

Appendix 2

The Living Wage (Pay Policy 2021/2022)

1. Background

- 1.1 The Living Wage is an informal benchmark, not a legally enforceable minimum level of pay, like the national minimum/national living wage. The Living Wage calculation takes into account the Centre for Research in Social Policy at Loughborough University Minimum Income Standard, which identifies a core basket of goods needed for a minimum standard of living. Combined with analysis of the actual cost of living including essentials such as rent, council tax, childcare and transport to produce the Living Wage figure.
- 1.2 Appointments Board recommended that with effect from 01 April 2015, the Council commence payment of a Living Wage allowance to existing roles including Higher Level Apprentices, (excluding apprenticeships at advanced level and below, with further amendments excluding internships) and casual workers paid below the Living Wage. Subsequently it was recommended by Personnel Committee (22 January 2019) that this is reviewed annually as part of the Pay Policy Statement. Each year to date since its introduction in 2015 the Living Wage rate has increased and been implemented as below;
- £7.85 effective from 1st April 2015
 - £8.25 effective from 1st April 2016
 - £8.45 effective from 1st April 2017
 - £8.75 effective from 1st April 2018
 - £9.00 effective from 1st April 2019
 - £9.30 effective from 1st April 2020
- 1.3 The Living Wage outside of London increased on 09 November 2020 from £9.30 to £9.50 per hour.
- 1.4 The national minimum/national living wage is currently £8.72 for those 25 and over, £8.20 for those aged 21-24, £6.45 for those aged 18-20, £4.55 for those under 18, and £4.15 for apprentices under 19 or in their first year of study. These rates are expected to rise from 01 April 2021, although exact figures (at the time of writing) have not yet been published.
- 1.5 The NJC pay scale current minimum point (2020/2021) is £9.16 and may potentially increase from 01 April 2021 following confirmation of the NJC nationally negotiated pay award being agreed (where applicable). Employees on JNC, Soulbury and teachers terms and conditions, all exceed the minimum rate of £9.50.

2. Living Wage Allowance in Walsall Council

- 2.1 Based on the current employment data as at 19th November 2020, and taking into account any incremental progression due on 1st April 2021 there will be 11 employees who fall below the living wage rate of £9.50 per hour. In addition

to these there are 10 higher-level apprentices within scope paid an hourly rate below the living wage;

- 2.2 In addition to the above the Council also has approximately 133 people that work on a 'casual' basis at rates in the pay structure less than £9.50 per hour, which are eligible for the living wage allowance adopted by the Council.
- 2.3 Schools have the delegated power to decide where to appoint employees on the pay scale and could therefore choose not to apply the Living Wage (even if the council has decided to implement it).
- 2.4 Foundation, Voluntary Aided Schools and Academies are separate employers so are outside of any decisions the Council may take regarding pay.