

Item: 11

Human Resources Sub-committee: 25 March 2025.

1. Recommendations

It is recommended:

1.1.

That the Committee approves the attached minute as a true record.

1.2.

That the Committee considers the recommendations at paragraphs 1, 2 and 3.

2. Appendix

Draft Minute of the Meeting of the Human Resources Sub-committee held on 25 March 2025.

Minute

Human Resources Sub-committee

Tuesday, 25 March 2025, 14:00.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors Alexander G Cowie, James R Moar, Janette A Park, John A R Scott, Gwenda M Shearer, Ivan A Taylor, Duncan A Tullock and Heather N Woodbridge.

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Hayley Green, Corporate Director for Neighbourhood Services and Infrastructure.
- Andrew Groundwater, Head of Human Resources and Organisational Development.
- Gavin Mitchell, Head of Legal and Governance.
- Craig Walker, Service Manager (Human Resources Operations).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor Alexander G Cowie.

1. Recruitment and Selection Policy

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Service Manager (Human Resources Operations), the Sub-committee:

Resolved to **recommend to the Council** that the revised Recruitment and Selection Policy, attached as Appendix 1 to this Minute, be approved.

2. Relocation Policy

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Service Manager (Human Resources Operations), the Sub-committee:

Resolved to **recommend to the Council** that the Relocation Policy, attached as Appendix 2 to this Minute, be approved.

3. Market Supplement Policy

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Service Manager (Human Resources Operations), the Sub-committee:

Resolved to **recommend to the Council** that the Market Supplement Policy, attached as Appendix 3 to this Minute, be approved.

4. Conclusion of Meeting

At 14:23 the Chair declared the meeting concluded.

Signed: Alexander G Cowie.



Recruitment and Selection Policy
May 2025

Document Control Sheet

Review / approval history.

Date.	Name.	Position.	Version Approved.
March 2016.	General Meeting of the Council.	n/a.	1.0
April 2025	General Meeting of the Council.		2.0

Change Record Table.

Date.	Author.	Version.	Status.	Reason.
2025	HR & OD		Draft	Fundamental review of policy and procedure as part of the Council Strategic People Plan.
Next due for review in 2029.				

Contents

Document Control Sheet	2
Contents	3
1. Introduction.....	5
2. Scope	5
3. Responsibilities	6
3.1. Chief Officers (Corporate Directors and Heads of Service).....	6
3.2. Recruiting Managers	6
3.3. Human Resources.....	6
3.4. All others involved in recruitment.....	6
4. Procedures and Guidance.....	7
5. Exceptions to this Policy.....	7
6. Guaranteed Interview Schemes	7
7. Positive Action.....	8
8. Reasonable Adjustments.....	8
9. Conflicts of Interest.....	8
10. Lobbying	9
11. Political Restrictions.....	9
12. Modern Slavery and Human Trafficking.....	9
13. Advertising	10
14. Recruitment Incentives	10
15. Applications	10
16. Appointment Decisions	10
17. Shortlisting	11
17.1. Participation in a Panel.....	11
18. Interview/Selection.....	12
18.1. Applicant Feedback	12
19. Service User involvement in recruitment.....	12
20. Recruitment Checks and Vetting.....	13
20.1. Right to Work in the UK	13
20.2. Sponsorship.....	13
20.3. References	13
20.4. Health Clearance	14
20.5. Protection of Vulnerable Groups Scheme Membership	14
20.6. Government Baseline Personnel Security Standard.....	15

20.7.	Other Criminal Convictions Checks	15
20.8.	Evidence of Qualifications/Training.....	15
20.9.	Evidence of Professional Body Membership	16
21.	Offer of Employment	16
22.	Starting in Post.....	16
23.	Data Protection	17
23.1.	Requesting Information	17
23.2.	Processing Information	17
23.3.	Retention of Information by the Council	17
23.4.	Sharing of Confidential Information to non-Council Employees	17
24.	Recruitment and Selection Complaints	18

1. Introduction

People are the Council's most valuable resource. Orkney Islands Council wants to attract, recruit, develop and retain a skilled and flexible workforce. The Recruitment and Selection Policy and the accompanying procedure and guidance are designed to achieve a fair, effective, robust, and safe process.

We aim to attract and retain staff with the right values, skills, behaviours, attitudes, growing our own workforce for the future, to ensure we continue to deliver high quality services for the communities of Orkney.

The aims of this policy are to:

- Promote best recruitment and selection practice.
- Ensure a fair and equitable approach compliant with the Equality Act 2010.
- Provide a recruitment approach to safeguard and promote the welfare of children, young people, and protected adults that the Council provide services to.
- Ensure that those who may face challenge or disadvantaged in gaining employment i.e. through having convictions, disability, being unemployed etc, are not unfairly excluded from gaining employment.
- Provide developmental opportunities for local, young people to seek employment and develop long-term career opportunities.
- Provide clear framework for all recruitment and selection activity.

2. Scope

This policy and relevant supporting procedures and guidance will apply to all recruitment and selection activity in relation to the following groups of employees:

- Scottish Joint Negotiating Council for Chief Officials (Chief Executive, Corporate Directors, and Heads of Service).
- Scottish Joint Council for Local Government Employees (SJC).
- Teachers and other education professionals covered by Scottish Negotiating Committee for Teachers (SNCT) conditions of service.
- UHI Orkney Academic staff employed by Orkney Islands Council under National Joint Negotiating Committee for Scottish College.
- Orkney Ferries Limited shore-based staff, employed by Orkney Islands Council.

The policy and supporting procedures and guidance will also apply where the Council is seeking to appoint a temporary agency worker and/or fill a vacancy using a recruitment agency.

3. Responsibilities

3.1. Chief Officers (Corporate Directors and Heads of Service)

Chief Officers are responsible for ensuring that recruitment which takes place is authorised, that it takes place in line with this policy, and supporting procedures and guidance, and that officers taking part in recruitment decisions undertake designated training.

3.2. Recruiting Managers

Recruiting managers are responsible for:

- Ensuring that a recruitment and selection process is conducted in line with this policy and supporting procedures and guidance.
- Ensuring that recruitment and selection is based on an up-to date job profile.
- Ensuring that assessment of applicants is only conducted on the specified criteria in the job profile and that all assessment decisions are based on evidence from the application, interview, or selection process only.
- Ensuring that all decisions in recruitment are made on merit.
- Ensuring the security and confidentiality of recruitment information by all shortlisting and/or interview panel members.
- Ensuring that all relevant documentation is completed and forwarded to Human Resources and/or Payroll, in relation to recruitment and selection.
- Ensuring that recruitment checks are completed and satisfactory.
- Establishing, maintaining and developing a positive and ongoing relationship, throughout the recruitment process, with applicants and successful candidate(s).

3.3. Human Resources

Human Resources and Organisational Development (HR and OD) are responsible for:

- Ensuring that the Council has a Recruitment and Selection Policy and supporting procedures and guidance that are legal, fair and support best practice.
- Managing the centralised aspects of the recruitment process via Talentlink – advertising, interviews, offers of employment and contract issue.
- Providing relevant training, advice and guidance, and supporting managers in relation to recruitment and equalities.

3.4. All others involved in recruitment.

Any other individual involved in recruitment must:

- Ensure that they are familiar with this Recruitment and Selection Policy, procedures and guidance.
- Conduct recruitment and selection in line with Council policy, fairly and without prejudice.
- Undertake any training required by the Council.
- Ensure the security and confidentiality of recruitment information.

4. Procedures and Guidance

The Council has a range of supporting procedures and guidance to support implementation of this policy. These do not form part of the approved policy and, as such, are able to be amended and updated to reflect necessary changes to support more efficient and effective recruitment for the Council without formal review.

5. Exceptions to this Policy

In some specific circumstances, the Council has other agreed policy, procedures or process which have an agreed variation to the normal Recruitment and Selection Policy.

- Where an individual is awaiting redeployment in line with the Council Redeployment Policy and Procedure, i.e., ill health, avoidance of redundancy etc.
- Where there is a justifiable basis for a post to be advertised requiring applications from either male or female applicants only, in line with the Equality Act 2000.
- Where the Council offers a guaranteed interview scheme, as outlined in the policy.
- Where an employee has been in a post continuously for at least 2 years, on a temporary basis, and the post is established as permanent/becomes available on a permanent basis.
- Where the post has been temporary, with the same post holder in the post for a minimum of 4 years on temporary contracts, and approval is given by the Chief Executive to establish the post and employee contract on a permanent basis.

6. Guaranteed Interview Schemes

Orkney Islands Council offers a guaranteed interview to applicants, as part of its positive commitments to support the following:

- Care experienced young people, including care leavers up to the age of 26.
- Applicants with a disability, as defined under the Equality Act 2000.
- Current and former armed forces personnel.
- Those studying or having completed the Introduction to Care course.
- Orkney Islands Council Modern Apprentices or Graduate Apprentices.
- Orkney Islands Council employees with unpaid caring responsibilities. (refer to Council Carers Support Policy).
- Partners/resident family members of people relocating into Orkney to take up employment (refer to Council Relocation Policy).

7. Positive Action

The Council can follow the principles of positive action under the Equality Act 2010. This can be applied during a recruitment process when a tie breaker situation arises between two (or more) candidates of equal merit. Positive action allows the Council to make an appointment based on a particular protected characteristic possessed by a candidate.

This decision should only be based on evidence of an under-representation of a particular group or tackling disadvantage within the workforce. This process must only be used following consultation with the Head of Human Resources and Organisational Development or Service Manager (HR Operations).

8. Reasonable Adjustments

The Council is committed to making reasonable adjustments for applicants with a disability to any stage of the recruitment process including application, interviews and where an individual is successful in their applications for their employment.

The recruiting manager is responsible for contacting any applicant indicating that they need reasonable adjustments in the recruitment process to establish what support they would ideally like and for then looking to implement reasonable adjustments as far as reasonable possible.

Where it is not possible to implement reasonable adjustments or to the extent requested by an applicant, this must be communicated back to the applicant with an explanation as to why.

Separate advice and guidance is available on making reasonable adjustments to the recruitment process and advice and guidance is available from Human Resources.

9. Conflicts of Interest

Shortlisting and/or Interview/Selection panel members are required to disclose any relationship or knowledge of an applicant which might affect their ability to be impartial as set out in the Council Employee Code of Conduct, in order that a decision can be made on whether they should continue or withdraw from the process.

Where an applicant is a close relative of an employee or a Councillor, that employee or Councillor may not take part in that selection process.

Where there is any other possible conflict of interest for a panel member, they should declare this to the Chair of the panel. They should determine if it is appropriate that they continue to be a member of the panel or not. Advice and guidance may be sought from Human Resources as required.

It is recognised that in a small community there will be occasions where relatives work together, so for the purposes of selection a close relative is defined as spouse, partner, grandparent, parent, aunt, uncle, sister, brother, child, niece, nephew, grandchild (including 'step' and 'in law').

10. Lobbying

Any applicant attempting to lobby a Council employee involved in the recruitment process or a Councillor, directly or indirectly, to secure an appointment or promotion will be disqualified from the recruitment and selection process for that post.

If the individual determined to be lobbying is already an employee of Orkney Islands Council, they may be subject to action under the Council Disciplinary Policy and Procedures.

Similarly, Councillors and employees will not advocate for the appointment of any individual from out with the selection process. This does not preclude the provision of a reference if requested to do so.

11. Political Restrictions

Some posts in the Council are politically restricted by virtue of the Local Government and Housing Act 1989 and the Local Government Officers (Political Restrictions) Regulations 1990, as amended.

Where a political restriction applies this means that the applicant will not be permitted to be involved, or may be restricted, in political interests or associations.

Recruitment documentation including the advert and job description will make it clear that the post is politically restricted.

Human Resources and Organisational Development maintain a list of all politically restricted posts.

12. Modern Slavery and Human Trafficking

The Council is committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking.

As an equal opportunities' employer, we're committed to creating and ensuring a non-discriminatory and respectful working environment for our staff. We want all our staff to feel confident that they can expose wrongdoing without any risk to themselves.

Our recruitment and selection processes are designed to ensure that all prospective employees are legally entitled to work in the UK and to safeguard employees from any abuse or coercion.

We do not enter into business with any organisation, in the UK or abroad in relation to recruitment and selection (including the supply of agency staffing), which knowingly supports or is found to be involved in slavery, servitude and forced or compulsory labour.

13. Advertising

All Council posts will normally be advertised fairly, openly and on a transparent basis. As a minimum all posts must be advertised internally to the Council, unless one of the specified exceptions in this policy apply and is agreed with Human Resources.

Advertising of posts would normally be via the Council recruitment portal but can include other forms of advertising including local press, professional organisations and social media.

14. Recruitment Incentives

In circumstances that the Council has acknowledged hard to fill posts, the Corporate Leadership Team in conjunction with the Head of HR and OD may choose to implement short-term temporary recruitment incentives i.e. Market Supplement, Golden Hello or Refer a Friend.

Any recruitment incentive must be supported by a business case that is equality proofed, temporary in nature, able to be funded within existing budget and will have agreed terms and conditions produced by HR and OD.

Please refer to separate policy/guidelines issued in relation to any approved recruitment incentives.

15. Applications

Applications for employment are made via the Council Recruitment Portal, unless there is a need for an alternative format as a reasonable adjustment for an applicant with a disability. The Council will provide reasonable support for applicants with a disability or who may require assistance in submitting an on online application.

Applicants requiring assistance in submitting an online application should contact HR Support on 01856 873535 ext. 2250 or via hrsupport@orkney.gov.uk.

The Council does not accept speculative applications of any sort or CVs as part of the application process.

16. Appointment Decisions

All appointments must be made based on merit and be consistent with current employment legislation.

There must be documentary evidence to support decisions made at each stage of the recruitment and selection process.

All recruitment decisions must be made based on a panel consideration; they cannot be the decision of one person.

17. Shortlisting

Shortlisting of all applications received will be conducted by the interview/section panel (see Panel Membership table in section 1.4.6 of the Recruitment and Selection Procedure).

Shortlisting will normally be conducted within a week of the advertised closing date for the post, or in line with any specified arrangements stated within the advert.

It is recommended best practice that shortlisting arrangements are made as part of the recruitment planning process and stated within adverts to help inform applicants as to when they would expect to hear about their outcome.

Shortlisting and interviewing will be conducted in all but very exceptional circumstances by the same panel.

Where a panel size is only 2 people, the same 2 people must undertake shortlisting and interview.

Where panel sizes are larger than 2 people the majority of the panel must be consistent for both shortlisting and interview.

Appointments in relation to permanent Head Teachers and Depute Head Teachers will be compliant with the provisions of the Scottish Schools (Parental Involvement) Act 2006 (see separate guidance).

All other Teacher/educational professional recruitment (including UHI Orkney Academic posts) shall be in line with normal Council provisions.

17.1. Participation in a Panel

All Council Officers involved in shortlisting or interview/selection of candidates via the recruitment process for the Council will have attended relevant approved training on Recruitment and Selection and Equality, Diversity, and Inclusion from Orkney Islands Council.

Other people involved in shortlisting or interview, including service users, are strongly recommended to have also conducted relevant approved training on Recruitment and Selection and Equality, Diversity, and Inclusion from Orkney Islands Council.

18. Interview/Selection

Interview is the normal method of selection for employment with the Council. The actual selection process for any post can also include other processes including presentations, skills assessments and in tray exercises.

The exact arrangements for the selection process will be confirmed to applicants following shortlisting.

18.1. Applicant Feedback

Feedback will be provided on request to any applicant for employment with the Council, irrespective of how far they progress through the recruitment process i.e. not shortlisted, not successful at interview and even the successful applicant(s).

For applicants who have disclosed a conviction, feedback on whether the conviction was the deciding factor will be made explicit, within the Criminal Convictions Risk Assessment process feedback.

Applicants applying under any of the guaranteed interview processes will automatically be provided with summary feedback.

19. Service User involvement in recruitment

Whilst not a requirement, services can should they wish appropriately involve service users in relevant recruitment processes. It is the responsibility of the Recruiting Manager/Chair of the panel to arrange any service user involvement and to ensure that this involvement is appropriate and that the service user has the appropriate ability to understand and effectively contribute to the process and maintain compliance with Council policies.

Examples of service user involvement include:

- Pupil involvement in a Head Teacher recruitment.
- Pupil involvement in House Parent recruitment at Papdale Halls of Residence.
- Student involvement in UHI Orkney, Principal recruitment.
- Resident (child/young person or elderly person) involved in Registered Manager recruitment process.

Service user involvement will normally be via means of a separate service user panel, facilitated and led by a Council Officer who has completed all relevant training on recruitment and selection and equality, diversity and inclusion.

It may be possible that a service user could join the main interview panel as an adviser (non-voting), subject to the following provisions being satisfied:

- They are of an age and ability to be able to effectively understand and contribute fully to the panel process.

- They cannot be a voting member of any interview/selection process.
- They must understand and follow Council Policies on Recruitment and Selection and Equality, Diversity and Inclusion.
- They must have attended/carried out Council training on both Recruitment and Selection and Equality, Diversity and Inclusion.
- Advice and guidance must be sought from Human Resources where it is intended that a service user is being considered to join a main interview/selection panel as an adviser.

20. Recruitment Checks and Vetting

Please refer to the Recruitment and Selection Guidance documentation (available on My View/Useful HR Information or from Human Resources) in relation to Recruitment checks and vetting, further details and advice, guidance, and support on what is required.

These provisions apply to all appointments including where a successful applicant is an existing Council employee.

20.1. Right to Work in the UK

All successful applicants must provide original, documentary evidence of their right-to-work in the UK, in compliance with the UK Government legislative requirements.

The Council must have seen original documentation, taken, certified and have on record clear copies of this documentation.

Evidencing the right-to-work in the UK is a mandatory part of the pre-employment checking for all successful applicants for all posts, including current employees of the Council. Please refer to the separate guidance on pre-employment checks for full details.

20.2. Sponsorship

For some applicants and some posts, the Council will also require putting sponsorship arrangements in place as part of the right-to-work in the UK, to comply with UK Government legislative requirements.

Adverts and relevant recruitment information must make it clear where sponsorship may be or is not available.

20.3. References

The Council References are a mandatory part of the pre-employment checking process for all successful applicants for all posts, including current employees of the Council. Please refer to the Recruitment and Selection Guidance documentation (available on My View/Useful HR Information or from Human Resources).

It is accepted that some employers have a policy of only providing references confirming dates and role of employment. In such circumstances, where this is confirmed as the employer's policy, this will be deemed an acceptable employment reference by the Council.

20.3.1. Providing a Reference on behalf of the Council

An employment reference request for any Council employee must be provided by the line manager, a more senior manager within the relevant line management structure who has/had knowledge of the employee/former employee.

In circumstances that this may not be possible i.e. no current managers have knowledge of the individual, a purely factual reference confirming employment role and dates should be provided.

The Council does not operate a policy that we would refuse to provide an employment reference.

Employment references/references on behalf of the Council cannot be provided by work colleagues, any such reference can only be a character reference from that individual and is supplied on a personal basis.

Referees are reminded that the content of any employment reference must be honest, accurate and factual and should not contain subjective opinions or unsubstantiated views.

It is recommended best practice that any employment reference provided by the Council is copied to the employee/former employee.

20.3.2. Employment References from Applicants

Employment references for working with the Council must be provided by the applicant's line manager, a more senior manager within the relevant line management structure of the organisation who has/had knowledge of the employee/former employee.

In circumstances where this may not be possible i.e. no current managers have knowledge of the individual, a purely factual reference confirming employment role and dates should be provided.

20.4. Health Clearance

The Council operates a risk management-based approach to recruitment health clearance for all posts, based on the demands of the role. Health clearance is a mandatory part of the pre-employment checking for all successful applicants for all posts, including current employees of the Council. Refer to the separate guidance on the Pre-employment Health clearance process.

20.5. Protection of Vulnerable Groups Scheme Membership

For posts working with children or vulnerable adults as defined in the Disclosure (Scotland) Act 2020 successful applicants are required to disclose current and spent criminal convictions.

It is also a legal requirement to be a member of the Protection of Vulnerable Groups scheme through Disclosure Scotland in respect of either Children and/or Adults as relevant to their employment, with Orkney Islands Council, before they can commence employment.

The list of Council posts that require PVG scheme membership is available in the supporting documentation section and on My View Useful HR Information or from Human Resources.

Advertising and recruitment documentation for these roles must specify that a role requires PVG scheme membership for children and/or adults as it is a criminal offence for anyone barred from working with children and/or adults to apply for such a post and for the Council to employ anyone who is barred from working with children and/or adults.

The Council has a legal duty to undertake updated PVG scheme checks every five years, commencing from April 2026.

20.6. Government Baseline Personnel Security Standard

Any Council role that has an orkney.gov.uk email address or accesses the secure Council IT network, must satisfy the provisions of the above standard as specified by the UK Government.

This will require post holders to disclose any current but not spent criminal convictions and for a Level 1 check (formerly Basic Disclosure) to be conducted via Disclosure Scotland.

Where a post already requires a higher level of criminal convictions check i.e. PVG scheme membership a further check is not required.

The list of Council posts that require Level 1 Disclosure check is available in the supporting documentation section and on My View Useful HR Information or from Human Resources.

Advertising and recruitment documentation for these roles must specify that a role requires this check.

20.7. Other Criminal Convictions Checks

Other posts within the Council will require a Level 1 Disclosure check (previously Basic Disclosure) or a Level 2 Disclosure check (previously Standard or Enhanced Disclosure).

Where a post already requires a higher level of criminal convictions check i.e. PVG scheme membership a further check is not required.

The list of Council posts that require Level 2 Disclosure check is available in the supporting documentation section and on My View Useful HR Information or from Human Resources.

Advertising and recruitment documentation for these roles must specify that a role requires this check.

20.8. Evidence of Qualifications/Training

For any post that specifies that a qualification or specific training requirement (including a driving licence) is required, the recruiting/line manager must see the original evidence, take a certified copy, and forward this to HR Support so that it can be retained on the employee's personnel file.

20.9. Evidence of Professional Body Membership

For any post that specifies that membership of a professional body/organisation is required, the recruiting/line manager must see evidence of this, take a certified copy and forward this to HR Support so that it can be retained on the employee's personnel file.

The line manager should also ensure that evidence of continued membership is checked and maintained on record for the duration of the individual's employment in that role.

21. Offer of Employment

Successful applicants at interview/selection will be provided with a conditional offer of employment, confirming the Council's intent to employ them, subject to successful completion of all relevant pre-employment checking.

Following satisfactory completion of all recruitment checks the recruiting/line manager can agree a future start date with the applicant, ensuring that this will take account of any notice provisions, need for relocation etc.

Following confirmation of the agreed start date, Human Resources will issue a confirmed offer of employment.

These provisions apply to all appointments whether the successful applicant is an existing employee of the Council or not.

22. Starting in Post

Until such time as all recruitment checks are successfully completed, a start date agreed, and a confirmed offer of employment issued, a successful applicant cannot commence employment in their role.

It is illegal to enable an employee to commence work in a role where the Council does not hold verified documentary evidence of their legal right to work in the UK or for a post that requires PVG scheme membership for that scheme membership with the Council to be in place. Allowing a successful applicant to commence work in breach of these or any other legal recruitment provisions will result in action being taken under the Council Disciplinary Policy and Procedure.

These provisions apply to all appointments whether the successful applicant is an existing employee of the Council or not.

23. Data Protection

The recruitment and selection process requires that applicants share a range of necessary information with the Council. This information under the General Data Protection Regulations (The Data Protection Act 2018), will include information that will be personal and classed as special category i.e. criminal convictions or health information.

Orkney Islands Council is committed to ensure compliance with the principles of GDPR throughout the recruitment and selection process and has an Employment Privacy Notice available on the Council website.

23.1. Requesting Information

We will only ask for relevant information at the appropriate stage in the process, when it is necessary in the process i.e. only seeking information relating to criminal convictions for successful interview candidates, and for posts where it is appropriate to do so.

23.2. Processing Information

We will process all recruitment and selection information securely and will ensure that it is only available to those individuals who require it as part of the recruitment and selection process.

23.3. Retention of Information by the Council

Recruitment and selection information for unsuccessful applicants is only retained for a period of one month beyond the end of the recruitment process, in order that feedback may be provided or any complaint dealt with. Thereafter it is confidentially destroyed.

Recruitment information provided through the MyJobScotland system, is retained by CoSLA, who manage the system on behalf of the Council for 2 years, thereafter it is confidentially destroyed.

23.4. Sharing of Confidential Information to non-Council Employees

Anyone involved in Council recruitment and selection who is not an employee of the Council is bound by the provisions of this policy and is required to adhere to the same confidentiality and data security requirements.

Any application forms or recruitment information being shared with non-Council employees for the purposes of short listing/interviewing require to be returned (if in paper format) or be deleted from email and the individual's deleted items folder if they have been shared via email.

24. Recruitment and Selection Complaints

Orkney Islands Council is committed to promoting equality of opportunity and will endeavour to ensure no individual receives less favourable treatment through the Recruitment and Selection process.

Any individual who believes they have been treated less favourably than another individual or feel that they have been subject of discrimination during the Recruitment and Selection process, is entitled to complain.

Anyone wishing to complain should do so within 14 calendar days of being advised of the outcome of their application to the Head of Human Resources and Organisational Development, Council Offices, School Place, Kirkwall KW15 1NY.

Complaints will be investigated by an independent officer and a response normally issued within 21 calendar days from receipt of the complaint. There is no further right of complaint or appeal in respect of recruitment complaints.



Appendix 2

Relocation Policy May 2025

For Trade Union Consultation

www.orkney.gov.uk

Document Control Sheet.

Review / approval history.

Date.	Name.	Position.	Version Approved.
November 2017	General Meeting of the Council	n/a	1.0
May 2025	General Meeting of the Council	n/a	2.0

Change Record Table.

Date.	Author.	Version.	Status.	Reason.
May 2025	Craig Walker	2.0	Draft	Reviewed with Recruitment and Selection Policy
Next due for review in 2030				

Contents

1. Introduction.....	4
2. Who does this apply to?	4
3. Eligibility	4
4. Commitment to Remain in Employment	5
5. Time limit for claiming.....	6
6. How much can be claimed?	6
7. Temporary Contracted Employees.....	7
8. What costs can I claim for?	8
9. International Relocation.....	11
10. Approval and Payment.....	11
11. Other Relocation Support	12
12. Supporting Documents	13

1. Introduction

Orkney Islands Council has and always will face some additional challenges in relation to recruitment given our geographical location. However, since the COVID-19 pandemic new and unprecedented challenges in the employment and recruitment market in Orkney, including the increase in home and remote working, means that the Council is competing with public and private sector organisations from a much larger geographical area; Brexit has also result in skills shortages in key sectors such as care, early learning, and childcare. These make it even more important than ever that the Council is an employer of choice.

The Council has continues to see many service areas facing recruitment challenges including higher levels of vacancies and a reduction in the number and experience of applicants for posts.

In this context this policy would enable the Council to have the ability to offer attractive financial assistance for people having to relocate to start employment with the Council, targeted for posts that are experiencing difficulties in recruitment.

The Council will align to HM Revenue and Customs (HMRC) rules and procedures in relation to relocation expenses.

All £ values quoted in this policy are inclusive of VAT where appropriate.

2. Who does this apply to?

This policy can apply to any post being recruited to, at the discretion of the recruiting service.

Services must be able to identify that posts have trouble in attracting applicants. This could be evidenced in several ways including a number (minimum of 2) of previous unsuccessful attempts to recruit to the post over a reasonable timescale or an evidenced national shortage of a particular skill or type of employee.

3. Eligibility

HMRC rules require that for an individual to be eligible to claim relocation expenses, they must:

Change their sole or main residence because of starting a new job, changing the duties of the existing job, or changing the place where the duties are performed. They do not have to dispose of the old property.

HMRC rules dictate that the new property must be within reasonable daily travelling distance of the new, normal place of work and the old residence must not be within reasonable daily travelling distance of the new, normal place of work.

For the purposes of this policy, to comply with HMRC rules, the Council has determined the following:

3.1. Could qualify for Tax Free relocation of up to £8,000:

- Relocating into Orkney to start first employment with the Council.

3.2. Could qualify for Tax Free relocation of up to £3,500:

- Relocating from the mainland and linked South Isles of Orkney to a North Isle (North Ronaldsay, Westray, Papa Westray, Sanday, Stronsay and Eday) to start a role based on that Island.
- Relocating from a North Isle (North Ronaldsay, Westray, Papa Westray, Sanday, Stronsay and Eday) to another North Isle (North Ronaldsay, Westray, Papa Westray, Sanday, Stronsay and Eday) to start a role based on that Island.

3.3. The following would not qualify for relocation of any type:

- Relocating to the mainland and linked South Isles of Orkney from a North Isle (North Ronaldsay, Westray, Papa Westray, Sanday, Stronsay and Eday – as there is no realistic ability to commute daily) to start a role based on the mainland and linked south isles.
- An individual working remotely, either fully or partly from the mainland of Scotland or other location out of Orkney.

4. Commitment to Remain in Employment

To be eligible for payment of relocation expenses, an employee is committing to work for Orkney Islands Council for a minimum of a three-year period, from the first date of employment in the post for which a relocation payment was claimed.

Should an individual choose to leave employment with the Council before the three-year period is up, they will be required to repay a pro-rata amount of the total relocation expenses claimed.

The calculation of any repayment will be worked out on the following basis:

$$\frac{\text{Number of weeks remaining in minimum 3-year period}}{156 \text{ week (3 years)}} \times \text{£ Relocation Expenses Paid}$$

Any outstanding payment will automatically be deducted from final salary payment. Where this is insufficient to cover the amount owed, the deduction may be spread over more than one salary period, or an invoice will be raised for the outstanding balance for payment within 30 days.

A Corporate Director or Head of Service will have responsibility along with Finance to ensure that any repayment is made.

In exceptional circumstances a Corporate Director or Head of Service can waive the repayment requirement. This waiver can be for some or all the required repayment depending on the individual circumstances. In these circumstances the Corporate Director or Head of Service must advise Finance and Human Resources in writing of their decision not to seek repayment.

The Council will not reclaim relocation expenses where the Council terminates the employment on the grounds of redundancy or early termination of a fixed -term contract. Should the reason for termination relate to reasons of discipline or misconduct, then reclaiming shall be pursued.

5. Time limit for claiming

HMRC rules indicate that relocation expenses must be incurred and claimed before the end of the tax year, following the one in which the employee starts in their new job.

The Tax year runs from 6 April to 5 April annually.

Example 1: A new employee relocating to Orkney commences their job on 15 May 2024.

They have until 5 April 2026 to be able to claim their relocation expenses.

- Employee commences work in Tax Year 6 April 2024 – 5 April 2025.
- The end of the tax year following the tax year in which they commence is 5 April 2026.

Example 2: A new employee relocating to Orkney commenced their job on 15 March 2024.

They have until 5 April 2025 to claim their relocation expenses.

- Employee commences work in Tax Year 6 April 2023 – 5 April 2024.
- The end of the tax year following the tax year in which they commence is 5 April 2025.

6. How much can be claimed?

HMRC rules set the maximum amount of relocation expense that can be paid without liability for Tax and National Insurance at £8,000 including VAT.

7. Temporary Contracted Employees

7.1. Allowance Payable

The Council does not offer relocation expenses for temporary contracts of a duration of less than 1 year, for temporary contract holders in respect of relocation within Orkney Mainland and linked South Isles or for relocation from an outer isle to the mainland or linked south isles.

Temporary contracts of a duration of between 1 year and 3 years+ will be paid a pro-rata amount of the normal, permanent contracted relocation amount. Based on the number of complete weeks of the contract.

Calculation is as follows:

$$\frac{\text{Number of complete weeks of temporary contract}}{156 \text{ (3 years)}} \times \text{Max allowance table 7.1.1/7.1.2}$$

7.1.1. Relocating into Orkney (Mainland and linked South Isles) for Temporary Contract

Circumstances	Maximum Claim £			Tax & NI Liability
	1 yr Temp Contract	2 yr Temp Contract	3 yr+ Temp Contract	
Relocating to Orkney	£2,667	£5,333	£8,000	No

7.1.2. Relocating within Orkney from Orkney (Mainland and linked South Isles) to a North Isle (North Ronaldsay, Westray, Papa Westray, Sanday, Stronsay and Eday for a or Temporary Contract

Circumstances	Maximum Claim £			Tax & NI Liability
	1 yr Temp Contract	2 yr Temp Contract	3 yr+ Temp Contract	
Relocating to a North Isle (North Ronaldsay, Westray, Papa Westray, Sanday, Stronsay and Eday	£666.67	£1333.33	£2,000	No

7.2. Time limit for Temporary Employment Claims

All relocation expenses claims must be submitted no later than either before the 5 April of the calendar year following the date that started employment in this post, or the end date of your temporary contract whichever is first.

7.3. Extension of Initial Temporary Contract

Where an initial temporary contract was for less than 3 years, and you received a pro-rata entitlement to relocation expenses, and your temporary contract is extended on a continuous service basis, you will be eligible for a further increase in pro-rata entitlement to relocation expenses, until you reach the maximum eligibility of a 3 year temporary contract.

Example: Employee had an initial 1-year temporary contract and received an initial relocation expense entitlement of one-third of the £8,000 i.e. £2,667.

Subsequently the employee received a 1-year extension to their temporary contract, taking the total continuous duration of the initial contract to 2 years.

With this extension of continuous temporary contract, their maximum entitlement to relocation expenses increases to two-thirds of the £8,000, namely £5,333 in total (including the initial £2,667).

7.3.1. Repayment for Temporary Employment Claims

Where a temporary contract holder chooses to leave employment with the Council within the duration of their temporary contract, they will be eligible to repay a pro-rata amount. The pro-rata amount is calculated based on the number of remaining weeks in the contract, divided by the total number of weeks in the temporary contract multiplied by the relocation expenses claimed.

Any outstanding payment will automatically be deducted from final salary payment, where this is insufficient to cover the deduction may be spread over more than one salary period, or an invoice will be raised for the outstanding balance for payment within 30 days.

A Corporate Director or Head of Service have responsibility along with Finance to ensure that any repayment is made.

In exceptional circumstances a Corporate Director or Head of Service can approve that the required repayment is not necessary. This approval can be for some, any, or all the required repayment. In these circumstances the Corporate Director or Head of Service must advise Finance and Human Resources in writing of their decision not to seek repayment.

8. What costs can I claim for?

The Council want to provide relocation employees with as much flexibility as possible in terms of how they choose to use their relocation expenses. However, expenses are only eligible if they satisfy the HMRC rules.

HMRC rules determine that eligible expenses for relocation must fit into one of the following criteria:

- Disposal or intended disposal of old residence.
- Acquisition or intended acquisition of new residence.
- Transporting belongings.
- Travelling and subsistence.
- Domestic goods for the new residence.
- Temporary accommodation.
- Bridging loans.

8.1. Disposal or intended disposal of old residence (Sale).

Examples of types of expenses eligible for claim in this category:

- Legal fees or services connected with the disposal.
- Legal fees or services connected with the redemption of a loan relating to the property. A loan relates to a property if it was raised to acquire the property, or if it was secured on the property.
- Penalties for redeeming a loan relating to the property.
- Estate agent or auctioneer fees for services.
- Advertising.
- Disconnection of electricity, gas, water, or phone services.
- If the property is left empty awaiting disposal:
 - Any rent paid during the period when the property is empty.
 - Insurance for the period.
 - Maintenance of the property during the period.
 - Preserving the security of the property during the period.

Examples of types of expenses not eligible for claim in this category:

- Council Tax.

8.2. Acquisition or intended acquisition of new residence (Purchase).

- Legal expenses and services connected with the acquisition.
- Legal expenses and services connected with any loan raised to acquire (the interest in) the property.
- Procurement or arrangement fees connected with such a loan.
- Mortgage indemnity premiums.
- Survey or inspection of the property.
- Fees payable to the Keeper of the Registers of Scotland.
- Stamp Duty.
- Connection of electricity, gas, water, and phone services.

8.3. Transporting belongings

This covers the physical removal of domestic belongings from the old residence to the new, and the costs of insuring them in transit.

Removal includes:

- Packing and unpacking.
- Temporary storage if a direct move from the old residence to the new is not made.
- Taking down domestic fittings in the old residence if they are to be taken to the new residence and re-attaching them on arrival there.

The Council will pay the lower of two quotes for the removal of household effects to Orkney. If an employee is relocating from another country, they may claim the cost of removing household effects to Orkney. One of the quotes must be from an Orkney based removal company.

Domestic belongings can include household pets.

8.4. Travelling and subsistence

The employee may be eligible for travel and subsistence up to a maximum of two trips for spouse / partner and dependants:

- Preliminary visits to the new location, prior to taking up appointment of the post (Also applies to the employee's immediate family).
- Travelling between the old home and the new work location.
- Travelling between the new home and the old work location (Where the house move takes place before the job transfer).
- Temporary living accommodation. Subsistence is defined for the purposes of removals legislation as meaning 'Temporary living accommodation' (see 8.5).
- Travelling between the old home and the temporary living accommodation.
- Travelling from the old home to the new home when the move takes place (Also applies to the employee's immediate family).

Where a child stays behind at the old location or is sent ahead to the new location to ensure continuity of education, relief may be available for the child's cost of travel and subsistence.

8.5. Temporary Accommodation

Temporary accommodation applies where the employee intends to move to permanent accommodation to complete the relocation. So, for an employee who lives in a hotel until the old home is sold and a new home purchased, or who moves into a rented house at the new location for the same reason, the hotel and rented property represent temporary living accommodation.

Orkney Islands Council does not provide council housing as part of the relocation package. Relocating workers will be considered for council housing under the terms of the Council's Allocation Policy, in line with all other housing applicants.

Ability to claim payment of the temporary accommodation will stop should any of the following circumstances occur:

- The employee takes possession of a property they have bought in Orkney.
- The employee takes up a Scottish Secure Tenancy from Orkney Islands Council or Orkney Housing Association Limited.
- The total cost of the relocation package exceeds the maximum entitlement as stated in the relocation agreement (inclusive of VAT).
- Expiry of the period defined by HRMC for relocation expenses to be claimed with (see section 5).

8.6. Specific Island Communities.

Priority will be given to a Head Teacher to access a schoolhouse as relevant. The Council's Lettings Policy gives some priority to those requiring living in specific communities because of, for example, work commitments. Allocation of property thereafter is dependent on availability and level of demand.

8.7. Domestic goods for the new residence

Costs for the purchase of essential domestic goods for the new residence, are potentially eligible for claim where the purchase of domestic goods is to replace items used at the old home that are not suitable for use in the new home. This does not include replacement of goods for aesthetic purposes, nor does it cover goods deemed as non-essential/luxury i.e. installation of Sky or broadband.

9. International Relocation

Where an individual is relocating to start work with the Council from out with the UK, there is no different value of maximum relocation package available to them.

Costs associated with obtaining Visas for the employee and or their family members are not eligible for claiming via relocation expenses. All other provisions of this policy apply equally.

10. Approval and Payment

Employees will not be eligible to reclaim expenses until the agreement for the repayment of relocation expenses has been signed.

All costs are directly paid by the employee and are then reimbursed following completion of the appropriate claim form(s) (Appendix 1). The exception is removal costs, which can be

paid directly by the Council. Only expenditure that is actually and necessarily incurred will be reimbursed.

It is the employee's responsibility to ensure that their expenditure claim is in line with the Relocation Policy rules, in advance of making a financial commitment to relocation expenditure.

Claims in respect of these allowances will normally be submitted via the Council Expenses process on Integra. Only where an employee has no ability to be able to access Integra shall manual claims be accepted, which must be approved by the Head of Service.

All claims must be supported by appropriate statements / receipts.

The Corporate Director or Head of Service will ensure all claims are legitimate before approval of payment is granted.

The Service will administer all payments, ensuring costs are claimed within the timescale and that the total cost of each relocation package does not exceed the maximum limit inclusive of VAT.

The Payments Section, Finance will process these payments following confirmation from the Service, and receipt of appropriately authorised documentation and receipts.

The employee will determine the make-up of the relocation package; however, **the total cost must not exceed the maximum claim as indicated in the relocation agreement** and must comply with qualifying categories set out in section 8 of this policy.

The examples of eligible items for claims given in this policy are neither an exhaustive nor definitive list of eligible and non-eligible claims. The Corporate Director, Head of Service and Head of Finance, or their nominated deputy, have the right to reject any aspect of a claim where these do not comply with this policy and HMRC rules for eligible claims of relocation expenses.

11. Other Relocation Support

11.1. Relocation Support Contact

The Council will allocate a named point of contact for any new employee relocating to Orkney to start employment. They will function as relocation support to provide any advice, guidance, and support in respect of any matter relating to relocation.

11.2. Support for Relocating Family Members

The Council acknowledges that when an individual relocates to Orkney for work, they are often joined by a partner or other family members who live with them, who may also be seeking employment.

The Council is committed to look to offer support and assistance for partners and resident family members to be able to find employment, from the point at which the formal offer of employment is accepted for a period of up to 3 months.

The Council will provide the following support and assistance to partners/resident family members of individual relocating to Orkney to start employment with the Council:

- Enable partners/resident family members to be able to apply for any Council vacancy, including internal advertised roles.
- Offer a guaranteed interview for partners/resident family members where they meet the essential criteria for a Council post.
- Signpost partners/resident family members to other possible employers within Orkney.

12. Supporting Documents

Supporting documentation for this policy:

- Relocation Offer Letter and Agreement (Permanent Contracts)
- Relocation Offer Letter and Agreement (Temporary Contracts)
- Relocation Offer Letter and Agreement (Temporary Contract Extension)
- Relocation Expenses Claim Form (Appendix 1)

These are available on MyView/Useful HR Information or from HR Support.



Market Supplement Policy (SJC Posts)
May 2025

Document Control Sheet.

Review / approval history.

Date.	Name.	Position.	Version Approved.
May 2025	General Meeting of the Council	n/a	1.0

Change Record Table.

Date.	Author.	Version.	Status.	Reason.
Next due for review in 2030				

Contents

1. Introduction.....	4
2. Who does this apply to?	4
3. What is a Market Supplement?	5
4. Equality Implications.....	6
5. Job Review or Redesign.....	6
6. Preparing the Business Case	7
7. Market Conditions and Comparators	8
8. Determining the level of Market Supplement.....	9
9. Pay Considerations	9
10. Application and Approval Process	10
Application for payment of a Market Supplement.....	12

1. Introduction

Orkney Islands Council has and always will face some additional challenges in relation to recruitment given our geography and remoteness. However, since the COVID-19 pandemic there has been new and unprecedented challenges. They include the dramatic increase in home and remote working which means that the Council is competing with public and private sector organisations from a much larger geographical area; Brexit has also resulted in skills shortages in key sectors such as care, early learning and childcare. These make it even more important than ever that the Council is an employer of choice.

The Council has seen and continues to see many service areas facing continuing challenges including higher levels of vacancies and a significant reduction in the number and experience of applicants for posts.

In this context this policy would enable the Council to have the ability to use market supplements (temporary additional payments) to attract and retain staff to posts where there is clear evidence that the Council's total remuneration package is causing recruitment and retention issues; and this represents an unacceptable level of organisational risk.

The rate of pay payable for posts within the Council is determined according to the national terms and conditions applicable to the staffing group as detailed in Section 2.

Determining pay in this way ensures that the Council meets its statutory obligation of equal pay for work of equal value.

In exceptional circumstances, where the Council is able to demonstrate that recruitment and retention issues are impacting on service delivery, the payment of a temporary additional element of pay paid in addition to basic salary may be justified. This should be supported with clear evidence that the Council's rate of pay for a defined post or group of posts falls below the required level in relation to the comparator market.

This policy will provide services with information on the circumstances under which it may be possible to use market supplements to enhance the total remuneration package offered to postholders and applicants in order to attract and retain the required calibre of staff.

2. Who does this apply to?

The scope of this policy applies to all permanent, temporary and casual/supply employees of Orkney Islands Council including employees covered by the Scottish Joint Council (SJC) conditions of service (those paid on the Council pay structure of Grade A to Grade N).

All other Council employees are covered under separate national or other pay arrangements which the Council has no ability to vary in this manner.

3. What is a Market Supplement?

A market supplement is a temporary additional payment to employees in a specific post where there is clear evidence that the Council's total remuneration package is causing recruitment and retention issues resulting in unacceptable organisational risk.

Unacceptable risk would include:

- Inability to meet essential service delivery.
- Inability to comply with statutory responsibilities.
- Reputational damage to the Council.
- Financial risks to the Council.

General Principles

The following guiding principles must be followed when considering and applying for approval of market supplement payments to ensure legal compliance and minimise the risk of creating equal pay liability.

- All other non-pay options to improve recruitment and retention to the post must have been considered before an application for approval of a market supplement can be submitted.
- Approval of a market supplement application will only be granted where a business case is supported by evidence of recruitment and retention difficulties, consideration of alternative non-pay options and prevailing market conditions and comparators, which provide justification for application of a market supplement.
- Market supplement payments must be justifiable with reference to current market conditions and therefore will only be agreed for a maximum period of 24 months.
- A review of market conditions will be conducted prior to the end of the agreed period to determine whether the payment should be withdrawn, extended or changed.
- The market supplement will automatically end at the 24 month period, unless a process of review of the market conditions and subsequent approved application is in place before that time.
- The maximum total duration that a market supplement for a post will be paid for is 3 years, from the first date that it was agreed.
- The payment of market supplements may be reviewed at any time where market conditions no longer justify the payment.
- Twelve weeks' notice will be provided to postholders in the event that a market supplement will end early or is subject to change.
- Market supplement payments must be supported by the Head of Human Resources and Organisational Development and then will be submitted for approval by the Chief Executive.
- Market supplement payments will be made to all postholders of the relevant post that meet the criteria for the supplement, those newly recruited and existing employees, including any casual/supply/relief workers.

4. Equality Implications

The Council must ensure that the payment of a market supplement does not lead to exposure to equal pay claims under the Equality Act 2010. Payment of a market supplement has the potential to, for example, result in male and female employees being paid differing amounts for work which has been rated as equivalent under the Council's job evaluation scheme or other national pay agreement.

In order to successfully resist equal pay claims the Council must be able to show that the difference in pay is explained by a material factor that does not involve direct or unjustified sex discrimination. The material factor in this case must therefore be the prevailing market conditions.

The ability to evidence market conditions and the business case to support market supplements, along with a consistent approach to their application is therefore essential to mitigate against any risk of successful equal pay challenge.

A full Equal Pay Risk Assessment is required to be carried out by the Service as part of the business case for any application for a market supplement.

5. Job Review or Redesign

Prior to preparing a business case, consideration should be given to whether it would be appropriate to review or redesign the post, and then submitting the post for job evaluation, therefore potentially mitigating the need for a market supplement.

Job evaluation may be possible in the following circumstances:

- Not been evaluated for a significant period of time (3 - 5 years).
- Where the post has undergone substantial, permanent material change in the level of duties and responsibilities since the last time it was evaluated (More of a similar work level, or increased work load generally will not be sufficient to warrant re-evaluation).

An initial assessment, by Human Resources, of the job evaluation factors against an up-to-date job description and completed Evaluation Information Form for the post provided by the service would indicate whether there is merit in formal job evaluation.

The decisions as to whether a post would satisfy the criteria for re-evaluation rests with the trained and experience job analysts, within Human Resources.

6. Preparing the Business Case

A business case for payment of a market supplement may be made where recruitment and retention issues are resulting in unacceptable risk to service delivery, compliance with statutory responsibilities, the Council's reputation or financial stability.

Such risks may be identified when a service has experienced difficulty in recruiting to a specific post where the postholder or group of postholders provide essential services and are in a recognised hard to fill position or where there is a relevant skills shortage.

The cost of applying a market supplement must be managed within the current service budget and future budgetary position for the duration of the proposed period of the market supplement. Therefore, the business case must consider how such costs will be managed in relation to the number of postholders to whom the market supplement will apply.

Evidence of Recruitment and Retention Issues

There must be more than a belief that there are recruitment and retention difficulties, and therefore services must provide evidence including:

- Turnover rates.
- Exit questionnaire data.
- Unsuccessful recruitment campaigns.

Non-Pay Factors

Recruitment and retention problems are often caused by factors other than pay which should be addressed in the first instance, before application of market supplement is considered. The Service will be required to provide evidence that recruitment and retention issues cannot be successfully addressed through non-pay options or promotion of the total benefit package. Applications should therefore provide evidence of consideration of the following:

- Job re-design.
- Effective advertising.
- Opportunities for development.
- Support or facilities offered in post.
- Any matters relating to employee relations or the working environment raised by staff either informally or formally or through the employee survey.
- Promotion of the Council's total benefit package including – pension provision, annual leave, family care benefits, flexible working or employee benefits platform.

Equality Impact

The business case should consider any impact to employee groups across the Council to establish any inequality in relation to protected characteristics. Careful consideration should be given to employee groups where posts have been evaluated as being of equal value.

A full Equality Impact Assessment (EqIA) should be conducted with the outcome of the assessment summarised in the Market Supplement Application Form and the EqIA included with the form for reference.

7. Market Conditions and Comparators

In order for a market supplement to be approved, there must be clear evidence that the basic rate of pay for the specific post is directly contributing to increased labour turnover or an inability to recruit. Therefore, in addition to ruling out other non-pay factors, consideration must be given to the prevailing market conditions with a view to identifying comparators.

The case for payment of a market supplement should be supported by clear evidence that the Council's rate of pay for a specific post falls below the 'going rate' in the comparator market.

When considering market rates and determining whether they are an appropriate comparator, account should be taken of the following:

- The employment sector – local authority, wider public sector, private sector or voluntary sector and the ability of employees to work across these sectors.
- The geographic labour market – where are the comparator organisations based in relation to the Council and where might employees reasonably travel from.
- The organisations considered to be the main competitors for talent in relation to the specific post.
- The size and resources of the potential comparator organisation.

In addition to the organisational factors above, identification of an appropriate comparator must take account of the post itself. The posts should be the same, or broadly similar, in terms of duties and responsibilities and knowledge and skill requirements. It may therefore be necessary to obtain job descriptions for comparator posts.

Comparative data from more than one source should be provided as evidence, obtained for example through:

- Benchmarking;
- National earnings surveys or sector specific surveys;
- Local and National job advertisements; and
- Employer networks (local authority and profession specific).

8. Determining the level of Market Supplement

When determining the market supplement payment to be made, the total remuneration package (salary and wider benefits) of appropriate comparator posts should be considered.

The starting point is to assess the extent of the difference between the comparator market rate and the Council rate, taking account of the salary range payable and any additional allowances.

Market supplements are normally based on the median pay of comparators, however the total remuneration package, inclusive of any market supplement, should be sufficient to enable the recruitment and retention of employees and should not exceed the level deemed necessary to attract suitable candidates.

When recruiting to a post that attracts a market supplement payment, care must be taken when appointing on higher pay points within the grade as the total remuneration must justify market conditions.

9. Pay Considerations

Market supplement payments will be:

- Paid monthly as an allowance, clearly identifiable and separate to basic pay.
- Pensionable and subject to tax and NI.
- Pro rata for part-time employees.
- Payable during authorised paid leave including sickness absence and family care leave – calculation of 90% of earnings and half pay for maternity leave and other types of family care leave will be inclusive of any market supplement payment, as will half pay for sick leave.
- Payable during a paid suspension from work.
- Included in any deductions related to unpaid leave or other unpaid absence.
- Payable for hours worked up to 35 or 37 hours per week (Normal full-time hours for the post per week) – overtime above the normal full time working hours for any post per week will not attract market supplement payments.
- Adjusted accordingly where contracted hours are increased/decreased.
- Payable to all postholders of the relevant post including those undertaking the role on a temporary or supply basis.
- Payable during contractual notice periods.

Market supplement payments will not:

- Be paid if an employee moves to, or is seconded/redeployed to, a post that does not attract the market supplement.
- Attract pay award increases or be affected by incremental progression.
- Be included in pay protection.

It is acknowledged that payment of market supplements will impact on pay differentials between posts attracting a market supplement payment and those who may be directly line managing them. However, employees in posts not in scope of the relevant market supplement payment should not automatically receive a pay rise to maintain pay differentials. Erosion of pay differentials will be a consideration for the Chief Executive in determining whether a proposed market supplement should be approved.

10. Application and Approval Process

Initial Discussions

Initial discussions and agreement to conduct the necessary market condition and comparator research should be conducted between the relevant Service Manager, Head of Service and Human Resources.

In line with the Trade Union Consultation Protocol, it would be appropriate at this stage to informally consult with relevant trade union representatives to identify any potential areas of concern. All information shared at this preliminary stage should be treated in the strictest confidence on the understanding that it will not be communicated to potentially affected employees or other parties unless agreement to do so is reached.

Application and Approval

Applications for market supplement payments should be prepared by the Service Manager, endorsed by the relevant Head of Service and Corporate Director.

The completed application form should be shared with relevant Trade Union representatives. It is the responsibility of the Head of Service to ensure that appropriate consultation with relevant trade union representatives is undertaken to allow the Trade Union(s) to express views which may influence final proposals and decisions. Trade Union feedback and comments should be recorded in the application form.

The application must then be submitted to the Head of Human Resources and Organisational Development or their nominated deputy for consideration and then the application will be submitted to the Chief Executive for consideration.

Prior to submitting, the Head of Service should ensure any required legal advice has been sought and consult with Human Resources to ensure equal pay risks have been considered and any risks and proposed mitigation are reflected in the application.

Advertising a Post with a Market Supplement

Adverts for posts attracting a market supplement payment will clearly set out that a market supplement payment will be paid as a temporary additional allowance on top of the annual salary/hourly rate, setting out the agreed payment period or specified end date and review arrangements.

Contractual Documentation

All eligible employees, both those newly recruited and existing employees, will receive an additional contractual letter detailing all the terms and conditions relating to the temporary market supplement payment.

Review of Market Supplement Payments

Market supplement payments will only be agreed for a maximum period of 24 months and subject to review.

The review should be undertaken no later than six months before the market supplement end date to determine whether the payment should be withdrawn, extended or changed.

The review will be subject to the same process and scrutiny as the initial application and should provide up to date evidence of the prevailing market conditions and business case to support the continuation of any payment. The Service Manager will be required to complete the Market Supplement Application Form for approval indicating that the application relates to the review of a market supplement.

Where the review is not concluded before the end of the 24 month period, the market supplement will cease as planned at the 24 month period. Any extension of the supplement cannot be back dated.

The maximum total duration for any market supplement is 36 months, there will be no ability to seek an extension beyond a 36 month total period.

The payment of market supplements may be reviewed at any time where it becomes evident that market conditions no longer justify the payment. Service Managers will be responsible for maintaining an understanding of current market conditions to bring market supplement payments to an end as appropriate. Twelve weeks' notice will be provided to postholders if a market supplement will end early or be reduced.

Contractual documentation will be issued in accordance with any decision to extend or change a market supplement.

Application for payment of a Market Supplement

Service		<input type="checkbox"/> ELH	<input type="checkbox"/> ESR	<input type="checkbox"/> NSI	<input type="checkbox"/> OHAC	<input type="checkbox"/> SPBS
Head of Service Area						
Post Title						
Post Grade		Grade Min*		Salary Max*		
DIA Payable	£2,859	Other allowances				
Established number of posts			Established FTE for Posts			
Vacant Number of posts			Established FTE Vacant			

*excluding DIA and other allowances.

Details of Market Supplement being Sought					
Application For	<input type="checkbox"/> Payment of a new market supplement for up to 24 months. <input type="checkbox"/> Extension to market supplement (total not to exceed 36 months). <input type="checkbox"/> Payment of a revised rate of market supplement.				
Annual amount of Market Supplement £					
Duration for Market Supplement		<input type="checkbox"/> 12 months	<input type="checkbox"/> 18 months	<input type="checkbox"/> 24 months	
Proposed Implementation Date					
Post Numbers Supplement applies to					

Risk Factors
Please identify and detail supporting evidence of where recruitment and retention difficulties to this post are resulting in unacceptable organisational risk application:
<input type="checkbox"/> Inability to meet essential service delivery.
<input type="checkbox"/> Inability to comply with statutory responsibilities.
<input type="checkbox"/> Reputation damage to the Council.

Financial risks to the Council.

Job Evaluation

When was the job description for the post last updated?

When was the post last job evaluated?

Was the post re-graded at that evaluation?

Has the need for re-evaluation been considered as an alternative to a market supplement? Please provide evidence of and assessment of job evaluation factors against an up-to-date job description for the post.

Recruitment and Retention Difficulties for this post

Please provide details of turnover rates for this post, in comparison with average turnover rates.

Please provide details of the reasons for leaving provided by staff who have left this post in the last two years.

In competitor organisations please detail the main driver in attracting staff away from the Council.

Please provide information on the number and quality of responses to job adverts include ORK reference no, dates where advertised and recruitment initiatives adopted.

Please provide details of any other attempts to recruit to this post i.e. use of agency and training structures and detail dates, the number and quality of responses.

Is there a regional/national skills shortage impacting on recruitment to this position? Would the skills shortage be better addressed through new/alternative training schemes and are there any plans to introduce such?

Non-Pay Factors

To support an application for a market supplement, evidence must be provided that recruitment and retention issues can not be successfully addressed through non-pay options.

Please provide evidence that consideration has been given to re-designing the job/structure to undertake work in a different way e.g. development of trainees, re-allocation of duties.

Please provide evidence that consideration has been given to the opportunities for development in the post to retain current staff and attract new recruits. How have such opportunities been promoted?

Please provide evidence that consideration has been given to support and facilities available in the post to order to retain current staff and attract new recruits. How have such support and facilities been promoted?

Please provide evidence that the total value of the Council's benefits package (pension, provision, annual leave, family care, flexible working, employee benefits) has been promoted effectively.

Equality Impact

In order to successfully resist equal pay claims, the Council must show that the difference in pay of two posts of equal value is explained by a material factor that does not involve direct or unjustified discrimination.

Therefore, to support an application for a market supplement evidence must be provided that any equality impact is objectively justifiable.

Difficulty in recruiting is not an objectively justifiable defence for equal pay purposes for paying a market supplement or other recruitment incentive.

Therefore a full Equality Impact Assessment of the proposed market supplement must be carried out, documented and submitted with this application and summarised below.

Please provide evidence that consideration has been given to posts across the Council which have been evaluated as being of equal value to the post under consideration for application of a market supplement.

What is the male/female split of the post under consideration for application of a market supplement and post(s) considered to be of equal value?

Is there any reason to believe that the market rate itself is discriminatory?

Have you identified any other impact on employee groups on the basis of protected characteristics of the application of market supplement?

Alternative Strategies

It is likely that application of a market supplement will trigger a pay spiral within the Council and in other competing organisations, resulting in increasing pay rates to attract the same small group of individuals? If this is the case, please provide evidence that consideration has been given, as an alternative to market supplements, to strategies such as partnership working?

Please provide evidence that consideration has been given to the use of agency workers, contractors, private sector or other providers. Please outline the advantages/disadvantages and associated costs.

Market Conditions

Please provide evidence gathered to determine the 'going rate' for role in the comparator market. Evidence must include the:

- Employment sector.
- Geographic labour market.
- Main competitors.
- Size and resource of comparator organisations.
- Duties and responsibilities of comparator posts.
- Knowledge and skill requirements of comparator posts.
- Sources of the comparator data.

Please include all documentary evidence with this application.

Proposed Market Rate Calculation

How has the proposed market supplement been calculated? Please provide comparison of the total remuneration package of appropriate comparator posts against the current Council rate and proposed against the current Council rate and the proposed total remuneration package including market supplement.

Is the market supplement proposed equal to the media for of comparators? If not, please provide justification for the rate proposed.

Please provide evidence of consideration of the implications of the implications of application of a market supplement in relation to the higher pay points of the salary range and ensuring justification of the market supplement,

Please provide evidence of how the market supplement will be funded within the current service budget and future budgetary provision for the proposed period of market supplement provision.

Service Manager Statement

It is my genuine belief that the evidence provided demonstrates that:

- There is an unacceptable risk associated with ongoing issues of recruitment and retention in relation to the relevant post;
- Payment of a market supplement if justifiable to address issues with recruitment and retention in relation to the relevant post;
- The amount of payment is justifiable and likely to achieve positive results.

Signature: _____ Date: _____

Forward application & supporting info to Head of Service the Corporate Director

Head of Service and Corporate Director Statement

We am satisfied that the application for payment of a market supplement is justified and supported by the evidence provided. I have discussed any potential equal pay risk with Human Resources, seeking legal advice as required, and I am satisfied that the business case provides mitigating evidence against equal pay.

Head of Service Signature: _____ Date: _____

Corporate Director Signature: _____ Date: _____

Forward the application and supporting information to Human Resources.

Head of Human Resources and Organisational Development	
I am satisfied that the application for payment of a market supplement is justified and supported by the evidence provided and I am satisfied that the business case provides mitigating evidence against equal pay and on that basis I would support the application.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Signature: _____ Date: _____	
Forward the application and supporting information to the Chief Executive.	

Chief Executive	
I am satisfied that the application for payment of a market supplement is justified and supported by the evidence provided and I am satisfied that the business case provides mitigating evidence against equal pay and on that basis I approve the market supplement as detailed in this application.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Signature: _____ Date: _____	
Please return application and supporting information to Human Resources	