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Pay Update & Living Wage

Overview

<p>NJC Local Government Services</p> 	<p>Mandatory, organised by HM Treasury</p> 	<p>Voluntary, organised by Living Wage Foundation</p> 
<p>JE06 £7.52 JE08 £7.66 JE11 £8.04</p>	<p>£7.20</p>	<p>£8.25</p>
<p>Negotiated with Trades Unions</p>	<p>Based on median earnings</p>	<p>Based on cost of living</p>
	<p>Recommended to Government by Low Pay Commission</p>	<p>Set by Centre for Research in Social Policy and Greater London Authority</p>

NJC Local Government

- ▶ Public Sector Pay capped at 1% until 2020
- ▶ Agreement on new rates for next two years
- ▶ Points 6 – 17 increases between
6.61% - 1.01% from April 2016 and
3.44% - 1.28% from April 2017
- ▶ Points 18 and above will receive
1% from April 2017 and
1% from April 2017

National Minimum Wage

- ▶ Chancellors 2015 summer budget announced National Living Wage replacing the National Minimum Wage for those aged 25 and over.
- ▶ Introduced in April 2016 at £7.20 and rising to £9.00 by 2020.

Living Wage

- ▶ April 2014 Cabinet of North East Lincolnshire Council introduced Living Wage to all directly employed Council employees.
- ▶ Agreed motion to work with maintained schools and partners to encourage them to pay Living Wage.
- ▶ The Living Wage, in public policy terms, is the minimum income necessary for a worker to meet their basic needs. These are categorised as food, utilities, transport, health care & minimal recreation.

Living Wage

- ▶ The Living Wage differs from National Living Wage in that the latter is set by law and is suggested, can fail to meet the basic requirements to have a basic quality of life.
- ▶ This can then leave individuals or families reliant on government programmes for additional income.
- ▶ The Living Wage is defined as a wage that can meet the basic needs to maintain a safe, decent standards of living within the community.

Pay Estimates

The Projected rates for 2017–2020 are estimates only



Recommendations & Actions

- ▶ Governing bodies to consider the introduction of the Living Wage within their schools
- ▶ For further information and advice contact
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