

Name of meeting: Cabinet

Date: 16 June 2015

Title of report: No Silver Bullet: Doing more to support our lower paid workers
 The final report of the West Yorkshire Lower Paid Workers' Group

Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Is it in the Council's Forward Plan ?	No
Is it eligible for "call in" by Scrutiny ?	No
Date signed off by <u>Director</u> & name	Ruth Redfern : 19/05/15
Is it signed off by the Director of Resources?	David Smith : 20/05/15
Is it signed off by the Assistant Director (Legal Governance and Monitoring)?	Julie Muscroft : 26/05/15
Cabinet member portfolio	Cllr Graham Turner

Electoral [wards](#) affected: All

Ward councillors consulted: Report to be considered at Full Council

Public or private: Public

1. Purpose of report

To highlight the work of the West Yorkshire Combined Authority Lower Paid Workers' Group

2. Key points

As the economy begins to see a return to growth, all Leaders of the West Yorkshire Combined Authority area, have become increasingly concerned with the quality of growth, the growing gap between the best and worst off in society, and the rising prevalence of insecure employment practices. They have held substantive discussions in this regard, including the role of councils themselves in tackling such issues.

This debate has included an examination of living wage policy across the Combined Authority area. Leaders and Chief Executives are strongly of the view that there is scope for councils to go further in supporting and providing “good jobs” for their lowest paid workers; recognising that the living wage is a very important, but not the sole response, to tackling low pay.

Accordingly, at the Leaders’ request, the Lower Paid Workers’ Group (LPWG) was established in the spring of 2014 with the remit of exploring collective approaches – including but also beyond payment of a living wage – to answer the question, what more can be done to support our lowest paid workers?

The Group has based its methodology on four key lines of enquiry:

- What more can we learn from the economic, policy and research context regarding why low pay matters?
- What more can be done on the pay dimension?
- What more can be done on the non-pay dimension?
- What more can councils do to maximise their impact in society.

The LPWG makes ten recommendations in its West Yorkshire Combined Authority Low Pay Charter. These are as follows:

1. For those who have not implemented a living wage policy – Apply a managed and staggered approach to reaching a living wage by removing the bottom two pay scales for the years 2015/16 and 2016/17.
2. Review existing pension information to make the case for membership from a low pay perspective and proactively target its communication at lower paid workers to drive up-take.
3. Commit to proactively communicating the positive relationship between skills and opportunity; and to ensuring that lower paid staff are supported to reach their potential through implementation of a strategy for inclusive personal and professional development.
4. Proof all HR policies for their impact on lower paid workers, with particular focus on progression and reducing institutional barriers such as constrained career structures.
5. Deliver excellent management and leadership practices as standard across the organisation, with specific focus on equipping those who manage lower paid workers with the skills and systems they need.
6. Agree to the principle of investing in and promoting a responsive employee benefits package that is accessible and communicated to target groups consistently, frequently and through the right channels, and that complements the approach in individual Districts to directly support lower paid workers to stretch their take home pay and, wherever possible, use collective leverage to broker deals with providers.
7. Collaborate across the WYCA area to streamline health and well-being activities, learn from good practice and target lower paid workers to increase participation.
8. Apply Social Value policy, prioritising in the first instance those commissioned services where low pay prevails; and work collaboratively to influence others to do the same.
9. Guard against inappropriate use of zero hours contracts and protect casual workers from the effects of low pay, concentrating on our own workforces and commissioned services.

10. Use local authority influence and local leadership to tackle low pay across the West Yorkshire Combined Authority in pursuit of a “good growth” agenda.

3. Implications for the Council

The Kirklees work on the living wage and supporting our lowest paid workers mirrors the approach taken at the regional level and deals to some extent with the points raised in the West Yorkshire Low Pay Charter. However, there remains work to be done. This report highlights the need for all recommendations in the Kirklees reports, and not just the monetary ones, to be worked on and monitored.

4. Consultees and their opinions

The Chief Executive and Executive Leadership Group endorse the West Yorkshire report as do the Leaders and Chief Executives of the other West Yorkshire authorities

5. Next steps

Cabinet and then Full Council for wider debate

6. Officer recommendations and reasons

That the final report of the Lower Paid Workers’ Group including the West Yorkshire Combined Authority Area Low Pay Charter be endorsed and that officers be tasked with preparing a response that details the progress being made in Kirklees on this agenda.

7. Cabinet portfolio holder recommendation

That the report is accepted and a suitable response prepared by officers

8. Contact officer and relevant papers

Chris Rowe, Policy Officer

“No Silver Bullet” – The Final report of the Lower Paid Workers’ Group (electronic copy attached)

Tackling Low Pay in Kirklees Council – Report to Council - March 2015

The introduction of a living wage for Kirklees Council staff – Report to Personnel Committee – March 2015

9. Director responsible

Ruth Redfern, Director for Communities, Transformation and Change.