

Living Wage Supplement

1. Introduction

This report provides an update for Appointments Committee on:

- progress in implementing the Living Wage supplement for Gloucestershire County Council employees following the Full Council decision at the budget setting meeting on 26 February 2014.
- confirmation of the number of Community/Voluntary-Controlled schools, who following a consultation exercise, will adopt the Living Wage.

Appointments Committee are also asked to approve the Council's Policy Statement.

2. Progress in implementing the Living Wage supplement

Following Full Council's decision, discussions took place to plan the most effective way of introducing the Living Wage supplement both for GCC central employees and school support employees in Community/Voluntary-Controlled schools (where GCC is the employer).

The primary objectives throughout the period following Full Council's decision have been to:

- Conduct a proper consultation process to allow schools to consider how they might introduce the living wage and provide opportunities for them to comment and give their considerations which will be formally considered by the council.
- Work with managers, particularly those in GIS, to let them know of the changes and allow them to support staff to manage any impact on their benefit entitlements
- Develop the technical changes needed to add the Gloucestershire Living Wage pay point to the Council's payroll arrangements.
- Consult with the trade unions about the detail and review arrangements.

It was agreed to work towards a 1 September implementation date. This was primarily driven by the preference to allow Community and Voluntary-Controlled schools to have appropriate time to consider their position, support them with their considerations and to utilise the annual school budget process to 'consult/promote' the LW supplement to schools rather than a stand alone consultation exercise. A 1 September implementation to coincide with start of the academic year has been well received by schools and has encouraged less resistance to adopting the LW supplement.

It was also agreed to adopt the same timetable for all other GCC staff. This reflects the current position that some centrally employed GCC staff work alongside schools

staff in schools. Having an earlier implementation date for non-schools based staff would have been likely to have caused some resentment and would have been potentially open to challenge.

The technical changes needed to adopt the Living Wage through the council's payroll arrangements have been agreed and are being tested ahead of the September payroll.

The Trade Unions representing Council workers and school support staff (GMB, UNISON and UNITE) have been consulted and regularly kept up to date on progress. They are fully supportive of the proposed arrangements.

Further communications will take place with impacted employees, schools, GCC Managers and Trade Unions during July and August. These will primarily focus on the practical implementation arrangements e.g. letters to employees confirming new salary and how the supplement will operate.

2.1 Results of schools consultation exercise

The annual Governors budget returns have been collated and a significant majority of the 161 Community and Voluntary-Controlled schools who have staff earning under the Living Wage (£7.65 per hour) will be adopting it with effect from 1 September. This is a very positive outcome considering no funding was provided.

Summary of results (as at 4 July 2014):

Yes – will be adopting Living Wage supplement	154
Undecided – to be confirmed	2
No staff impacted	3
No but will implement next year	1
No – cost prohibitive	1

On a related note, many Foundation and Voluntary-Aided schools (where the governing body, not GCC, is the employer) have confirmed in their budget returns that they will be introducing some form of the Living Wage with effect from 1 September. Furthermore, some Academies (who purchase the County Council's HR/payroll traded services) have also indicated that they are likely to introduce a form of/or the Living Wage.

3. Approval of Council's Policy statement

Appointments Committee are asked to approve the following principles to be included in a policy statement for the Council's living wage supplement:

- With effect from 1 September 2014 the Council will introduce an additional local supplement to the pay of all Gloucestershire County Council staff who are currently on salaries of less than the living wage.
- It will apply to all Council employees and will be promoted to Council maintained schools.
- It will be referred to as the Gloucestershire County Council 'living wage supplement'
- The initial rate will be set at the current national 'living wage' value of £7.65 per hour
- Review is at the discretion of the County Council with respect to both time of year and value. However, the proposal is to reflect the timetable for any NJC national annual pay award.