

OVERVIEW AND SCRUTINY COMMITTEE

2nd April 2013

REPORT TITLE

Relevant Portfolio Holder	Councillor Phil Mould, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	
Relevant Head of Service	Teresa Kristunas
Ward(s) Affected	N/A
Ward Councillor(s) Consulted	N/A
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To report to the Overview and Scrutiny Committee information regarding the Living Wage and the current implications for employees.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that
the information regarding the living wage be noted

3. KEY ISSUES

- 3.1 The living wage is an annual rate set independently and updated annually. The Living wage is calculated according to the basic cost of living in the UK. Employers choose to pay the Living Wage on a voluntary basis.
- 3.2 The Living wage is £7.45 per hour (for those living outside of London)
- 3.3 The minimum wage is the minimum pay per hour all workers are entitled to by law with the exception of Apprentices and Volunteers. The minimum wage is £6:19 per hour. All Redditch Borough Council employees are paid above the national minimum wage.
- 3.4 The Council currently has 36 members of staff who earn less than the living wage. This equates to 5 % of the total workforce
- 3.5 Subject to the successful implementation of Job Evaluation all posts will be on Scale 2 and above resulting in a minimum hourly rate of £7.64 for employees based on the proposed new pay and grading model.
- 3.6 Scale 1 remains on the pay scale, however, having Job Evaluated all current posts within the Authority no posts have been graded to scale 1 to date. The minimum rate for scale 1 under the new proposed pay model is £6.47.

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Current Salary Grades

Grade	SCP	Annual Salary	Hourly Rate
SCALE 1A	1	12145	6.29
	2	12312	6.38
SCALE 1B	3	12489	6.47
	4	12556	6.50
SCALE 1C	5	12787	6.62
	6	12957	6.71
SCALE 1D	7	13189	6.83
	8	13589	7.04
SCLAE 1E	9	13874	7.19
SCALE 2	11	14733	7.63
	12	15039	7.79
	13	15444	8.00

- 3.7 There are currently 7 apprenticeships in post within the Council. The Council currently pays apprentices £125 per week which is above the National Apprenticeship rate of £95 per week.

Financial Implications

- 3.8 There are no financial implications as a direct result of this report however, should Members wish to investigate further the full financial impact of implementing the living wage formally there will be an additional cost to the Council. This would have to be reported to a future meeting.

Legal Implications

- 3.9 There are no Legal Implications for this report.

Service / Operational Implications

- 3.10 The pay scales are used across the whole organisation and therefore there would be no individual impact on services.

Customer / Equalities and Diversity Implications

- 3.11 None

4. RISK MANAGEMENT

There are none identified

5. APPENDICES

There are no appendices.

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6. BACKGROUND PAPERS

None

AUTHOR OF REPORT

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