



BOARD OF DIRECTORS MEETING (Open)

Date: 11th October 2017

Item Ref:

8

TITLE OF PAPER	Living Wage (Bank Staff)
TO BE PRESENTED BY	Dean Wilson, Director of Human Resources
ACTION REQUIRED	Board are asked to approve the proposal.
OUTCOME	As noted at Board.
TIMETABLE FOR DECISION	To approve at Board 11 th October.
LINKS TO OTHER KEY REPORTS / DECISIONS	Bank ceiling cap lift discussions. Living wage arrangements for other staff groups.
LINKS TO OTHER RELEVANT FRAMEWORKS BAF, RISK, OUTCOMES	N/A
IMPLICATIONS FOR SERVICE DELIVERY AND FINANCIAL IMPACT	As noted in the report, where appropriate.
CONSIDERATION OF LEGAL ISSUES	As noted in the report, where appropriate.

Author of Report	Guy Hollingsworth
Designation	Corporate Transformation Lead
Date of Report	15 th September 2017



BOARD OF DIRECTORS MEETING (Open)

SUMMARY REPORT

Date: 11th October 2017

Subject: Living Wage (Bank Staff)

Presented by: Dean Wilson, Director of Human Resources

Author: Guy Hollingsworth, Corporate Transformation Lead

1. Purpose

<i>For Approval</i>	<i>For a collective decision</i>	<i>To report progress</i>	<i>To seek input from</i>	<i>For information</i>	<i>Other (please state below)</i>
X					

2. Summary

EDG on 7th Sept received a detailed report on the Bank ceiling and proposals to lift it. This report also made a separate recommendation that the Living wage should in future also apply to work undertaken on Bank. Currently staff on band 2 who are at a salary level below the Living Wage level receive a top up. However this is not currently paid for Bank work (either substantive and bank or bank only).

EDG agreed that the Living Wage should apply to Bank Work. It was noted that this was a decision that would need to go to Board. The purpose of the attached report is to cover this issue.

3. Next Steps

Board Approval required.

4. Actions

EDG agreed in principle (7th Sept) to support the proposal to implement the Living Wage for Bank work. EDG are asked to

- confirm that recommendation
- approve this report
- advise on date for implementation

5. Monitoring Arrangements

Via Bank Steering Group.

6. Contact Details

Guy Hollingsworth.

Living Wage for Bank staff

The Trust does not currently pay the top up for the Living Wage to Bank only staff or for Bank work undertaken by Substantive staff. Currently points 1-3 on band 2 (it has a range of 7 paypoints in total) are below the minimum wage. Substantive staff on these paypoints receive a top up. This is not currently paid to Bank only staff or for Bank work by substantive staff

Bank Only Staff – Living Wage

The estimate costs for implementing Living Wage top up for Bank only staff are modest. c £6,000. There is an inter-relationship with incremental progression in that the top up for staff below the Bank ceiling effectively overrides any incremental progression in the short term. This means that there would need to be a rethink of the incremental progression policy for Bank Only staff up to the Living wage level..

Bank Work by Substantive staff – Living Wage

Currently the Living Wage top up is not applied to Bank work when undertaken by Substantive staff working on Bank. There are currently 48 substantive Band 2 support workers with a Bank contract whose basic pay is below the Living wage and who receive top ups to their substantive pay – but not to their bank pay. Assuming an average spread of the Bank work in 16 / 17 across staff on different paypoints then the cost of implementing the Living wage for Bank work undertaken by substantive staff is £4,600

Implementation

Advice from Workforce Information Team and Payroll is that preparation work for implementation is about half a day. In order for any uplift to be included in a particular month's payroll then Payroll would require notification by 8th of that month

Decision requested

EDG agreed in principle (7th Sept) to support the proposal to implement the Living Wage for Bank work. EDG/Board are asked to

- confirm that recommendation
- approve this report and arrange for it to be forwarded to the Board
- advise on proposed date for implementation

Guy Hollingsworth

Corporate Transformation Lead

15th Sept 2017

Living Wage Costs for Bank Only Staff

Hours worked in 16 17	Total no of Band 2 Bank only staff	Those at ceiling (pt 4) = above living wage	No of Bank Only Staff below pt4		Assume equal spread over Pts 1-3	Hourly Top up to reach Living Wage	Assume average hours worked across Pts 1 - 4	Additional Cost
27,043	209	95	114	Point 1	38	0.58	4,917	2,852
				Point 2	38	0.44	4,917	2,163
				Point 3	38	0.22	4,917	1,082
Total								6,097

Living Wage Costs for Bank work by substantive and bank

Total Band 2 Hours worked	Total no of Substantive staff with active bank Contract at Band 2	No below point 4	Assume average hours by staff below point 4		Assume equal spread over points 1-3	Hourly Top up to reach Living Wage	Assume Average Hours worked across pnts 1-3	Additional Cost
31,150	133	48	11,242	Point 1	16	0.58	3,747	2,173
				Point 2	16	0.44	3,747	1,649
				Point 3	16	0.22	3,747	824
Total								4,647