

Committee	Board of Management – HR & R subcommittee		
Date paper prepared	21/11/2021	Date of committee meeting	24/11/2021
Subject	Living Wage		
Author	Jane Lewis Principal		
Action requested	For discussion		
Purpose of the paper	To progress our aspirations to be a real living wage employer		
Brief summary of the paper	The context for real living wage registration and Shetland UHI's current position is outlined.		
Consultation	Topic has been raised at informal union meetings		
Resource implications	There will be financial implications should we aim to meet the requirements of real living wage scheme. However, these are of benefit to our lowest paid members of staff.		
Risk implications	If this work is not progressed Shetland UHI may find recruitment to some staff positions difficult. We may not be able to access some (notably government) funding without this accreditation.		
Link with strategy	Links with engagement: <i>'We will value, encourage and invest in our staff; support their professional development; and promote collaborative working with internal and external colleagues.'</i>		

Equality, Diversity and Inclusion	Positive impact, employees affected largely female
Island Community Impact	Positive impact for staff of Shetland UHI in ensuring all employees are paid real Living Wage
Paper status	<input type="checkbox"/> Open – The paper may be circulated to non-members of the committee and published online without restriction. <input checked="" type="checkbox"/> Restricted – The paper must not be circulated to non-members or published online until after the committee meeting. <input type="checkbox"/> Confidential - The paper must not be circulated beyond the committee members and should not be published online. [Please note papers may still be subject to Freedom of Information requests – see below].
Freedom of information	Choose an item. If closed/ withheld, select date this will become 'open': Enter a date.

Real Living Wage

Shetland UHI has expressed an interest in becoming registered as a real Living Wage employer.

What is it?

The real Living Wage is an independently calculated rate based on the cost of living and is paid voluntarily by employers. The rate is currently £9.90 (previously 9.50) and is calculated each year in November by The Resolution Foundation on an analysis of the wage that employees need to earn in order to afford the basket of goods required for a decent standard of living. This basket of goods includes housing, childcare, transport and heating costs. Registered employers then have six months to ensure wages are increased in line with that.

In addition to the requirement to pay employees a minimum of £9.90, the real Living Wage guidelines stipulate that contractors must also be paid this minimum rate or a plan must be in place as to how to achieve this

Current Situation

At this time, there are no employees who receive less than £9.50, including casual/relief staff.

Further analysis is needed to establish the situation in regard to contractors and our HR and OD Lead is working on this.

An initial step to register our interest in becoming a real Living Wage has been made. This does not commit us to progressing further but will enable us to find out more details specific to our circumstances.

Considerations

There are around 6 employees who receive around £9.50. Consequently, following the Living Wage increase in November, there is a need to consider an increase the minimum rates at Shetland UHI.

Additionally, during the merger process, Shetland UHI was advised that the SIC are looking to progress this and there remains an unresolved pay dispute linked to this issue. Had Shetland College remained in the council some of our staff would have been affected by the outcome of this process and will be entitled to back pay from SIC when it is agreed.

There is an uncompleted national pay claim for lecturing and professional staff in colleges. Part of the outcome of this is likely to be an uplift for staff on the lowest pay bands (less than £25,000).

Next steps

The new level of the living wage as only just been announced. We need to review how we best progress matters relating to our staff, in particular those affected by the considerations above. This will be an agenda item for the first LNCC

The sub-committee is invited to discuss the way forward to inform preparations for the first LNCC