**SKW Construction Limited**

**Living Wage Policy**

# 1.0 BACKGROUND

**1.1** In June 2012, The Leaders Statement in June 2012 communicated the intention to introduce the Living Wage, as part of a Business Charter for Social Responsibility, for SKW Construction Limited employees and the promotion of well-being amongst employees.

SKW Construction Limited has paid the Living Wage as set out by the Living Wage Foundation to its employees since the launch of SKW Construction in 2019, including subcontractors, and office employees.

This Living Wage Policy ensures that people working on behalf of SKW Construction Limited are paid the same minimum rate as if they worked directly for SKW Construction. We also believe that because of our project tender policies means that more jobs will be accessible to local economies to where the tender subsides. This means that more money into the pockets of locals will help local shops, businesses, creating a virtuous spiral that can treble its value to the local economy. There is plenty of evidence that suggests that Real Living Wage, as set out by the Living Wage Foundation, boosts flexibility and performance, reduces sickness and aids staff retention.

# 2.0 WHAT WE MEAN BY THE REAL LIVING WAGE

**2.1** The Real Living Wage is not the same as the National Living Wage which is a legal requirement. The Real Living Wage is the same as that set out by the Living Wage Foundation and independently determined on an annual basis by the Centre for Research in Social Policy at Loughborough University. The current rate as of 2022 is £9.90 UK Living Wage and £11.05 London Living Wage. This Living Wage is not a statutory requirement but a voluntary undertaking.

**2.2** The Real Living Wage as described above is intended to recognise the dignity of work and the importance for individuals, families and society of people being able to earn a living. The idea is rooted in notions of contribution, reciprocity, and community.

For employees, the Living Wage Foundations Living Wage means no longer having to work multiple jobs, getting some sleep and being able to provide for and spending time with their family.

For SKW Construction Limited, it means higher staff morale, better quality work, improved rates of retention, lower rates of sickness and absence, and reputable gain.

# 3.0 THE POLICY CONCEPT

**3.1** The strategic context for SKW Construction Limited Living Wage policy was derived from the companies following key policies:

* Samantha Stephenson and Karen Ward (Directors of SKW Construction Limited) statement (May 2022), specifically:

**a)** To tackle deprivation and enhance equality within the organisation and ensure dignity for employees.

**b)** To promote a strong work culture, promoting our notion that not only do we care about our employees, but we also care about their families too.

**c)** To involve local people of past, present and upcoming projects in their local communities.

* Giving Hope – Changing lives (the social inclusion green paper).

**3.2** This policy continues to be key to SKW Construction Limited’s as a major contributor to creating a stronger, more resilient workforce through better jobs, improved skills, and continuous personal development. It builds on the achievements to date and recognises that a living wage generates value locally, prosperity shared and harnesses the distinct and different strengths of our communities. Employment is the route to independence and out of poverty.

# 4.0 IMPLEMENTATION

**4.1** SKW Construction will therefore require, to the extent permitted by law, that any contractors, including subcontractors, who supplies an employee (other than an intern or apprentice) who provides a service or completes works, involving 2 or more hours of any work in ant given day in a week, for 8 or more consecutive weeks on:

* Sites,
* And/or offices

Will pay employees the Real Living Wage in respect of their time working on a contract.

Where the 8 consecutive week threshold is achieved the payment of the Real Living Wage will be made in respect of all those weeks and any additional weeks worked by such employees.

**4.1.1** The following qualifications apply to the above:

The purchase of capital assets is exempt from this policy.

Purchasing of supplies for the projects are exempt from this policy.

**4.2** Adherence to the Real Living Wage, in accordance with this policy, will be through the standard terms and conditions of awarded contracts to subcontractors, contractors.

**4.3** Any supplier/contractor not willing to apply the Real Living Wage will be deselected during the vetting process.

**4.4** SKW Construction will implement the annually revised Real Living Wage rate as set out by the Living Wage Foundation within 6 moths of the date on which any increase in the UK Living Wage is officially announced and will require all suppliers/subcontractors to do the same as part of the project conditions.

**4.5** If the application of the Real Living Wage is not considered to be appropriate this will need to be justified by the Director who is commissioning the relevant works or services and be approved by Samantha Stephenson and/ Karen Ward who will include an appropriate report before subcontractors are able to commence works.

# 5.0 REPORTING ON THE REAL LIVING WAGE

**5.1** SKW Construction Limited will:

**a)** Report and promote the suppliers/subcontractors who have adopted the Real Living Wage within their organisation and supply chain.

**b)** Monitor contracts to check that suppliers and subcontractors continue to pay the Real Living Wage especially after the annual uplift which takes place every November.

Signed 

Date: 06/07/2022

Date to be Reviewed: 06/07/2023