

<b>Report title</b>	Market Forces Policy	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Louise Miles Resources	
<b>Key decision</b>	No	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	Not Applicable	
<b>Accountable Director</b>	Mark Taylor, Deputy Chief Executive	
<b>Originating service</b>	Human Resources	
<b>Accountable employee</b>	Amanda Porter	HR Business Partner
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<b>Report to be/has been considered by</b>	Strategic Executive Board	17 December 2019

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**Recommendation for decision:**

The Cabinet (Resources) Panel is recommended to:

1. Approve the revised Market Forces Supplement Policy attached at Appendix 1.

## **1.0 Purpose**

- 1.1 To approve the revisions to the Market Forces Policy.

## **2.0 Background**

- 2.1 Market Forces Supplements (MFS) are discretionary additional payments, paid where a particular skill, specialism or qualification attracts a higher rate of pay in the labour market than is attributed to the job through the job allocation process. They are an additional tool for the recruitment and retention of jobs where the Council's pay is below the market rate and/or where employee shortages in key posts impact the provision of council services.
- 2.2 The aim of the policy is to regularise the position regarding the application of market force supplements. As stipulated in the Collective Agreement, the Council will only use market force supplements in exceptional circumstances, where it is the appropriate means of ensuring posts can be filled by appropriately qualified and experienced candidates.
- 2.3 The Council is committed to equal pay and will seek to ensure that Market Forces Supplements will only be applied where there is a strong objective justification which does not undermine the pay equalities established through single status implementation.

## **3.0 Progress, options, discussion, etc.**

- 3.1 Following a review of the current policy and existing arrangements a number of amendments have been consulted on with the Joint Consultative Panel and recognised trade union.
- 3.2 The duration of market force supplements is proposed to increase from 12 months to a maximum of three years. All market force supplements remain subject to Pay Strategy Board approval to ensure that the duration of supplements can be objectively justified.
- 3.3 Comparative labour market data should be obtained from the public sector and reflect the geographical situation of Wolverhampton. It is proposed to enable, in exceptional circumstances, comparisons to be made to appropriate private sector organisations in order to attract and retain specific experience and skills.
- 3.4 For senior management roles West Midlands Employers will be requested to undertake an assessment and recommendation of any market forces supplement.

## **4.0 Evaluation of alternative options**

- 4.1 Option one would be to make no change to the existing policy. This would result in continued recruitment and retention difficulties in critical areas and potential impact of the provision of council services.

## **5.0 Reasons for decision(s)**

- 5.1 The revision to the policy ensures that Market Force Supplements can be used as an additional tool to enable the Council to attract suitably qualified and experienced candidates where the Council's pay is below the market rate or where employee shortages in key posts impact the provision of council services.

## **6.0 Financial implications**

- 6.1 The financial implications associated with the payment of market force supplements within a service will have to be reviewed on a case by case basis.  
[GE/13022020/I]

## **7.0 Legal implications**

- 7.1 There are no legal implications as a result of this policy.  
[JB/13022020/F]

## **8.0 Equalities implications**

- 8.1 An Equality analysis is completed on all Market Force Supplement applications.

## **9.0 Climate Change and Environmental implications**

- 9.1 There are no climate change and environmental implications as a result of this policy.

## **10.0 Health and Wellbeing Implications**

- 10.1 There are no health and wellbeing implications as a result of this policy.

## **11.0 Human resources implications**

- 11.1 The revisions to the Market Forces Policy has been subject to consultation with trade unions. Monitoring the delivery and impact of the policy is the responsibility of Human Resources.

## **12.0 Corporate landlord implications**

- 12.1 There are no corporate landlord implications as a result of this policy.

## **13.0 Schedule of background papers**

- 13.1 None.

## **14.0 Appendices**

- 14.1 Appendix 1 – Market Forces Policy