



BUCKINGHAMSHIRE  
NEW UNIVERSITY

EST. 1891



# MARKET PAY POLICY

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## Background

- 1 The University is committed to the principles of equal pay for work of equal value. The way we grade posts, and therefore the salary range, 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 to or retain staff in particular posts. In such cases it may be appropriate to pay a market 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.

## Purpose and Scope

- 3 Bucks 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 within the pay bands B – I / AC2 – AC4. It is essential that Bucks is able to recruit sufficiently qualified/experienced staff to its roles. Where the market dictates that these roles are paid above the grade, the University needs to have a formal process to address this. This policy provides a formal framework to address these cases.
  - a The grading, and therefore the salary range, of most posts is determined by the outcome of job evaluation.
  - b This policy will set out when such supplements may be paid, the process by which these cases are considered and approved and the conditions applied to them.
  - c This policy will be agreed with BNU and the recognised trade unions, UCU and UNISON.

## Responsibilities

- 4 This policy is owned by the Human Resources Directorate on behalf of the University and to whom any queries regarding interpretation of the document should be directed.

## Definitions

- 5 A **market supplement** is an addition to the basic pay of a post which provides an increase in pay for a post without altering the grade of a post which has been determined by the Job Evaluation process.

## Applicability

- 6 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 material risk of a post becoming vacant due to below market rate of pay.

- 7 This evidence must be objective and verifiable and would include:
- Evidence of more than two unsuccessful recruitment attempts in the preceding six months, having advertised in specific sector/industry related publications/ websites.
  - Evidence of skilled staff leaving Bucks, or being approached, for similar jobs with a higher level of pay elsewhere.  
Note: Such cases must be underpinned by exit interview details or other evidence.
  - Tangible market information on the salary being paid for similar posts in other organisations. This is likely to include advertisements and job descriptions from at least two similar posts.
- 8 Current evidence within Bucks indicates that this policy may apply to roles in these areas:
- Nursing and Allied Health and Health Care, Social Work Health and Social Care professionals where these roles are paid more in their respective sectors.
  - Professional areas such as IT, Finance and Marketing.
- 9 Where such circumstances exist Heads of Schools and Directors must submit a written business case to the HR Director. The case must confirm that the Finance Business Partner has been consulted and that the necessary funds are available.
- 10 The HR Director will consider the case and confirm where there is sufficient evidence to both justify a market supplement and to withstand any challenges under Equal Pay legislation. Consideration of requests to pay market supplements will be given on a case by case basis.
- 11 All cases are subject to SMT approval using the HR requisition process.

## Conditions attached to Market Supplements

- 12 Market supplements will be paid on a time limited basis for up to a maximum of two years. A further review of market conditions will then take place to determine whether the continuation of a market supplement is justifiable or necessary.
- 13 Where there ceases to be an organisational need or market justification for a supplement payment will be terminated and six months' notice will be given.
- 14 Further particulars of such posts must identify market supplements as a distinct and separate element of pay and must state the duration of the supplement.
- 15 A market supplement will be for a fixed amount and should fall within the range of the first three spine points of the next grade above for JNCHES Band F – I / AC2 – AC4.
- 16 Market supplements will be subject to annual cost of living increases and progression. The supplement will be pensionable. These conditions will be confirmed in the Contract of Employment. Market supplements will also be subject to statutory deductions e.g. tax and national insurance.

**Example**

An academic is appointed as a Lecturer at the mid-point of the Ac2 scale - spine point 32. They receive a market supplement to the AC3 (SL) grade, spine point 35 (the entry point).

At their first annual salary review the employee's substantive salary increases to spine point 33 and their market supplemented salary increases to spine point 36.

After a further years' service, at the next annual salary review point (1 August) their salary and associated market supplement is reviewed. Discussions around Lecturer to Senior Lecturer promotion will take place where appropriate.

- 17 Market supplements are paid in relation to specific posts and will be reviewed on a case by case basis, taking into consideration market factors and equal pay implications.

## **Monitoring**

- 18 The payment of market supplements will be monitored by sex, ethnicity disability and age to ensure there is no unfair allocation of supplements on these grounds.