

AGENDA ITEM No 4

PEAK DISTRICT NATIONAL PARK AUTHORITY

URGENT BUSINESS ITEMS SUB-COMMITTEE

21 OCTOBER 2005

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

PART A

1. WORKFORCE PLAN MEASURES: IMPLEMENTATION OF MARKET SUPPLEMENTS (A12/RMM)

Purpose of Report

1.1 This report:

- Recommends principles and processes to apply in implementing the Workforce Plan measure of using market supplements to address proven recruitment difficulties
- Is urgent because it advises Members that such a supplement would be used for the first time in the recruitment to the post of Head of Development Control and we need to advertise again quickly having been unsuccessful in making an appointment this week.

Background

1.2 Members agreed in May 2005 (Minute 41/05) the Authority's Workforce Plan along with a Year 1 action plan. The Year 1 action plan outlined a number of measures which were intended to be developed to address proven recruitment difficulties. The relevant extract is given at Appendix 1.

1.3 The pay and benefits consultant, now called the Reward Specialist, approved in Minute 41/05 has been appointed on a 3 month contract to start on 1 November to develop further the actions proposed in Appendix 1. This will include agreeing principles and processes for implementation and identifying costs. It is intended to report on this work to a future Services Committee at the end of the contract period. In the meantime the question of whether a provision should be made in next year's budget for implementing Workforce Plan measures will be part of the material considered by Members at the strategic finance workshop on 11 November.

1.4 The 'Green Book' of Local Government Terms and Conditions of employment states the following at Part 4.4 Guidance on Equal Pay and Grading:

4.1 'Blanket use of labour market supplements for whole job areas are particularly open to challenge unless firmly backed by recent labour market evidence.

4.2 'Use of specific supplements for certain jobs must be justified by clear and regularly updated evidence of recruitment and retention difficulties, backed by good quality market data. Where differences between men's and women's pay are not wholly attributable to labour market differences, recent case law indicates that employers will need to be able to objectively justify the remaining differences in pay. All jobs receiving a market supplement must be regularly reviewed'.

Issue

- 1.5
- a) Appreciating the issues in advance of the recruitment, the Head of Development Control post was checked through job evaluation. It was determined that it remained clearly within scale M, clustered with other scale M posts.
 - b) The rate of pay attached to scale M compared with the market data for a Head of Development Control for similar sized planning responsibilities suggested that our current rate of pay is currently uncompetitive.
 - c) Having been through a full recruitment process for the post of Head of Development Control we have failed to make a satisfactory appointment this week. In response it is necessary to bring forward recommendations on implementation principles and processes for one of the actions agreed in the Workforce Plan – the use of a market supplement.

Proposal

- 1.6 It is proposed that we apply the market supplement measure in the following circumstances only:
- for posts which have been identified in the Workforce Plan where there are current recruitment difficulties;
 - where there is a proven recruitment difficulty i.e. the full recruitment process has been conducted and there has been failure to appoint; and
 - after consideration and agreement by Resource Management Team of the operational, financial and human resource implications of applying a market supplement to a particular post.
- 1.7 It is proposed that the market supplement applied in these circumstances should:
- Amount to 12% of the normal salary point, paid monthly as a non pensionable allowance.
 - Be a discretionary payment made on appointment of the person to address proven recruitment difficulties.
 - Not be automatically applied on subsequent recruitment to a post where a postholder receiving a market supplement leaves the post i.e. the business need has to be re-established.
 - For a post holder remaining in post long term, the supplement will be reviewed every 3 years (5 years in the case of a proven recruitment difficulty to a Head of Service post) to ensure that the business case remains and that the supplement continues, or not.
- 1.8 It is proposed that the first market supplement to apply should be to the post of Head of Development Control, given the proven difficulty to recruit to this key post with any further supplements being approved by Resource Management Team in accordance with principles at paragraphs 6 and 7.

- 1.9 It is proposed that the arrangements given above should be reviewed and refined further if necessary by the Reward Specialist and be included as part of his final report.

Financial Consideration

- 1.10 Consideration will be given to making a provision in the 2006/07 budget for implementation of our workforce plan measures as part of the budget planning process. The additional annual cost of applying a market supplement of 12% to the post of Head of Development Control will be currently £5395 at the top of the scale including employer on-costs. (Including the supplement this takes the top of the scale for this post from £36,402 to £40,770). This will be funded in 2005/06 at the mid year review. For 2006/07 it will need to be provided for as a commitment in the 2006/07 budget planning process.

Human Rights aspects including Equal Opportunities

- 1.11 We need to ensure that the principles of applying Workforce Plan measures are fairly applied and that differences in pay and benefits are fully justified by business need. Staff will be briefed about the introduction of the new allowance and that the Reward Specialist will be making other recommendations for future consideration.

Consultation Responses

- 1.12 The Reward Specialist has been consulted on the proposals to ensure that they are in line with practice elsewhere before implementation. The Chief Finance Officer is being consulted in the absence of the Head of Finance and any comments received will be reported orally at Committee. The Management Team, Head of HR, UNISON and Staff Committee have been consulted on this report and comments included. UNISON recognises the difficulty and urgency of this recruitment problem but supports the recommendation because of s4 of the nationally negotiated Green Book and the fact that the research of the Workforce Planning Group (UNISON is represented on this) provides the evidence that justifies the use of a market supplement for this post.

Conclusion

- 1.13 It is not ideal to make recommendations on principles and processes for implementation of market supplements prior to seeing the full results of the work of the Reward Specialist. However it is believed that it is necessary to bring this issue forward earlier than the full implementation picture to address the current recruitment difficulties for the Head of Development Control post.

1.14 RECOMMENDATION:

1. That the principles and processes for applying the market supplement measure of the Workforce Plan as given in paragraphs 6 and 7 of the report are approved.
2. That the first market supplement be applied to the recruitment of the Head of Development Control with subsequent decisions on applying supplements being delegated to the Resource Management Team in accordance with the agreed principles to be incorporated in the HR Procedures Manual.

List of Background Papers (not previously published)

Nil.