HOLLYWELL

Policy And Procedure

Living Wage Policy

Hollywell Building Services Limited is committed to paying a living wage for all employees.

A living wage is defined as financial compensation that reflects what individuals need to support themselves and their families above the poverty line, based on the actual cost of living in a specific community. A living wage helps the essential costs of living and an improved standard of living for low-wage individuals and families.

Hollywell Building Services Limited uses the UK Living Wage Scheme in determining the minimum Living Wage it needs to pay employees.

Signed:

Bob Stephen
Managing Director
1st August 2025

Living Wage Procedure

1. Purpose

This procedure ensures that all employees receive at least a living wage for the work they perform. The organisation is committed to fair compensation that meets the basic cost of living in the regions where we operate.

2. Scope

This procedure applies to all direct employees of Hollywell Building Services Limited and, where feasible, to subcontracted or third-party workers providing services on a regular and ongoing basis.

3. Definitions

- Living Wage: The minimum income necessary for a worker to meet their basic needs, including food, housing, healthcare, transportation, education, and other essentials, as determined by a reputable independent organisation (e.g., go.uk Living Wage Calculator, Living Wage Foundation).
- Benchmark Provider: An external, credible source used to determine living wage rates by region.

4. Responsibilities

  - HR Department:
    Annually review and update wage benchmarks.
  - Ensure compliance with this procedure during hiring, payroll, and contract reviews.
  - Maintain documentation for wage benchmarking and audits.

- Finance Department:
  - Budget for living wage adjustments as necessary.
  - Coordinate with HR to ensure all employees are paid appropriately.
- Procurement/Supply Chain:
  - Include living wage clauses in supplier and contractor agreements where appropriate.

- Managers/Supervisors:
    - Ensure that compensation for new hires and current employees complies with this policy.

5. Procedure

Step 1: Determine Living Wage Rates

- Identify appropriate benchmark providers based on region (e.g., gov.uk).
- Review published living wage rates annually or upon significant economic changes.
- Document selected benchmarks and reasoning.

Step 2: Assess Current Pay

- Review payroll data to identify employees earning below the benchmarked living wage.
- Include full-time, part-time, and temporary staff.

Step 3: Adjust Compensation

- For any employee earning below the living wage, adjust pay rates accordingly.
- Changes must be made no later than 30 days after the annual review or identified discrepancy.
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Step 4: Communicate

- Inform employees of any changes to their wages and the rationale behind it.
- Clearly state the company’s commitment to living wages in onboarding and HR documentation.

Step 5: Monitor and Audit

- Conduct internal audits annually to ensure continued compliance.
- Address any discrepancies immediately.
- Report compliance status to senior management.

Step 6: Contractor & Supplier Compliance

- Where feasible, require contractors and service providers to commit to paying their workers a living wage.
- Include living wage clauses in procurement and contract policies.

6. Exceptions

- Interns and apprentices may be exempt only if their total compensation package includes sufficient non-monetary benefits or learning opportunities.
- Volunteers or unpaid roles must be clearly distinguished and comply with local labour laws.

7. Review and Revision

This procedure will be reviewed annually by the HR and Compliance teams to ensure alignment with evolving living wage standards and organisational goals.

8. References

https://www.gov.uk/national-minimum-wage-rates