

SUBJECT:	ACCREDITED REAL LIVING WAGE INCREASE OCTOBER 2023
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	CLAIRE BURROUGHS, HR AND WBL MANAGER

1. Purpose of Report

- 1.1 To recommend to Executive the proposed increase to the real living wage announced by the Living Wage Foundation in October 2023.

2. Background

- 2.1 The Council is committed to maintaining its Living Wage accreditation and to do so the Council has six months to implement the accredited living wage following an increase.
- 2.2 In October 2023 it was announced that the real living wage would increase from £10.90 an hour to £12.00 an hour.

3. Implementation

- 3.1 The aim of implementing the accredited living wage is to ensure that no employees are paid below the accredited living wage hourly rate.

Since achieving accreditation, the Council has taken an active role externally to encourage Lincoln businesses to also pay the real living wage.

In November 2020, the government introduced a higher minimum wage rate for all staff over 23 years of age and by law all employers must pay at least £10.42 per hour with effect from April 2023. This calculation is through a percentage of median earnings currently at 55%. The calculation for the living wage is made through the cost of living, based on a basket of household goods and services.

Currently there are thirty-five employees who are paid less than the proposed living wage rate of £12.00. Fifteen employees are on scale point 2 and twenty on scale point 3.

4. Strategic Priorities

- 4.1 Let's drive economic growth

Provision of the living wage to employees supplies them with a higher disposable income which is likely to be spent locally.

4.2 Let's reduce all kinds of inequality

Provision of the living wage protects the poorest people in Lincoln by providing a wage which is considered to be at a level to provide a living, in contrast to the minimum wage.

5. **Organisational Impacts**

5.1 **Finance**

There would be no financial impact as budgets take into account an assumed pay award which is over and above £12.00 per hour.

6. **Recommendation**

- 6.1 To recommend to Executive implementation of the latest living wage uplift during April 2024.

Is this a key decision?	No
Do the exempt information categories apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	None
List of Background Papers:	None

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