

POLICE FINANCE ADMINISTRATION COMMITTEE

4 DECEMBER 2012

REPORT OF HEAD OF COMMUNICATIONS

LIVING WAGE

1.0 PURPOSE OF REPORT

1.1	This report outlines a proposal for Melton Borough Council to adopt the Living Wage for its employees which at current rates would result in the establishments of a minimum wage of £7.45 per hour with effect from 1 December 2012.
2.0	RECOMMENDATIONS It is recommended that:-
2.1	That the lowest paid employees in Melton Borough Council receive a minimum level of pay in line with the Living Wage as part of its commitment to tackle poverty and worklessness in Melton Mowbray backdated to 1st December 2012
2.2i	That the costs of implementing the Living Wage for Melton Borough Council employees be met as set out in section 5.
2.3	To refer the decision to The Head of Communications, in consultation with Joint Staff Working Group, to consider the implications and necessary revisions to related HR policies and terms and conditions.
3.0	KEY ISSUES
3.1	The Living Wage is an hourly rate set independently and updated annually. It is calculated according to the basic cost of living in the UK by the Centre for Research in Social Policy.
3.2	Implementation of the Living Wage is purely voluntary by employers and considered to be beneficial to the employer, the individual and society.
3.3	Since its establishment in 2000 the Living Wage has been adopted by a number of local authorities in addition to private sector firms. The Council is committed to tackling poverty and worklessness in Melton Mowbray and implementation of the Living Wage makes an important contribution to achieving this goal.
3.4	The current established rate for those living outside of London is £7.45. The minimum hourly rate paid by Melton Borough Council is currently £6.30 per hour. The Living Wage is reviewed annually every November. It is proposed that the Living Wage is implemented with effect from 1 December 2012 for direct employees and revised annually in November.
3.5	If the Council were to adopt the Living Wage 12 employees would benefit. Those affected are predominantly women working in roles such as cleaners and public convenience attendants.
4.0	POLICY AND CORPORATE IMPLICATIONS
4.1	The implementation of the Living Wage will require minor amendments to terms and conditions and the introduction of a new Living Wage scale point. It is recommended that

9.0	RISKS																																															
	<p>Probability ↓</p> <table border="1"> <tr> <td>Very High A</td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>High B</td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Significant C</td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Low D</td> <td style="background-color: #cccccc;"></td> <td style="text-align: center;">2</td> <td></td> <td></td> </tr> <tr> <td>Very Low E</td> <td style="text-align: center;">3</td> <td style="text-align: center;">1</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>Almost Impossible F</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td></td> <td style="text-align: center;">IV Neg- ligible</td> <td style="text-align: center;">III Marg- inal</td> <td style="text-align: center;">II Critical</td> <td style="text-align: center;">I Catast- rophic</td> </tr> </table> <p style="text-align: center;">→ Impact</p> <table border="1" style="margin-left: auto; margin-right: 0;"> <thead> <tr> <th style="background-color: #cccccc;">Risk No.</th> <th style="background-color: #cccccc;">Description</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Additional funds are not available</td> </tr> <tr> <td style="text-align: center;">2</td> <td>The Living Wage increases and NJC terms remain unchanged</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Equal Pay claim</td> </tr> <tr> <td style="text-align: center;">4</td> <td></td> </tr> <tr> <td style="text-align: center;">5</td> <td></td> </tr> </tbody> </table>	Very High A					High B					Significant C					Low D		2			Very Low E	3	1			Almost Impossible F						IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic	Risk No.	Description	1	Additional funds are not available	2	The Living Wage increases and NJC terms remain unchanged	3	Equal Pay claim	4		5	
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11.0	CONSULTATIONS																																															
11.1	Consultation regarding the report has been undertaken with the Leader, Corporate Management Team, Head of Communication, Head of Central Services and Unions and they are content for the report to proceed to decision.																																															
12.0	WARDS AFFECTED																																															
12.1	ALL																																															

Contact Officer
Date:

A Tebbutt
03 December 2012

Appendices :

Background Papers:

Reference :