

FOR PUBLICATION

POLICY ON IMPLEMENTATION OF LIVING WAGE

MEETING: EMPLOYMENT AND GENERAL COMMITTEE

DATE: 29 MARCH 2016

REPORT BY: KATE HARLEY, HR MANAGER.

1.0 PURPOSE OF REPORT

- 1.1 To gain agreement to pay the current voluntary national living wage amount of £8.25 per hour to all council staff on Green Book terms and conditions who earn below that amount currently from April 1st 2016.

2.0 BACKGROUND

- 2.1 The Living Wage is set independently and annually and to become a Living Wage Employer and enjoy accreditation from The Living Wage Foundation certain criteria have to be met. Whilst accreditation is a positive step it also reduces control on pay budgets as the living wage is set independently each year by an external source and also requires that all contracts have clauses requiring the living wage to be paid (thus passing the onus onto third parties).
- 2.2 Nationally many Local Authorities are Living Wage employers achieving accreditation, however many have decided to retain budgetary control and pay a living wage supplement to employees as an alternative and be deemed a voluntary living wage employer.
- 2.3 Additionally recent budgets have announced the intention to implement a national living wage from April 2016, therefore this has been factored in to the proposals.
- 2.4 In making decisions on budgets for 2016/2017, full council approved the provision of £73,000 funding to cover the cost of implementing this allowance for 2016/17 with provision outlined for future years.

3.0 PROPOSED PROCEDURE

- 3.1 All staff currently on NJC Green Book terms and conditions who receive a basic hourly rate of pay of less than £8.25 will receive an additional allowance for the living wage to bring their basic pay to that level.
- 3.2 This will not apply to craft workers as they receive bonuses which take their hourly pay above this level.

- 3.3 This allowance will be awarded from April to April each year and will be reviewed annually taking into account any increases in the Voluntary Living Wage set in November and annual increases negotiated through the pay settlement agreement.
- 3.4 This allowance will only be awarded on basic pay and overtime payments will continue to be paid at the current rate of pay without the additional allowance.
- 3.5 This allowance may be withdrawn at any point in the future if budget dictates.
- 3.6 A full Equality Impact Assessment has been completed and is attached at appendix B.

4.0 JOINT MANAGEMENT TRADE UNION AGREEMENT

- 4.1 The proposals were discussed with unions on 15 January 2016 and on 22 January 2016 the unions gave their support for the proposals with the caveat that an option was explored to address differentials in the rates of pay for chargehands and cleaners.

5.0 EQUALITY CONSIDERATIONS

Equality impact analysis has taken place for this Policy. No negative impacts were identified for any of the protected characteristics based on the evidence currently available. The majority of employees who will benefit from this policy are female so there will be a disproportionate positive impact on women. We will continue to monitor the impact and re-visit the analysis if new evidence or further changes emerge.

6.0 RECOMMENDATIONS

- 6.1 That the payment of the voluntary living wage be approved for 2016/2017.

For further information on this report, contact Kate Harley on 01246 345366.