



**ADDRESSING 'LOW PAY' WITHIN THE WORKFORCE – IMPACT
OF THE NATIONAL LIVING WAGE**

Jane Robinson, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval of a revised grading structure that would enable the Council to continue to address the issue of low pay within the workforce, implement the National Living Wage (NLW) and move further towards the UK Living Wage.
2. The Council has previously debated the question of how to address low pay, and how it might improve pay for the lowest paid workers in the economy and in the Council.
3. The new compulsory National Living Wage (NLW) for employees aged 25 and above will be introduced on 1 April 2016 and will begin at £7.20 per hour. In order to implement the NLW and to continue to address low pay within the workforce by moving our lowest pay levels closer to the UK Living Wage, it is proposed that the Council deletes SCP 8 from 1 April 2016. This will increase the lowest pay point grade A (SCP 9) to £7.30 per hour, pending any pay award for 2016/17.
4. The cost of implementing this proposal for council staff in 2016/17 would be £101k (in addition to the cost of implementing the proposed pay offer for 2016) based on an implementation date of 1 April 2016 and would impact on 336 FTEs. This cost is covered within the Medium Term Financial Strategy and can be met from the 2016/17 budget.
5. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATIONS

6. It is recommended that Council approves the deletion of SCP 8 from the grading structure proposed with effect from 1 April 2016