



Derby City Council

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Your ref NMW1
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Date 11 September 2014

Dear Tim

Consultation on the National Minimum Wage

Thank you for your letter dated 3 July 2014 inviting responses to consultation on the National Minimum Wage.

Derby City Council has reviewed the consultation paper and is keen to support any initiatives or policies which raise income levels for the lowest paid employees. This is a positive measure to address poverty and supports a wide range of Council priorities including ensuring that all workers can enjoy a decent standard of living.

In 2014 Derby City Council undertook a whole organisation review of pay arrangements and also harmonised terms and conditions of employment as required under the national Single Status Agreement which applies to all local authorities in England and Wales. As part of this review the Council instituted a new minimum earnings level of £14,880 across all full time employees in Council Directorates. This equates to an hourly rate of £7.71 per hour for all employees, which is more than £1 an hour in excess of the current national minimum wage.

The Council is also currently considering seeking accreditation to become a Living Wage employer. This would include committing ourselves to any increases in hourly rates of pay set by the Living Wage Foundation and applying this to our directly employed workforce and also making it a condition that over time any contractors also working with Derby City Council also commit to paying this for their workers.

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Although the Council's current pay rates are significantly in excess of the National Minimum Wage, we would support a significant increase in this rate as it will positively address issues of low pay which are faced by many of the city's residents. We would also wish to encourage the development of a debate to a National Living Wage which is applied on the same basis as the National Minimum Wage.

I hope that you will find this response helpful in formulating your recommendations for the Prime Minister, Deputy Prime Minister and Secretary of State for Business, Innovation and Skills, but please let me know if you would like anything further from us in the meantime.

Yours sincerely



Councillor Ranjit Banwait
Leader of the Council