

## TRAFFORD COUNCIL

**Report to:** Health & Wellbeing Board  
**Date:** 17/11/2023  
**Report for:** Real Living Wage  
**Report of:** Emma Moseley

### Report Title

Real Living Wage Update

### Purpose

Inform the Health & Wellbeing Board about Trafford Council's progress on Real Living Wage Accreditation.

### Recommendations

The Health & Wellbeing Board is asked to:

- a) Consider applying for the Real Living Wage Accreditation in their own organisation.
- b) Support Trafford Council's ongoing commitment to the Real Living Wage Accreditation.

Contact person for access to background papers and further information:

Name: Emma Moseley  
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### Real Living Wage: gaining the accreditation

As of January 2023, Trafford Council are paying the Real Living Wage to all employees and workers at Trafford Council and Council maintained schools. This includes those who have agreed contracted hours and those who work on a casual basis. Where we bring in agency workers, our lowest hourly rate is paid at the Real Living Wage rate.

This has meant that in January, 320 school and authority staff received a pay rise to increase their wages to the Real Living Wage rate, which is currently £10.90 per hour. The new Living Wage rate was announced 24<sup>th</sup> October to be increasing 10% to £12 per hour, Trafford Council will be introducing this rate of pay by May 2024, as agreed to with the accreditation.

In March 2023, Trafford Council were accredited as a Real Living Wage Employer. The accreditation was made by the Living Wage Foundation which recognises those organisations which voluntarily choose to pay their staff more than the Government's minimum wage.

As part of the accreditation, Trafford Council agreed to a project plan that all contractor staff employed in delivering services on behalf of the council for more than 2 hours a week for 8 or more consecutive weeks in a year will be paid the RLW with three years of the accreditation.

#### Real Living Wage: the big picture

Trafford Council joined local authorities in Bury, Salford, Manchester and Oldham as being accredited as a Real Living Wage employer. Stockport are now also accredited. This means the majority of GM Local Authorities are now accredited. Greater Manchester has set a goal of becoming the first city-region to pay all employees a real Living Wage.

A Living Wage City-Region action group, which Policy attend, has been established to drive forward plans to ensure all employers in the city-region pay the living wage by the end of the decade, as recommended by the Independent Inequalities Commission.

Nationally over 7,943 organisations have Real Living Wage Accreditation. In the Northwest, 695 organisations have accreditation, with over 500 organisations in GM and 55 accredited organisations in Trafford.

The Real Living Wage is a crucial part of the Council's commitment to supporting its employees at a time when many workers nationally are struggling with the cost-of-living crisis.

Paying Real Living Wage is also a key part of the Greater Manchester Good Employment Charter, of which Trafford Council became a full member in June 2023.

#### Real living wage: business as usual

Trafford Council have widely promoted our accreditation on social media and in the press with statements from the Leader and the Foundation.

Trafford Council now promote the fact that we are Real Living Wage accredited on the Council's website, our HR intranet pages and also on the GreaterJobs recruitment platform we use – so those considering applying for a Band 1 role at Trafford Council will know that they will be paid this rate.

At any time when the Spinal Column Point (SCP) rate that a colleague is on is lower than the Real Living Wage, we pay a supplement to bring their pay up to the hourly rate in force at the time. When their pay increases above the Real Living Wage rate

(due to the annual pay award, incremental progression or promotion to a higher band) the supplement will cease.

The Council are working across the borough to support and encourage local businesses, partners and organisations to become accredited. Employers in Trafford and councillors came together at Stretford Public Hall at an event to promote, the Real Living Wage on 21st June.

The event put a 'spotlight' on good employers and heard from different organisations about their journey, experience, and impact of paying the Real Living Wage to their staff. The aim of the event was to celebrate Trafford Council's accreditation and to encourage other organisations to apply for accreditation. There is an ambition to include Real Living Wage in future communications and events with partners and businesses.

Policy have been attending the GM Network meetings, has attended the Living Wage Foundation Conference and spoke on a panel for Living Wage Week (6-12th November) in order to network with other Real Living Wage employers and be a part of the GM wide and national wide campaigning efforts.

#### Real living wage: procurement

Since July 2023 the requirement to pay the real living wage has been added into all Trafford Council tender documentation and Contracts and bidders have to confirm (where real living wage is relevant) real living wage will be paid.

The requirements for contracts to pay real living wage are as follows:

*Real living wage is applicable to all service contracts with workers who work on the contract for a minimum of two hours a day (on any day of the week) for at least eight weeks would be in scope.*

The wording in our Instructions to bidders document is as follows:

*The real living wage is a voluntary rate of pay announced annually by the Living Wage Foundation and is based on an independent assessment of the real cost of living based on a number of indicators, including goods and services, which represent what people need to meet their basic everyday needs. The current real living wage rate can be found by following the attached link [For the real cost of living | Living Wage Foundation](#).*

*As well as paying at least the real living wage to their direct employees, accredited employers must also work towards payment of the rate to staff employed by contractors working for the organisation. We are therefore required to provide information relating to our suppliers' payment of the real living wage to their employees and as such any successful suppliers are required to provide relevant details on request.*

*Services contracts with workers who work on the Trafford Council contract for a minimum of two hours a day (on any day of the week) for at least eight weeks would be in scope.*

*In accordance with the Council's accreditation as a real living wage organisation, and our commitment to reducing in-work poverty, you are required to confirm that employees engaged in the delivery of this contract for Trafford Council and within the scope set out in paragraph 2.1.25 are paid at least the current Living Wage Foundation Rate and will be for the duration of the contract. Your confirmation should be recorded in section 7.6 of document 02 Supplier Questionnaire Open*

*In accordance with the Council's aspirations and objectives and its obligations under the Public Services (Social Value Act) 2012 we commend the adoption of the RLW to our contractors and suppliers.*

To date no awarded contracts, have the clauses in as the tenders were started before the adoption of the RLW documentations, however the clauses will be added in steadily over the next two and half years and suppliers have so far been understanding about this.