

Questions by Members of the Council under Procedure Rule 10.0

Council – 15 October 2019

Question from Councillor Turmaine Received on 10 October 2019

Question: *What progress has been made on paying the Real Living Wage in the Council's supply chain?*

Answer

We promote the Living Wage to potential bidders as a part of our procurement approach to Social Value. This also includes matters such as prompt payment of sub-contractors and equality each of which helps to cascade good practice down the supply chain. We have already addressed this with our main contractors and considering how we can promote this further down their supply chains.

A living wage requirement is already included in the Specifications for some relevant contracts such as that for the Leisure Centre Management. That contract has a specific clause which requires: "The operator shall be required to pay all employees aged 18 or over who are employed by the operator to perform the Services not less than the National Living Wage as set annually by the UK Government.". That contract has now been in operation for a year and we have been suitably assured that this was being adhered to.

Many of our contracts are for services, such as Consultancy and ICT services, which already pay above that level. We also make checks during the tender evaluation stage.

Watford Borough Council are seeking accreditation as a Living Wage Foundation employer. If this was to be given, all 3rd party contracted staff would be required to be paid at least £9 per hour. This would include cleaning staff and other Facilities contracts, IT suppliers, Parking and Leisure Contractors, temporary staff which we would appoint and elections staff. We are reviewing our existing 3rd party suppliers and whether they pay a minimum of £9 per hour and, if not, what the cost would be to raise wages to at least £9 per hour. Some existing contracts, for example the Veolia contract, date back some time and suitable provision will be included in any contract

extension or re-tender. Changes may also be made to an existing contract as a variation if appropriate.

A questionnaire is being developed, in conjunction with the HR review, for future procurements to include questions on the lines of:

Is the company an accredited Living Wage employer or Recognised Service Provider with the Living Wage Foundation? (<http://www.livingwage.org.uk/>)

If not, do you pay all staff a minimum of £9 per hour?

If not, are you considering or would you consider paying the Living Wage?

Do you require your sub-contractors and suppliers to pay the Living Wage?

If not, would you be prepared to include a suitable clause in relevant sub-contracts?