



## BUILDING BACK BETTER WITH LIVING WAGE PLACES

As we emerge from Covid-19, cities, towns, boroughs, and regions across the UK are increasingly focused on the stark wealth inequalities in their places that the pandemic has highlighted and exacerbated.

While the pandemic has shone a light on inequalities, it has also opened a space for more innovative responses to local issues. One of those is Living Wage Places, a scheme established three years ago with initial support from Carnegie UK Trust that now has active local groups in sixteen areas.

Using a place-based approach it harnesses the power of local employers, institutions, communities, consumers, and campaigners to help grow the number of Living Wage employers locally and lift people out of low pay. Cross-sectoral groups of Living Wage employers in a place create an action group and work together on a 3-year action plan to expand take-up of the Living Wage in their town, city, or borough.

At an event in May, those engaged in local action groups across the UK came together to share learning about how to tackle low pay in their communities, by encouraging and engaging other local business and anchor institutions to become accredited Living Wage employers.

As Gail Irvine, senior policy and development manager at Carnegie UK Trust, said in her opening remarks, while there is a role for legislation in improving good work standards, 'there is also a role for employers and employer networks like Living Wage Places in terms of shaping expectations around good work and how it can be delivered locally'.

Existent and emerging Living Wage Places are showing the impact that cross-sectoral groups of local employers can have in attempting to make the real Living Wage the norm in their place.

# LIVING WAGE PLACE CASE STUDIES IN CARDIFF AND GLENROTHES

## **Cardiff, Wales**

Cardiff was the first city in Wales to be recognised for making a Living Wage City in 2019. Its action group includes the council, university, Capital Law and Citizens UK, and is chaired by the leader of the council. Now halfway through its 3-year plan, when the action group first launched, Cardiff had some of the highest levels of unemployment and in-work poverty in Wales with over one-third of households in the region living in poverty. Through engaging with key anchor organisations like the local health board, the action group has ensured almost 8000 people in the city have received an uplift to the real Living Wage, 3000 over its planned target. Since Covid hit, the action group has begun to build the Living Wage into local recovery plans and is exploring making it a condition of grant-making. Making Cardiff a Living Wage City is part of the council's economic strategy and fits into its desire to tackle growing inequality across the city and rising levels of in-work poverty, particularly in the city's Southern arc – which contains some of the poorest parts of Wales.

## **Glenrothes, Fife**

Glenrothes was the first place in the UK to be recognised for Making a Living Wage Town in August 2019 and it is piloting the approach of a Living Wage Place initially at town level before expanding the concept geographically across the region. The town began its journey with only eight accredited Living Wage Employers but as Gordon Mole, head of business and employability at Fife Council, highlighted, it's not where your place begins but where it is going.

Action group members include Fife Council, Fife College, Fife Third Sector Interface, and local private sector employers Glenwood Salon and Landfall Scaffolding. The scheme is embedded within Fife Council's economic recovery and Community Wealth Building reforms and will be rolled out across the region using anchor institutions to drive change, engaging with as many employers as possible. As Mole said: 'We didn't want it to be a coalition of the obvious but a coalition of the willing.'

## LEARNING FROM LIVING WAGE PLACES

There are now 16 Living Wage action groups across the UK including plans for Living Wage City Regions in Greater Manchester and London. As a scheme that has grown rapidly, particularly since the outbreak of Covid-19, it's important to learn what has worked well, discuss some of the challenges that have emerged and create a

community of practice to further this work. The Living Wage Foundation is in the process of setting up a peer-led network to bring together Living Wage Employer engaged in the Living Wage Places, to allow them to share experiences and inspire and learn from each other.

Some of the initial learnings from this work are:

### **Engaging the private sector**

Many existing Living Wage action groups have been driven by the public and voluntary sectors, and the engagement of the private sector, in particular big business, has often proved difficult. One big business advocate is Aviva in Norwich, which has been campaigning for the Living Wage locally for many years and has recently formed a local action group to make Norwich a Living Wage City. Stuart Wright, property and facilities director at Aviva and a member of the Norwich Living Wage Place action group, said that the key to engaging the private sector was to highlight the tangible benefits of accreditation including retention, reduced absenteeism and having a competitive edge on other employers. 'This will then open the door to a more productive relationship,' he said. He told the audience not to be disheartened if businesses are initially reluctant, saying 'remain confident in your cause and try to encourage other organisations in their sector and after the ripple begins, they will often follow.'

Gordon Mole echoed this point: 'We have found that when the private sector begins to engage it creates the ripple effect for engaging other big businesses. When other private sector organisations can see others becoming accredited and uplifting workers, they know that it is achievable for them too.'

Carbon Creative is a Salford-based SME that is an accredited Living Wage Employer and a member of the Salford Living Wage Action Group. Its studio director Kate Hadfield has driven the communications strategy of the Salford action group and engaged employers across Media City, where her business is based. Businesses should make social value a core value of their business, she said, understand the benefits of paying the Living Wage and get involved in their local communities. 'Remember even the smallest business can have impact,' she said.

Celebrating and rewarding those local businesses that are accredited has been an important part of the success of local action groups and some councils are making Living Wage accreditation a requirement for businesses seeking local planning permission.

### **Creating a local culture of collaboration**

For some local areas, place-based collaboration on social issues is not part of local culture and, in the initial stages of forming a Living Wage action group, a lot of effort is needed to embed an active and collaborative approach. Living Wage action groups need to include a mix of public, private, third sector and civil society members, and

to share power equally. Highlighting the diverse strengths and experiences that different members can bring to the campaign and drawing upon those has been an element of the most successful groups so far. The action groups need to be coherent and have clear goals and not be over-reliant or dominated by one stakeholder.

Embedding collaboration from the outset is important as is building relational elements into the action group so that members know and trust each other and celebrate their wins together. Action groups should be supportive and collaborative environments that help build each other's confidence and skills in engaging employers around the Living Wage. And as Stuart Wright said, it's important to recognise that this is a long-term campaign and that it's okay to fail.

'We are all too often focussed on the success and wins but it can be just as important to learn from our mistakes so your group can improve its approach,' he added.

Those action groups that go through the 3-year journey of Making a Living Wage Place leave an important legacy not only of pay rises for local people but also of an active group of place-based stakeholders who have worked together and collaborated on a key local issue.

### **Embedding Living Wage Places into other place-based strategies**

Local authorities and other anchor institutions are increasingly engaged in community wealth building and other inclusive economy strategies, using procurement and other mechanisms to increase local wealth and social value. Embedding the Living Wage Place work within those wider strategies and local narratives have been key to the success of local action groups and have helped them to engage with employers and large anchors.

Local anchors like the NHS, universities, housing associations and councils can drive local accreditations through their supply chains and influence and thus, vastly expand the local footprint of the Living Wage.

Celebrating the success of local anchors in embedding the Living Wage helps others to come on board. For example, the University of East Anglia was recently ranked in the world's top ten universities for commitment to decent work and economic growth, with their Living Wage accreditation an important factor in gaining the award. These stories can be beneficial when making the Living Wage case to large employers.

### **To find out more about Living Wage Places or to join our community of practice contact:**

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# CASE STUDY: Cardiff Living Wage City

## Cardiff Action Group

### Strategies:

Some of the strategies the Cardiff action group has implemented to meet its Living Wage city targets:

- The council paid the Living Wage accreditation fees of SMEs for the first 3 years.
- In every business related newsletter the action group advertises and updates the community on the Living Wage.
- The council put the Living Wage logo on refuse vehicles.
- The action group is launching a LinkedIn campaign to target the Cardiff business community.
- The group are in the process of developing the Spark Building at Cardiff University as a Living Wage building.

## TIP 1

Involve a union at the earliest possible point. They have invaluable insight and knowledge of their sectors which can be highly beneficial to the group.

## TIP 2

Action Group members should set out how they can influence businesses in their supply chains and networks to sign up to the real Living Wage.

## TIP 3

Take every opportunity to highlight the work of the action group and the campaign. List it on all relevant agendas, sectoral events and meetings. This will continually bring awareness to the work.

## TIP 4

Cardiff has developed different strategies to more effectively target different sectors. This will allow members to focus on a strategy where their expertise and contacts can be more effectively applied.

## TIP 5

Using iconic and anchor buildings to highlight the Living Wage movement. In Cardiff the action group fly Living Wage flags from the Cardiff Castle.

# CASE STUDY: Glenrothes Living Wage Town

## Creating a Living Wage Town in post-Covid times:

Like many Living Wage Places, Glenrothes had to slow down progress of its action plan to respond to the pandemic. Covid has, however, created an opportunity to embed the living wage and the targets of the action plan into Fife's economic recovery and Community Wealth Building plans, an approach which is underpinned in all councillor's activity and could expand and embed the Living Wage into the recovery plans of many businesses.

The action group is now aiming to target large anchor institutions across Fife to create momentum in the region and drive uplift for key workers.

### TIP 1

The Fairer Fife Commission provided some financial resource to establish the action group and help toward marketing the campaign in the region.

### TIP 2

In communications, use local imagery and case studies to build a case for the campaign in your place.

### TIP 3

By focussing on businesses headquartered in Glenrothes it allowed the action group to provide more guidance and support to smaller local businesses on accreditation and the Living Wage.

### TIP 4

Use existing events and networks to bring awareness to the Living Wage E.g. Fife Business Week.

### TIP 5

Align the work of the action group with existing local policies and working groups both in the council and locality.