

## Implementation of the Living Wage

### Report of the Chief Fire Officer

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### 1 Purpose of Report

This report explains what the Living Wage is and the implications of its implementation on Shropshire Fire and Rescue Service.

### 2 Recommendations

The Committee is asked to consider the implementation of the Living Wage with effect from 1 October 2015 and make recommendations accordingly to the Fire Authority.

### 3 Background

The living wage is based on the amount an individual needs to earn to cover the basic costs of living. It is an informal benchmark, not a legally enforceable minimum level of pay, like the national minimum wage.

The living wage is currently calculated by the Centre for Research in Social Policy at Loughborough University. The basic idea is that these are the minimum pay rates needed to let workers lead a decent life.

The living wage is currently set at £9.15 an hour in London and £7.85 an hour in the rest of the United Kingdom. By comparison, the national minimum wage is significantly lower. From 1 October 2015, the national minimum wage for adults aged 21 and over is £6.70, and £5.30 for those aged 18 to 20. Other rates apply for those aged 16 to 17 and apprentices.

## **4 Current Pay and Grading Structure**

The current pay and grading structure uses 12 Grades, two of which (Grades 1 and 2) are no longer in use. With the exception of Grade 12, all grades have 5 pay scale points within them (please see appendix).

## **5 Proposed Pay and Grading Structure**

If the first pay scale point (pay scale point 11) in Grade 3 were removed, all pay points would equate to a higher hourly rate than the living wage. This would result in Grades 3 and 12 having four pay scale points and the others having five.

## **6 Financial Implications**

If the Living Wage were to be adopted with effect from 1 October, all existing staff would have reached pay scale point 11 and would be paid above the living wage. There would, therefore, be no financial implications for existing staff.

All future employees would be appointed on scale pay point 11 or above. The difference between this and pay scale point 10 is £869 per annum. As the number of new recruits onto this pay Grade are low (1 in 2013/4 and 2 in 2014/5) the cost to the Authority would be negligible.

## **7 Legal Comment**

There are no legal implications arising from this report.

## **8 Initial Impact Assessment**

This report contains merely statements of fact / historical data. An Initial Impact Assessment is not, therefore, required.

## **9 Equality Impact Assessment**

There are no equality or diversity implications arising from this report. An Equality Impact Assessment is not, therefore, required.

## **10 Appendix**

National Joint Council Salary Grades

## **11 Background Papers**

There are no background papers associated with this report.

**National Joint Council Salary Grades**

| Grade     | 01-Apr-05 | 01-Apr-06 | 01-Apr-07 | 01-Apr-08 | 01-04-09 | 01-04-13 | 01-01-15 | 01-10-15 | Points    |
|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|----------|-----------|
| <b>1</b>  | £10,872   | £11,193   | £11,577   | £11,961   | £12,145  | £12,266  |          |          | <b>4</b>  |
|           | £11,127   | £11,454   | £11,737   | £12,125   | £12,312  | £12,435  |          |          | <b>5</b>  |
|           | £11,286   | £11,619   | £11,907   | £12,299   | £12,489  | £12,614  |          |          | <b>6</b>  |
|           | £11,649   | £11,994   | £12,291   | £12,592   | £12,787  | £12,915  |          |          | <b>7</b>  |
| <b>2</b>  | £11,649   | £11,994   | £12,291   | £12,592   | £12,787  | £12,915  |          |          | <b>7</b>  |
|           | £12,078   | £12,372   | £12,678   | £12,989   | £13,189  | £13,321  |          |          | <b>8</b>  |
|           | £12,381   | £12,747   | £13,062   | £13,382   | £13,589  | £13,725  |          |          | <b>9</b>  |
|           | £12,642   | £13,014   | £13,336   | £13,663   | £13,874  | £14,013  |          |          | <b>10</b> |
| <b>3</b>  | £12,642   | £13,014   | £13,336   | £13,663   | £13,874  | £14,013  | £14,338  | £14,338  | <b>10</b> |
|           | £13,458   | £13,854   | £14,197   | £14,545   | £14,733  | £14,880  | £15,207  | £15,207  | <b>11</b> |
|           | £13,737   | £14,142   | £14,492   | £14,847   | £15,039  | £15,189  | £15,523  | £15,523  | <b>12</b> |
|           | £14,106   | £14,523   | £14,882   | £15,247   | £15,444  | £15,598  | £15,941  | £15,941  | <b>13</b> |
|           | £14,364   | £14,787   | £15,153   | £15,524   | £15,725  | £15,882  | £16,231  | £16,231  | <b>14</b> |
| <b>4</b>  | £14,364   | £14,787   | £15,153   | £15,524   | £15,725  | £15,882  | £16,231  | £16,231  | <b>14</b> |
|           | £14,664   | £15,096   | £15,470   | £15,849   | £16,054  | £16,215  | £16,572  | £16,572  | <b>15</b> |
|           | £15,015   | £15,459   | £15,842   | £16,230   | £16,440  | £16,604  | £16,969  | £16,969  | <b>16</b> |
|           | £15,372   | £15,825   | £16,217   | £16,614   | £16,830  | £16,998  | £17,372  | £17,372  | <b>17</b> |
|           | £15,675   | £16,137   | £16,536   | £16,941   | £17,161  | £17,333  | £17,714  | £17,714  | <b>18</b> |
| <b>5</b>  | £15,675   | £16,137   | £16,536   | £16,941   | £17,161  | £17,333  | £17,714  | £17,714  | <b>18</b> |
|           | £16,260   | £16,740   | £17,154   | £17,574   | £17,802  | £17,980  | £18,376  | £18,376  | <b>19</b> |
|           | £16,854   | £17,352   | £17,781   | £18,217   | £18,453  | £18,638  | £19,048  | £19,048  | <b>20</b> |
|           | £17,469   | £17,985   | £18,430   | £18,882   | £19,126  | £19,317  | £19,742  | £19,742  | <b>21</b> |
|           | £17,922   | £18,450   | £18,907   | £19,370   | £19,621  | £19,817  | £20,253  | £20,253  | <b>22</b> |
| <b>6</b>  | £17,922   | £18,450   | £18,907   | £19,370   | £19,621  | £19,817  | £20,253  | £20,253  | <b>22</b> |
|           | £18,450   | £18,993   | £19,463   | £19,940   | £20,198  | £20,400  | £20,849  | £20,849  | <b>23</b> |
|           | £19,053   | £19,614   | £20,099   | £20,591   | £20,858  | £21,067  | £21,530  | £21,530  | <b>24</b> |
|           | £19,656   | £20,235   | £20,736   | £21,244   | £21,519  | £21,734  | £22,212  | £22,212  | <b>25</b> |
|           | £20,295   | £20,895   | £21,412   | £21,937   | £22,221  | £22,443  | £22,937  | £22,937  | <b>26</b> |
| <b>7</b>  | £20,295   | £20,895   | £21,412   | £21,937   | £22,221  | £22,443  | £22,937  | £22,937  | <b>26</b> |
|           | £20,970   | £21,588   | £22,122   | £22,664   | £22,958  | £23,188  | £23,698  | £23,698  | <b>27</b> |
|           | £21,654   | £22,293   | £22,845   | £23,405   | £23,708  | £23,945  | £24,472  | £24,472  | <b>28</b> |
|           | £22,512   | £23,175   | £23,749   | £24,331   | £24,646  | £24,892  | £25,440  | £25,440  | <b>29</b> |
|           | £23,265   | £23,952   | £24,545   | £25,146   | £25,472  | £25,727  | £26,293  | £26,293  | <b>30</b> |
| <b>8</b>  | £23,265   | £23,952   | £24,545   | £25,146   | £25,472  | £25,727  | £26,293  | £26,293  | <b>30</b> |
|           | £24,000   | £24,708   | £25,320   | £25,940   | £26,276  | £26,539  | £27,123  | £27,123  | <b>31</b> |
|           | £24,708   | £25,437   | £26,067   | £26,706   | £27,052  | £27,323  | £27,924  | £27,924  | <b>32</b> |
|           | £25,437   | £26,187   | £26,835   | £27,492   | £27,849  | £28,127  | £28,746  | £28,746  | <b>33</b> |
|           | £26,157   | £26,928   | £27,594   | £28,270   | £28,636  | £28,922  | £29,558  | £29,558  | <b>34</b> |
| <b>9</b>  | £26,157   | £26,928   | £27,594   | £28,270   | £28,636  | £28,922  | £29,558  | £29,558  | <b>34</b> |
|           | £26,703   | £27,492   | £28,172   | £28,862   | £29,236  | £29,528  | £30,178  | £30,178  | <b>35</b> |
|           | £27,411   | £28,221   | £28,919   | £29,628   | £30,011  | £30,311  | £30,978  | £30,978  | <b>36</b> |
|           | £28,179   | £29,010   | £29,728   | £30,456   | £30,851  | £31,160  | £31,846  | £31,846  | <b>37</b> |
|           | £29,004   | £29,859   | £30,598   | £31,348   | £31,754  | £32,072  | £32,778  | £32,778  | <b>38</b> |
| <b>10</b> | £29,004   | £29,859   | £30,598   | £31,348   | £31,754  | £32,072  | £32,778  | £32,778  | <b>38</b> |
|           | £29,958   | £30,843   | £31,606   | £32,380   | £32,800  | £33,128  | £33,857  | £33,857  | <b>39</b> |
|           | £30,747   | £31,653   | £32,436   | £33,231   | £33,661  | £33,998  | £34,746  | £34,746  | <b>40</b> |
|           | £31,557   | £32,487   | £33,291   | £34,107   | £34,549  | £34,894  | £35,662  | £35,662  | <b>41</b> |
|           | £32,361   | £33,315   | £34,140   | £34,976   | £35,430  | £35,784  | £36,571  | £36,571  | <b>42</b> |

|           |         |         |         |         |         |         |         |         |           |
|-----------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
|           |         |         |         |         |         |         |         |         |           |
| <b>11</b> | £32,361 | £33,315 | £34,140 | £34,976 | £35,430 | £35,784 | £36,571 | £36,571 | <b>42</b> |
|           | £33,168 | £34,146 | £34,991 | £35,848 | £36,313 | £36,676 | £37,483 | £37,483 | <b>43</b> |
|           | £33,984 | £34,986 | £35,852 | £36,730 | £37,206 | £37,578 | £38,405 | £38,405 | <b>44</b> |
|           | £34,746 | £35,772 | £36,657 | £37,555 | £38,042 | £38,422 | £39,267 | £39,267 | <b>45</b> |
|           | £35,586 | £36,636 | £37,543 | £38,463 | £38,961 | £39,351 | £40,217 | £40,217 | <b>46</b> |
|           |         |         |         |         |         |         |         |         |           |
| <b>12</b> | £35,586 | £36,636 | £37,545 | £38,463 | £38,961 | £39,351 | £40,217 | £40,217 | <b>46</b> |
|           | £36,402 | £37,476 | £38,404 | £39,345 | £39,855 | £40,254 | £41,140 | £41,140 | <b>47</b> |
|           | £37,212 | £38,310 | £39,258 | £40,220 | £40,741 | £41,148 | £42,053 | £42,053 | <b>48</b> |
|           | £38,010 | £39,132 | £40,101 | £41,083 | £41,616 | £42,032 | £42,957 | £42,957 | <b>49</b> |
|           |         |         |         |         |         |         |         |         |           |
| <b>13</b> |         |         |         | £41,083 | £41,616 | £42,032 | £42,957 | £42,957 | <b>49</b> |
|           |         |         |         | £41,969 | £42,092 | £42,512 |         |         | <b>50</b> |
|           |         |         |         | £42,848 | £42,973 | £43,402 |         |         | <b>51</b> |
|           |         |         |         | £43,994 | £44,123 | £44,564 |         |         | <b>52</b> |
|           |         |         |         |         |         |         |         |         |           |
| <b>14</b> |         |         |         | £43,994 | £44,123 | £44,564 |         |         | <b>52</b> |
|           |         |         |         | £44,560 | £44,690 | £45,136 |         |         | <b>53</b> |
|           |         |         |         | £45,429 | £45,562 | £46,017 |         |         | <b>54</b> |
|           |         |         |         | £46,311 | £46,447 | £46,911 |         |         | <b>55</b> |
|           |         |         |         |         |         |         |         |         |           |
| <b>15</b> |         |         |         | £46,311 | £46,447 | £46,911 |         |         | <b>55</b> |
|           |         |         |         | £47,191 | £47,329 | £47,802 |         |         | <b>56</b> |
|           |         |         |         | £48,036 | £48,176 | £48,657 |         |         | <b>57</b> |
|           |         |         |         | £48,924 | £49,067 | £49,557 |         |         | <b>58</b> |
|           |         |         |         |         |         |         |         |         |           |
|           |         |         |         | £49,800 | £49,946 | £50,445 |         |         | <b>59</b> |
|           |         |         |         | £50,430 | £50,578 | £51,083 |         |         | <b>60</b> |