most frequently used) salary for full-time employees falls within Grade D, the maximum of which is £17,372.
  - The median average salary for full-time employees, excluding overtime and any other additional payments, is £20,253

## **Chief Officers:**

- 23. 'Chief officer' is defined in the Localism Act 2011 as:
  - the head of the authority's paid service designated under section 4(1) of the Local Government and Housing Act 1989;
  - the monitoring officer designated under section 5(1) that Act;
  - any statutory chief officer mentioned in section 2(6) of that Act;
  - any non-statutory chief officer mentioned in section 2(7) of that Act; and
  - any deputy chief officer mentioned in section 2(8) of that Act.

Under the above provisions, 'statutory chief officer' includes:

- the person having responsibility, or all statutory purposes (inc. section 151 of the Local Government Act 1972) for the administration of the authority's financial affairs;
- the director of children's services appointed under section 18 of the Children Act 2004:

- the director of adult social services appointed under section 6(A1) of the Local Authority Social Services Act 1970; and
- the director of public health appointed under section 73A(1) of the National Health Service Act 2006.

'non-statutory chief officer' includes:

- a person for whom the head of the authority's paid service is directly responsible;
- a person who in relation to most of their duties is required to report direct or is directly accountable to the head of paid service and any person who similarly is required to report direct or is directly accountable to the authority or its committees.
- 24. The Council applies the terms and conditions of the Joint Negotiating Committee (JNC) for Chief Officers to all officers included in paragraph 18, above, and has therefore determined that the following roles identified in the Council's Constitution to be 'chief officers' for the purposes of this policy:
  - the Chief Executive
  - Strategic Directors
  - the Director of Public Health
  - the Deputy Strategic Director, Corporate Finance
  - Service Directors
  - Consultants in Public Health
  - Change Programme Lead
  - Digital Lead
- 25. The Chief Executive is paid on a fixed salary point of £158,307\* p.a.
- 26. The current ratio of lowest paid employee to highest paid employee is therefore slightly higher than 1:11.
- 27. Strategic Directors are all paid on the same pay band, which is:

£94,074	£94,074	£98,911	£101,964*	£107,211*	£112,569*
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28. All other chief officer posts are paid on one of three pay bands which are:

£76,234	£80,154	£84,279	£88,613	£93,170
£62,669	£65,891	£69,282	£72,848	£76,594
£55,135	£57, 974	£60,958	£64,091	£67,388

- 29. Salaries in the pay bands at paragraphs 22 and 23 are subject to any general increase agreed at the JNC for Chief Officers, and in the case of the Chief Executive, the JNC for Chief Executives. The last pay increase for the Chief Executive and Chief Officers had been effective from 1 April 2008, but a 2% pay increase from 1 January 2015 was agreed for Chief Officers earning less than £100,000 p.a. The new salaries are included in the table above. Those marked with an asterisk(\*) remain unchanged from the April 2008 rates.
- 30. General increases for other employees are mainly determined by the National Joint Council, although different national bargaining arrangements are in place for a small number of occupational groups such as craft trades, youth & community workers and educational psychologists.
- 31. It is a recommendation of the DCLG that Full Council should be offered the opportunity to vote before a salary of £100,000 or more is offered in respect of a new appointment. In Gateshead, all new appointments to chief officer posts are made in accordance with the pay bands identified within this statement, which includes those in excess of £100,000. Any proposed variation to the application of this policy in this regard will be reported to Full Council. Of those Chief Officer posts whose salary exceeds £100,000 the following arrangements apply under the Council's Constitution: the appointment of the Chief Executive is approved by Full Council, while Strategic Directors are appointed by the Council's Special Appointments Committee.

## **Apprenticeships**

- 32. Rate for first year of Apprenticeship:
  - £4.26 per hour (£8,209 p.a.), irrespective of age

From second year of Apprenticeship:

Non-Craft Apprentices:

• 17 year olds £4.26 per hour (£8,209 p.a.)

• 18-20 year olds £5.30 per hour (£9,896 p.a.)

• 21-24 National Minimum Wage rate, £6.70 p.h. (£12,926 p.a.) 1/10/15

Craft Apprentices will be paid the rate linked to the respective craft rate as set out in Joint Negotiating Committee for Local Authority Craft & Associated Employees, Red Book.

Schools will be advised that this is the Council's position and they will be asked to apply these rates to school apprentices.

# **Governance Arrangements and Development of Pay Structures**

- 33. The current pay structure applicable to NJC employees was determined following a comprehensive job evaluation and equal pay exercise, following the provisions and processes of the national JE scheme. It was introduced in two stages, in 2005 and 2008. Separate pay structures are in place for employees covered by the following agreements:
  - JNC for Local Authority Craft and Associated employees
  - JNC for Youth and Community Workers
  - The Soulbury Committee
- 34. The current pay and grading structure for posts at the level of Strategic Director and above was agreed by the (then) Contracts Panel on 4 March 2005 following recommendations from an external pay and benefits consultancy. The panel also agreed the pay structure for those posts which, at that time, were designated as Head of Service. The mid-point for each of the grades was set at the market average for equivalently-sized jobs at that time.
- 35. The Contracts Committee subsequently replaced the Contracts Panel. It comprises a cross-party group of councillors who oversee pay and conditions issues for all posts that attract Chief Officer pay and conditions. The Chair of the Corporate Resources Overview & Scrutiny Committee has *ex officio* observer status on the Contracts Committee.
- 36. Contracts Committee reviewed the Chief Officer and the Head of Service pay structure in January 2007. At this meeting, the Committee decided that the 5<sup>th</sup> salary step at the top of each pay band, which had originally been set aside for performance, should be incorporated into the normal incremental progression arrangements as for other employees.
- 37. It had been anticipated that the pay structure would need to be reviewed after three years of operation but Contracts Committee in 2008 deferred further discussion on the pay structure and associated payment levels because the emerging financial and economic situation.
- 38. The general pay uplift for Chief Officers on January 2015 was 2%, with no further increase due until 1 April 2016.
- 39. The NJC negotiations in 2014 resulted in industrial action, and the eventual Agreement was complex, involving payment of variable lump sums and bottom-end loading, but in essence pay was lifted by 2.2% in January 2015 until 31 March 2016. This resulted in compression of pay relativities and minor changes to the Council's pay structures.
- 40. In considering pay structures and pay levels for Chief Officers, the Contracts Committee will seek external advice from an independent person or organisation with expertise in senior remuneration and benefits. It will take into account matters including:

- An assessment of the size and market value of a job by reference to an established job evaluation system that allows objective comparison to data bases of similar jobs
- The affordability of the recommended outcome from the job evaluation and market reference exercise in the short, medium and long term
- The prevailing markets in which the Council operates, and the risk of being unable to recruit or retain senior officers with the ability to manage the Council's affairs to its best advantage
- The relationship with the remuneration of the wider Council workforce and national negotiating frameworks
- The Council's senior structure and planned or foreseeable future changes to these
- The expectations of the community and stakeholders
- The total remuneration package.
- 41. A review of senior managers' grading took place in August 2012 alongside a reduction in organisational tiers and numbers and deleting the 'Head of Service' designation. Since 1 October 2012, all Strategic Directors and Service Directors have been employed on JNC Chief Officer terms and conditions.
- 42. There have been further reductions in the number of Chief Officers following the Council's Functional Review of October 2014. The top three levels of the revised organisation structure and their associated pay bands have been published on the Council's website in accordance with the requirements of the Local Government Transparency Code 2014. There is now a requirement for this information to be published no later than 2 February each year, in addition to the requirement to publish the annual pay policy by 31 March.

# Payment for Additional Duties and Work Outside the Council

- 43. Contracts of employment of Chief Officers require them to be available for work on Council business outside 'normal' office hours and to work the hours and times necessary to fulfil their roles and responsibilities.
- 44. Chief Officers are not eligible for overtime and/or premium rates of pay for unsocial hours that apply to other groups of staff.
- 45. Contracts Committee will consider requests from the Chief Executive to undertake secondary employment or outside duties, whether remunerated or otherwise, to ensure there is no conflict of interest. In accordance with the Council's Code of Conduct for Employees, requests from Strategic Directors are determined by the Chief Executive. For all other employees: requests to take up remunerated appointments are determined by the Strategic Director, Corporate Services & Governance; unpaid appointments are determined by their Strategic Director.
- 46. Employees may be eligible to receive payments for additional duties and responsibilities beyond their normal role with the Council, subject to the approval of the Strategic Director, Corporate Services and Governance. These payments may include honoraria and acting duty pay or the use of accelerated increments. Payments may also be authorised for electoral Returning Officers or specific responsibilities where the Council is the Lead Authority and for which services are

re-charged by the Council. The Contracts Committee may approve the level and payment of such allowances to Chief Officers where they are not prescribed elsewhere.

## **Termination Payments**

- 47. The Council operates a discretionary selective redundancy scheme, which provides enhanced redundancy payments and a retirement policy that operates in accordance with the provisions of the Employment Rights Act 1996 and the Local Government Pension Scheme. The redundancy scheme implemented in January 2012 was reviewed in November 2012, and a further revised (reduced) Redundancy Payments Scheme was implemented with effect from 1 September 2013. Details of both the policy and scheme, as agreed by Full Council and varied from time to time, can be found on the Council's website.
- 48. In order to facilitate effective workforce planning and manage turnover at Chief Officer level in the interests of the Council, the Contracts Committee may agree to replace a current open-ended employment contract with one of fixed term duration. The Chief Officer may be compensated for this by adjustment to salary at the Committee's discretion (up to a maximum of 5%) for the duration of the fixed term, and will be required to contract out of certain employment rights within a suitably drafted legal agreement. The Committee may agree to application of the early retirement provisions in appropriate circumstances and in accordance with the Council's retirement policy and the Local Government Pension Scheme.
- 49. Whilst there is nothing to prevent former employees from working for another organisation or for themselves, it has been made clear in correspondence inviting applicants for voluntary redundancy that the Council's general practice is to not reemploy them. The clear intention is that individuals should not benefit from further employment with the Council when they have already been compensated for loss of their job and may be in receipt of enhanced redundancy payments or pensions in accordance with this pay policy statement and other associated policies. A similar principle applies to re-employment of employees who have previously taken early retirement with enhancements.
- 50. There should therefore be a minimum of 12 months' break before consideration is given to their return to employment within the Council. There may, however, be occasions when labour, skills or knowledge are required, and particularly in the case of employees who were made redundant, individuals will not be barred from applying for roles such as casual workers (NOMOs) if there is no direct link with their former job and is outside of the service they were previously employed in.

## **Publication and Access to Information**

51. The Council's annual pay policy and any in-year revisions will be published in full on the Council's website. The Local Government Transparency Code 2014 also requires publication of certain organisational issues, and these overlap the pay policy in a number of respects; these will also be accessible on the Council's website.

(The following link can be used from e-versions of this document:)

# **Local Government Pay Scales from 1 January 2015**

# The table reflects the changes to Grades A & B agreed by Council on 25 February 2016

Grad	le	SCP	Salary	Hourly Rate
			£	
	Α	9	14,075	£7.30
В		10	14,338	£7.43
В		11	15,207	£7.88
	C C	12	15,523	£8.05
	С	13	15,941	£8.26
		14	16,231	£8.41
D		15	16,572	£8.59
D		16	16,969	£8.80
D		17	17,372	£9.00
	Е	18	17,714	£9.18
	Е	19	18,376	£9.52
	Е	20	19,048	£9.87
	Е	21	19,742	£10.23
		22	20,253	£10.50
F		23	20,849	£10.81
F		24	21,530	£11.16
F		25	22,212	£11.51
F	G	26	22,937	£11.89
	G	27	23,698	£12.28
	G	28	24,472	£12.68
	G	29	25,440	£13.19
		30	26,293	£13.63
Н		31	27,123	£14.06
Н		32	27,924	£14.47
Н		33	28,746	£14.90
Н	- 1	34	29,558	£15.32
	ı	35	30,178	£15.64
	- 1	36	30,978	£16.06
J	I	37	31,846	£16.51
J		38	32,778	£16.99
J	1/	39	33,857	£17.55
J	K	40	34,746	£18.01
	K	41	35,662	£18.48
	K	42	36,571	£18.96
L	K	43	37,483	£19.43
L		44	38,405	£19.91
L		45	39,267	£20.35
L	M	46	40,217	£20.85
	M	47	41,140	£21.32
	М	48	42,053	£21.80
N	М	49	42,957	£22.27
N		50	43,898	£22.75
N		51	44,842	£23.24
N		52	45,782	£23.73

# **Recruitment and Retention Policy**

# **Statement of Purpose**

## 1. The Aim

In order to deliver high quality services consistently, Gateshead Council has to attract and retain high quality people. Market forces in the job market may occasionally require the Council to consider exceptional payments in addition to the "rate for the job" which our internal pay structures would normally indicate. This policy outlines how the Council will assess whether a market supplement needs to be paid to attract and retain the right person for the job.

# 2. Definition of Market Supplement

A market supplement is a separately identifiable sum paid in addition to the salary for a post in recognition that current levels of pay within the wider employment market are greater than the salary determined by internal pay structures, which has resulted in recruitment and or/retention difficulties.

# 3. Who is covered by this policy

The policy applies to all employees of the Council (excluding employees directly employed by schools) who hold posts that have been identified by management and Human Resources as having recruitment and retention difficulties, for example due to skills shortages and/or in comparison with current levels of pay within the wider employment market.

#### 4. Additional Information

# 4.1 Other Council policies and procedures, which are relevant to this policy:

Equal Opportunities Policy

#### **Recruitment and Retention Procedure**

# 5. Objective Justification for Payment of a Market Supplement

Where a manager considers there is a case for payment of a market supplement in order to either recruit or retain employees, it will be necessary to submit a portfolio of supporting evidence to their Strategic Director. Where the Strategic Director considers that a market supplement is appropriate based on the evidence provided and that there is a clear business requirement, they will forward the portfolio to Human Resources for further consideration.

It will then be referred to the Strategic Director, Corporate Services and Governance for a final decision as to whether it can be authorised.

Any decision to award a market supplement must be clearly evidenced to ensure that the policy is applied fairly, consistently and is free from any bias. HR Advice will maintain a central record of any market supplements awarded and all supporting evidence.

The portfolio of evidence should include the following:

#### 5.1 In Cases for Recruitment

- Details of previous efforts made to fill the post. This may include advertising
  in different publications, changing the wording of the advert, redesigning the
  job etc. At least two previous attempts must have been made to recruit to
  the post.
- Number and quality of applicants.
- Cost of recruitment where applicable.
- Details of any offers of employment made and reasons why they were rejected.
- HR Form requesting payment of Market Supplement.

#### 5.2 In Cases for Retention

- Consideration of other issues that may not relate to pay, for example redesigning the job, job rotation and career development. This may be appropriate in cases where an employee is considering leaving the Council, for a more "challenging or interesting" role, or a role that would provide better promotional opportunities. Payment of a market supplement in these circumstances would not necessarily encourage the employee to remain with the Council. As an alternative, the service may look at ways of making their job more interesting, such as giving them specific responsibility for a project, which would develop skills in different areas. The service may also look at opportunities for secondment or a transfer to another section or job role.
- Analysis of exit interview data.

## 5.3 In All Cases

A copy of the job profile and structure chart

 Copies of at least five job adverts from a variety of publications over the last three months including copies of job profiles/job descriptions and person specifications.

It should be noted that production of several higher paying job adverts that may not be representative of the whole market will not warrant the approval of a supplement.

# 6. Approval of a Request to Pay a Market Supplement

The manager will forward this portfolio to their Strategic Director who will assess the evidence to objectively justify the need for a market supplement. The Strategic Director will provide objective reasons why they support the payment of a market supplement. Any decision of the Strategic Director not to support the payment of a market supplement is final. The Strategic Director will then indicate the monetary value of the market supplement requested and forward the portfolio and their comments to Human Resources.

Human Resources will review and assess the information provided using comparative benchmark data.

Human Resources will refer the request to the Strategic Director, Corporate Services and Governance for a final decision.

## **6.1 Criteria for Payment of a Market Supplement**

Human Resources will review the request and will undertake further research using comparative salary benchmark data to establish whether:

a) The external employment market is paying substantially more for comparable jobs (i.e. the salary for that particular job is at least 10% of, or lower than, the market median).

#### AND

b) This causes significant recruitment and retention difficulties which are detrimental to operational activities

#### AND

c) A market supplement would not contravene equal pay legislation and the Council's Equal Opportunities Policy.

#### AND

- d) The Service Accountant has confirmed that there is sufficient funding available to pay the market supplement.
- 6.2 Salary Benchmarking

Human Resources will undertake further research to validate the request for payment of a market supplement by using salary benchmark data for similar posts. Sources

can include IDS and Local Government Employers, published pay and trend data in journals for example IRS reviews, labour force surveys and earnings surveys.

# 6.3 Value of Market Supplement

If the request to pay a market supplement is approved, Human Resources would then determine the actual monetary value of the supplement, using salary benchmark information and also the portfolio of evidence submitted by the service.

The market supplement will be paid at the equivalent of either the mean market salary or 15% of basic pay, whichever is lower.

## 7. Review of Market Supplements

To ensure that the payment of a supplement continues to be justified, it is necessary to review the position every two years against the same criteria that was applied to the initial assessment.

For this reason, the Strategic Director, Corporate Services and Governance will only approve payment of a market supplement for an initial period of two years subject to review. Human Resources will then assess the need to continue the payment using comparative benchmarking data. The decision to continue the payment rests with the Strategic Director, Corporate Services and Governance.

## 8. Conditions Applicable to Market Supplements

- The payment will be expressly identified as a separate pay element and will be subject to the usual deductions for tax, national insurance and superannuation.
- Employees working part time will receive any payment on a pro rata basis depending on their contracted hours.
- If a post holder in receipt of a market supplement moves to an alternative post within the Council, which does not attract a market supplement, the payment shall cease from the date on which the post holder leaves the post, which attracts the pay supplement.
- A market supplement will be adjusted in line with annual pay increases.