



Making Living Wage Cities and Boroughs: a briefing

The Living Wage Foundation has established a new scheme to formally recognise place-based approaches to promoting Living Wage accreditation: Making Living Wage Places.

The Making Living Wage Places programme seeks to recognise the places that are leading the way on the real Living Wage.

In piloting this approach, we want to formally recognise the towns, neighbourhoods, cities, boroughs and regions across the UK that show leadership, progress and ambition on the uptake of the real Living Wage. It is an opportunity to encourage collaboration between key local institutions and harness place identity as a motivator for more employers to join the Living Wage movement.

Why place?

Central to the 'Making Living Wage Places' scheme is the acknowledgement that there remains much to be done on the Living Wage in many towns and cities across the UK. The overall objective is to increase the number of workers earning the real Living Wage by promoting Living Wage accreditation locally. The scheme seeks to celebrate employers and community leaders' willingness to go even further than their own accreditation – for the benefit of their local community and economy.

Making Living Wage Places asks major local public and private sector employers to not only pay the real Living Wage but also come together to promote it in their areas. Our focus at city and borough level is on 'anchor institutions' that employ large numbers of local people, are able to influence their networks and are representative of particular places due to their long-established social, cultural, economic and political roots in the area.

The five categories of anchor institutions are:

- Local authorities
- Public sector beacons (e.g. universities, hospitals)
- Prominent private sector employers (e.g. major manufacturers, media, utility companies)
- Sports and cultural institutions (e.g. football/rugby clubs, major museums, galleries, theatres, iconic landmarks)
- Transport providers (e.g. airports, bus and rail companies)

Three steps to being recognised for Making a Living Wage City or London Borough

Step 1: Create an Action Group. To do this, there needs to be an existing pool of accredited Living Wage employers with the capacity and influence to champion the Living Wage locally, and the willingness to work together on this. As a minimum, the Action Group should include:

- The relevant local authority
- Major private sector champion(s)
- Other large 'anchor' employer(s) – which could include hospitals, universities, cultural institutions, sport organisations, transport providers, media companies, utilities, building owners and major employers
- Third sector champion(s)
- A representative from small or medium-sized enterprise
- A representative from an employment network e.g. Chambers of Commerce

Step 2: Research the local low pay landscape. The group needs to understand the particular low pay challenges within their defined place so that it can set out its plans to address them.

Research topics for analysis ahead of creating an action plan include:

- Number of employees covered by a Living Wage commitment as a percentage of the working population within a region
- Accreditation within the defined anchor institution categories
- Total number of Living Wage employers, including representation of both large organisations and SMEs
- Distribution of private, public and third sector accreditations
- Number of local staff whose pay was uplifted through accreditation, and therefore progress in tackling low pay

Step 3: Develop a clear and ambitious Living Wage action plan. The plan should address the specific challenges highlighted within a place, with targets such as increasing the proportion of local employees covered by a Living Wage commitment, the number of Living Wage employers in the area, and the numbers receiving a pay rise as a result of new Living Wage commitments.

To be officially recognised as 'Making a Living Wage Place' the Action Group must:

- Ensure the criteria for the make-up of the Action Group is met
- Ensure Living Wage accreditation of at least the local authority and two further prominent employers within different anchor institution categories, with both public and private sector representation
- Have the action plan signed off by the Living Wage Foundation
- Sign a group licence agreement to gain licence rights to use the 'Making Living Wage Places' branding
- Invoicing instructions for payment of the Living Wage Place recognition fee (which would be paid via a nominated 'lead' organisation on the Action Group)
- Commit to deliver their action plan within an agreed timescale (usually 3 years)

Creating an action plan

Action plan submissions are assessed by a panel of experts from the Living Wage Foundation and Living Wage Scotland, to establish if the plan is sufficiently ambitious to join the Making Living Wage Places scheme.

Guidance from Living Wage Foundation/Scotland will determine if the priority emphasis of the action plan should be on increasing coverage of Living Wage accreditation in general or targeting specific accreditations in underrepresented sectors and categories to ensure they are addressing low pay challenges within that region. An action plan should outline ways in which the group will:

- Target larger, 'anchor' employers in the local area
- Engage low-pay sectors in Living Wage take-up and accreditation
- Support SMEs to commit to Living Wage
- Raise awareness of the Living Wage movement
- Champion the existing Living Wage network

The Making Living Wage Places scheme is at pilot stage, and a series of pilots will be evaluated in the UK before rolling out.

Those interested in becoming involved as an official pilot in the Making Living Wage Places scheme should be referred to:

- Clare Goff, Living Wage Places Project Manager (England, Wales and Northern Ireland): Clare.Goff@livingwage.org.uk
- Lynn Anderson, Living Wage Places National Coordinator (Scotland): lynn.anderson@povertyalliance.org