

**Doherty L (Lesley)**

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**Subject:** FW: Scottish Living Wage Accreditation - Response to PCS correspondence

**From:** Doherty L (Lesley)

**Sent:** 25 September 2014 13:03

**To:**

**Cc:**

**Subject:** Scottish Living Wage Accreditation - Response to PCS correspondence

Good afternoon

It has been drawn to the Finance Pay Policy team's attention that Lynn Henderson, Scottish Secretary, PCS has issued a circular to all Scottish Sector Bargaining Areas (SS 33.14) with PCS representation suggesting that "*Mr Swinney expects employers that fall within Public Sector Pay Policy to become accredited living wage employers*".

We hope to issue an FPP update on the Living Wage shortly but in the meantime I thought it would be helpful to provide the following advice.

Ministers have been highly visible in their support for the Living Wage and have provided funding to the Poverty Alliance to promote uptake on accreditation with a pilot currently being rolled out. As such, Ministers would actively **encourage** all public bodies to become Accredited Living Wage Employers.

While Minister's current public sector pay policy expects employers to pay their staff a living wage, Accreditation requires all directly employed staff and contracted staff to be paid the living wage (or for employers to at least demonstrate that they are moving towards applying the living wage across all contracts). Public Sector Pay Policy does not apply to contracted staff and therefore it would not be the appropriate vehicle to enshrine a requirement for Employers to become Accredited. However, we recognise it is important that the Public Sector Pay Policy does not impede public bodies attaining accreditation and if you have any concerns regarding this please give one of the FPP team a call to discuss.

For further detail of what Accreditation entails I refer you to the guidance available on the Scottish Living Wage Accreditation website (available at: <http://scottishlivingwage.org>).

I understand that PCS has also written to individual public bodies asking them to confirm their intent and timetable for accreditation. I thought it might be helpful to share with you the response made by Scottish Government. Which was along the lines that we have advised PCS that we have held exploratory discussions with the Poverty Alliance and the Living Wage Foundation. Further work/dialogue is required as a consequence of those meetings and that we will update them on any developments.

Regards

Lesley Doherty

On behalf of Finance Pay Policy

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