

Skills Economy and Growth Scrutiny Commission16th September 2019**Cost of Living and Public Sector Recruitment**

Item No

5**OUTLINE**

The Commission noted the growing concern about the disparity between the cost of living (particularly for inner London boroughs) and public sector pay.

The Commission decided to explore this topic with the Council to understand the recruitment strategies being deployed or adopted to manage any challenges they face with public sector recruitment.

The Commission invited the following guest to this discussion:

- London Borough of Hackney
- Headteacher
- Trade Union
- Recruitment Agency for public sector workers.

All guests invited to the meeting were asked the following questions:

1. What evidence do you have about the economic drivers that result in the disparity between public sector salaries and the cost of living in inner London?
2. Are there specific drivers impacting on our local economy? Is Hackney borough in any way unique?
3. Is there an issue in relation to age and seniority? If yes, what are the issues around retention as staff gain in seniority? Is it harder to recruit and retain younger staff?
4. What relationship is there between private renting - the costs and the lack of security - and the challenges of recruiting and retaining staff?
5. What income brackets are most affected by this?
6. Are there particular roles that are hard to fill as a consequence?
7. Has anyone modelled what might happen if there was a rise in interest rates on the affordability of living in Hackney for public sector workers?
8. What is the definition of a key worker and what job roles are classed as a key worker?

To the Council

9. In reference to question 8. Does the Council apply this definition to its housing developments? If yes, how does the Council apply this?
10. Has or is the Council experiencing challenges in relation to recruitment? If yes, what job roles or incomes bands are most affected?
11. What is the Council's recruitment strategy to mitigate any negative impacts?

Background Information in the agenda

- London Borough of Hackney - **response to questions**
- Hackney Learning Trust - **response to questions**
- House of Commons Briefing Paper – **Public Sector Pay**
- Institute for Fiscal Studies – **briefing note on Public Sector pay: still time for restraint**
- Recruitment and Employment Confederation – **Is the Public Sector on the brink of a major recruitment crisis**
- TUC - **Public Sector Pay report.**

ACTION

The Commission is requested to note the reports, presentations and ask questions.

