



PORTFOLIO HOLDER DECISION NOTICE

INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR SERVICE DELIVERY

TOPIC – LIVING WAGE ACCREDITATION

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Head of Legal and Democratic Services, the Chief Executive and the Chief Finance Officer are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

Contact Officers:

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Democratic Services Officer: Nancy Graham, Tel: 01962 848 235, Email: ngraham@winchester.gov.uk

SUMMARY

The Council has successfully qualified for accredited Living Wage Employer status with the Living Wage Foundation. This voluntary scheme differs to the National Living Wage being introduced in April 2016, as it is calculated according to the cost of living and paid to all employees regardless of age. The voluntary Living Wage is currently set at £8.25 an hour outside of London.

In order to receive this accreditation and call itself a Living Wage Employer the Council must make the following commitments:

- To pay all directly employed staff the Living Wage (currently £8.25 an hour, but reviewed annually).
- To ensure all third party contracted staff working regularly on the Council's premises are paid the living wage and, where existing contracts are in place which currently don't pay the Living Wage rate, that milestones with the Foundation are agreed to review the contracts and/or payments to staff to

bring them in line with the Living Wage requirements as and when contracts are renewed.

- An annual fee of £400 paid to the Living Wage Foundation.

The accreditation will be reviewed annually.

The Foundation specifies that the Living Wage does not need to apply to apprentices or interns unless the organisation can afford to do so. Following a review of this, it is considered that the Council should not extend the Living Wage to apprentices, as this would damage the partnership arrangements it has with other councils through the Hampshire Apprentice Partnership. The Council already pays apprentices a competitive rate above the Apprentice Minimum Wage.

DECISION

That the Council makes the commitments set out in the Summary of the Decision Notice in order to gain accredited Living Wage Employer status.

REASON FOR THE DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The Council already pays all directly employed staff (excluding apprentices) the Living Wage. The decision was taken to pursue the full accreditation as it would have the following benefits:

- It enables contractors to recruit and retain the best staff, leading to more efficient and effective service delivery.
- The Council is a large employer in the area and has a strong influence over the local economy; becoming a Living Wage employer will encourage other local employers to do the same, benefiting the local economy and residents.

RESOURCE IMPLICATIONS:

Provision will be made within existing budgets for 2016/17 to cover the costs of implementing the Living Wage. The additional costs arising from including provision for the living wage in future contracts will need to be taken account of as part of the budget setting process from 2017/18 onwards.

The voluntary Living Wage is calculated based on the cost of living and reviewed annually, meaning there is little certainty of the future financial implications for the Council. However, the accreditation must be renewed annually, presenting the Council with the opportunity to review resource implications and take the decision not to renew accredited status should it become unviable.

CONSULTATION UNDERTAKEN ON THE DECISION

Cabinet Members have been consulted on the process and the implications. Discussions have also taken place with the Council's contractors and this process will be ongoing for those contracts which currently do not pay the voluntary Living Wage as this will be renegotiated in the future as contracts are renewed or within set milestones which have been agreed with the Foundation.

FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE

N/A

DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED

N/A

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

N/A

Approved by: (signature)

Date of Decision: 15.04.16

Councillor Weston – Portfolio Holder for Service Delivery