Rotherham Metropolitan Borough Council

Public Report
Staffing Committee

Committee Name and Date of Committee Meeting
Staffing Committee – 30 November 2026

Report Title
Market Supplement Policy

Is this a Key Decision and has it been included on the Forward Plan?
No

Executive Director Approving Submission of the Report
Judith Badger, Executive Director of Corporate Services

Report Author(s)
Louise Hall, Head of Human Resources (Strategic Programmes)
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Ward(s) Affected
None

Report Summary
The Market Supplement Policy sets out the Council's approach to using market supplement payments where national and local pay and grading arrangements are insufficient to attract or retain employees with critical skills required for service delivery.

Recommendations

That Staffing Committee approve the introduction of the Market Supplement Policy.

List of Appendices Included
Appendix 1 Market Supplement policy

Background Papers
None

Consideration by any other Council Committee, Scrutiny or Advisory Panel
None

Council Approval Required
No

Exempt from the Press and Public
No

Market Supplement Policy

1. Background

1.1 Rotherham Metropolitan Borough Council recognises that, in some circumstances, market conditions can create significant recruitment and retention challenges for specific roles where there is a shortage of suitably qualified or experienced candidates.

1.2 The proposed Market Supplement Policy provides a framework for addressing these challenges by allowing additional payments, on a temporary and evidence-based basis, where market pressures mean that the Council's standard pay arrangements are insufficient to attract or retain employees.

1.3 The proposed policy supports the Council Plan and Workforce Plan, helping to ensure that essential services can be delivered effectively while maintaining fairness, transparency and consistency in reward practices.

2. Key Issues

2.1 The Council does not currently have a formal Market Supplement Policy in place. However, market supplement payments have continued to be applied in a limited number of cases where they were previously approved to address recruitment and retention difficulties in hard-to-fill roles. These arrangements have been managed on an individual basis without a corporate framework for the consideration and review of market supplement payments.

2.2 The absence of a formal policy presents a potential risk in terms of consistency and transparency, as there are no formal reporting mechanisms to ensure existing payments are regularly reviewed against current labour market conditions or workforce requirements.

2.3 The proposed Market Supplement Policy, detailed in Appendix 1, will ensure a clear framework for the approval, monitoring and review of market supplement payments.

2.4 Market supplement payments will only be used where there is a clear and evidenced-based need to ensure effective service delivery and were supported by an equality impact assessment.

3. Options Considered and Recommended Proposal

3.1 Option 1 – Maintain the Current Position **(Not recommended)**

The Council would continue without a formal Market Supplement Policy and manage any recruitment and retention issues on a case-by-case basis.

3.2 Option 2 – Introduce a Market Supplement Policy **(Recommended)**

This option provides a consistent, fair and transparent approach to addressing recruitment and retention challenges. It strengthens governance

and accountability by ensuring that market supplement payments are supported by robust evidence, subject to formal approval and regularly reviewed. The Policy will support the Council's ability to recruit and retain employees in hard-to-fill roles while ensuring compliance with equal pay principles, promoting value for money and supporting the effective delivery of services.

3.3 There are no other options available for the introduction of new Council Policy.

4. Consultation on Proposal

4.1 Consultation has taken place with recognised Trade Unions which has informed the final draft of this policy.

4.2 Consultation has taken place with the relevant Cabinet Member.

5. Timetable and Accountability for Implementing this Decision

5.1 The Service Director, Human Resources and Organisational Development will be accountable for the implementation of this decision.

5.2 The Policy would be adopted following the approval of Staffing Committee.

6. Financial and Procurement Advice and Implications

6.1 There are no direct financial implications as a result of this report, each market supplement request will include specific financial implications and will have to be managed within existing Directorate budget allocations.

6.2 There are no direct implications arising from this report.

7. Legal Advice and Implications

7.1 As set out within the body of this report the absence of a formal policy presents several legal risks for the Council in relation to consistency and transparency. The introduction of the proposed Market Supplement Policy will establish a clear framework for the approval, monitoring and review of such payments. The Local Government Association recommends as part of their guiding principles on this topic that Organisations should have a formal policy on the use of market supplements, which is reviewed on a regular basis. There should also be a consistent approach in terms of the use of an application form attached to the Policy.

7.2 Appropriate consultation has taken place; the Trade Unions have been consulted in relation to this Policy and are supportive of its introduction.

8. Human Resources Advice and Implications

8.1 An appropriately rewarded workforce motivates employees and meets standards of fairness and equity required by employment legislation.

9. Implications for Children and Young People and Vulnerable Adults

9.1 No adverse impacts on children and young people or vulnerable adults have been identified as a result of the proposed policy.

10. Equalities and Human Rights Advice and Implications

10.1 In making any decision the Council is required to have due regard to its equalities duties and in particular with respect to the Equality Act 2010, section 149, part 11 of the public sector duty to:

a) eliminate discrimination, harassment, victimisation and eliminate any other conduct that is prohibited by or under the Act

b) advance equality of opportunity between people who share a protected characteristic and those who do not

c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it

10.2 The recommendation before Staffing Committee will not have any adverse impact on anyone with one or more protected characteristics, namely age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

11. Implications for CO_2 Emissions and Climate Change

11.1 There are no direct implications arising from this report.

12. Implications for Partners

12.1 There are no direct implications arising from this report.

13. Risks and Mitigation

13.1 Failure to introduce a Market Supplement Policy would leave the Council without a consistent corporate framework for managing market supplement payments, increasing the potential of legal, financial, operational and reputational risks. The recommended policy mitigates these risks by providing a transparent, evidence-based and monitored approach.

Accountable Officer
Lynsey Linton, Service Director, Human Resources and Organisational Development.

Approvals obtained on behalf of:

	Name	**Date**
Chief Executive	John Edwards	19/11/26
Executive Director of Corporate Services (S.151 Officer)	Judith Badger	30/10/26
Service Director of Legal Services (Monitoring Officer)	Phillip Horsfield	05/11/26
Service Director of Human Resources (if appropriate)	Lynsey Linton	30/10/26
Head of Human Resources (if appropriate)	Louise Hall	30/10/26
The Executive Director with responsibility for this report	Judith Badger, Executive Director of Corporate Services	30/10/26
Consultation undertaken with the relevant Cabinet Member	Cabinet Member for Finance and Community Safety - Councillor Alam	20/07/26

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