

School of Oriental and African Studies Market Pay Policy

1) Scope and Purpose

- 1.1 This policy applies to all posts at SOAS. SOAS is committed to the principles of equal pay for work of equal value. The grading, and therefore the salary range, of all posts are determined by the outcome of job evaluation.
- 1.2 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 or specialisms. 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 s.69 of the Equality Act (2010) where there is evidence to justify market conditions as the “material factor” for the post attracting a higher rate of pay than other posts graded similarly.
- 1.3 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.
- 1.4 This policy has been agreed in partnership between SOAS and the recognised trade unions (UCU and UNISON).

2) When are market supplements appropriate?

- 2.1 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 where there is a material risk of a post becoming vacant due to a below market rate of pay.
- 2.2 Consideration of the post should also take account of the relevant specialism, not just role title.
- 2.3 This evidence must be objective and verifiable and could include:
 - tangible market information on the salary being paid for similar posts/specialisms in other organisations. This is likely to include advertisements and job descriptions for at least two similar posts.
 - evidence of skilled staff leaving SOAS, or being approached by other employers, for similar jobs with a higher level of pay elsewhere. Such cases must be underpinned by exit interview details or other evidence.

- evidence of two unsuccessful recruitment attempts in the preceding six months
- 2.4 Where such circumstances exist, recruiting managers must contact Human Resources for advice. HR will maintain a range of market pay information and 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.
- 2.5 Consideration of requests to pay market supplements will be given on a case by case basis.
- 2.6 HR will also confirm the value of any market supplement and the conditions that apply to it.
- 2.7 Where a market supplement is being considered for existing or new staff all trade unions shall be informed of the need and level of such a market supplement and be provided with the relevant supporting evidence justifying it.

3) Conditions attached to Market Supplements

- 3.1 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. 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. Any extension or cessation will be reported to all trade unions together with the supporting evidence justifying the action.
- 3.2 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.
- 3.3 A market supplement will be for a fixed amount and will not be subject to annual cost of living increases. The supplement will be superannuated – determined by the rules of the appropriate pension schemes. 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.
- 3.4 Market supplements are paid in relation to specific posts/specialisms. Therefore where it is agreed that the payment of a market supplement is appropriate, all staff carrying out the duties of the post in the particular, identified specialism (if appropriate) must receive the same supplement on the same conditions.

4) Challenges

- 4.1 If a trade union believes that the case for the payment, extension of the payment, or cessation of the payment of a market supplement has not adequately been made then this can be challenged through the normal Grievance Procedure with the status quo applying until the grievance process is completed.

5) Monitoring

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