

Market Pay - policy governing the payment of attraction and retention premia

Scope and purpose

1. This policy applies to all posts at UWE, Bristol. The University is committed to the principles of equal pay for work of equal value and has introduced a single job evaluation scheme (HERA) to measure the relative value of all jobs. The grading, and therefore the salary range, of all posts is determined by the outcome of job evaluation.

2. However there are occasions when the grading determined for a post results in an inability to successfully recruit or retain staff in particular posts. In such cases it may be appropriate to pay a supplement in addition to the salary to ensure that such a post is filled. Such a supplement is lawful under the Equal Pay Act (1970) where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly.

3. This policy sets out when such supplements may be paid, the process by which these cases are considered and approved and the conditions applied to them.

When are market supplements appropriate?

4. The payment of a market supplement may be appropriate where there is evidence to prove that a post cannot or will not be filled at the salary level determined by job evaluation, or that there is a risk to service delivery if a post becomes vacant due to a rate of pay that is below the market. Managers should be aware of their responsibility to explore other ways of attracting and retaining staff notably staff development and career opportunities and not assume that supplements to pay are the only means of addressing the issue.

5. The evidence needed before a supplement can be considered must be objective and verifiable and would normally include either;

- evidence of two recent unsuccessful recruitment attempts or
- evidence of skilled staff leaving UWE, or being approached, for similar jobs with a higher level of pay elsewhere. Such cases must be underpinned by exit interview details or other evidence.

6. Where such circumstances exist Deans and Heads of Service must contact Personnel Services for advice. Personnel Services will maintain a range of market pay information and will determine the appropriate value of any market supplement based on an objective review of the relevant market pay data and refer to a Deputy Vice Chancellor for authorisation.

7. Personnel Services will confirm the value of any market supplement and the conditions that apply to it.

Conditions attached to market supplements

8. Further particulars of such posts must identify market supplements as a distinct and separate element of pay. The supplement will be an amount, not a % of the total pay. The supplement would normally be superannuable. Payments will also be

subject to statutory deductions e.g. tax and national insurance. These conditions will be confirmed in the Contract of Employment, or confirmatory letter.

9 Any change to the amount will be made following a review at least every other year but preferably once a year subject to data being available, although the supplement will have the annual pay award applied to it. Where there ceases to be an organisational need or market justification for the supplement payment the individual will be given notice of the termination of the premium. Changes to the amount or an extension of the period will be notified three months prior to the end of the period.

10. In circumstances when the data indicates that the supplement should be reduced or terminated the same pay protection rules will initially apply as will apply to 'red circled' posts. Hence the salary plus market supplement will be protected for 4 years or until the basic salary exceeds that figure, whichever is sooner. For supplements introduced after 1 January 2008 this period of protection will be reviewed during 2009 jointly with all three trades unions to take into account emerging case law. This proposed review date may be brought forward if case law necessitates it.

11. Market supplements are paid in relation to specific posts and to the individuals occupying those posts. A supplement will normally be appropriate where there are others occupying exactly the same role with the same terms and conditions.

Monitoring

12. A record of the rationale supporting all market supplements should be maintained within Personnel Services.

13. Payments will be monitored by amount, gender, ethnicity, disability and age to ensure there is no unfair allocation of supplements on these grounds. An annual report will be provided for the relevant DVC and shared with the Trade Unions.

The application of all existing and future market supplements will be reviewed on an annual basis. This review will be carried out jointly by the University and the trades unions and the University will share monitoring data.