

Workforce Matters and the Living Wage

Renfrewshire Council



Brief for today

- **Talk about the work that Renfrewshire Council do to help support providers to improve their workforce conditions;**
 - Including paying the living wage



Background

- **Renfrewshire Council is committed to paying all of it's own staff the living wage or above;**
- **The Council are also actively working with providers of externally purchased services to help support them to pay the living wage where possible;**

Role of Procurement

"Externally purchased contracts offer an opportunity for procurement to help the Council achieve it's aims to step up its drive for fairer pay and more job opportunities through a new approach to the way the Council buys its goods and services."

How do we do this?

- **Know your contracts;**
- **Understand the market;**
- **Understand the legal position;**

Living Wage in Contracts

- Cannot legally mandate the Living wage
- Encourage payment in our Tender Documents
- Ask the question if the provider does have a Living wage Policy
- Ask the provider if they currently pay the Living wage

Existing Contracts

- **Supported Living Framework**
 - Awarded in December 2011 – currently negotiating extension
 - Approximate annual total value £13 million
- **Care at Home**
 - Awarded in February 2014 to 7 providers
 - Approximate annual total value £3 million

Costs

- The original estimated cost of the Care at Home framework was £2.67million.
- Following negotiation with providers this cost went up to £2.82 million
- Total cost to the Council of £155,000.

Results

- Approx 300 people benefitted;
- Payment of the living wage helps to improve individuals economic position but also helps to:
 - Improved staff morale
 - Reduce staff turnover
 - Better quality of service

Ultimately the aim was to improve the quality of care delivered to the individuals using the Care at Home service

Benefits to Providers of Paying the living wage

"Within the network, staff recruitment and retention is a huge problem, and Renfrewshire is a great example of how it can be done and as a result Carewatch are encouraging other franchisees to pay the living wage. Renfrewshire is the only area paying the living wage and with the best retention and no recruitment issues, it is believed this is part of the reason."

Heather Caldwell, Carewatch

Contract Management

- Where through negotiation, providers agree to pay the living wage, we need to ensure that this forms part of our monitoring processes
- We also carried out surveys across our whole supply base to better understand workforce matters

Workforce Matters Feedback

Workforce matters	
Total Number of Contracts	271
Total Number of Suppliers	254
Total Number of suppliers using zero hours contracts	25
Total Number of employees on zero hours contracts	654
Total Number of Zero hour employees involved in delivery of Renfrewshire Council contracts	105
Total Number of suppliers using sessional workers	39
Total Number of employees that are sessional workers	3172
Total Number of employees sessional workers involved in delivery of Council contracts	539
Total Number of suppliers participating in workfare schemes	24

City Deal

- **Approach to blacklisting agreed by all City Deal LA's in accordance with SPPN 4/2013**
- **Agreed standard question aligned to the strategic aims of the City Deal, which assess against Council's expectations to contract with employers' who are committed to maintaining a well-managed, motivated and properly remunerated workforce demonstrated through good workforce practices.**

