



**Report of the Chief Officer Employment and Skills and Heads of Human Resources**

**Report to the Director of City Development and the Director of Resources and Housing**

**Date: 18 March 2020**

**Subject: The Great Jobs Agenda, Anchor Institutions and the Living Wage Foundation Living Wage**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary**

**1. Main issues**

- The city has continued to benefit from economic growth but record high employment figures conceal significant variations in the quality of work people are doing. The changing UK labour market has seen a growth of in-work poverty and the lack of social mobility which limits the potential of individuals who find themselves trapped in low skilled, low paid, and insecure employment resulting in one in eight workers across the country now living in poverty.
- The TUC published the Great Jobs Agenda as part of its Great Jobs for Everyone campaign in 2018 seeking to engage employers to provide better jobs that offer a living wage and good working conditions. The Council endorses and supports the standards central to this campaign to provide better jobs that offer a living wage and good working conditions.
- The Council is a Living Wage employer, paying at least £9.30 per hour, and has a pivotal role in the city as both a major employer and civic leader to encourage other anchor institutions and employers across the public and private sector to pay the Living Wage.

- This report seeks to identify the measures the Council has taken both as an employer to meet these standards and through its place based leadership role, through the Leeds Anchors Network, work with other large employers to benefit local businesses and communities.

## **2. Best Council Plan Implications**

- The key principles promoted in the Great Jobs Agenda align with the key ambitions and objectives of the city's Inclusive Growth Strategy, the Health and Wellbeing Strategy and the Best Council Plan 2019/20 -2020/21 and contribute directly to our ambitions to enable all our residents to benefit from a strong economy in a compassionate city. For the Council as an employer, the overarching People Strategy is being developed and will feature in the Best Council Plan.
- In particular, this range of activity contributes to the Best City priority of Inclusive Growth by supporting growth and investment, helping everyone benefit from the economy to their full potential; supporting businesses and residents to improve skills; helping people into work and into better jobs; targeting interventions to tackle poverty in priority neighbourhoods; and tackling low pay.

## **3. Resource Implications**

- There are no resourcing implications arising from this report.

## **Recommendations**

The Director of City Development and the Director of Resources and Housing are asked to:-

- a) Continue to support the aims of the Great Jobs Agenda and continue to seek to meet the standards to provide better jobs that offer a living wage and good working conditions
- b) Note the aligned strategies and place based programmes currently being progressed under the Leeds Inclusive Growth Strategy to engage with the Leeds Anchors Network and a wider range of employers to provide good employment.
- c) Endorse the approach to work towards securing Living Wage Foundation accreditation of the Council as a Living Wage Employer and tackle low pay and in-work poverty through the Living Wage Foundation's Living Wage Places model to promote Leeds as a Living Wage City.
- d) Note that the officer responsible for all employment issues within the Council, including engagement with the trade unions is the Chief Officer Human Resources and the officers responsible for the aligned intervention to support wide employer engagement on the above issues are the Chief Officer Economic Development and the Chief Officer Employment and Skills.

## **1. Purpose of this report**

- 1.1 The city has a resilient economy and has continued to benefit from strong growth since the recession but there is an evident need to tackle growing inequality and the lack of social mobility which limits the potential of individuals, who find themselves trapped in low skilled, low paid, and insecure employment.
- 1.2 There has been a growing interest and calls to action from a number of bodies to address the above issues. The TUC, representing 5.5 million working people nationally and 600,000 in Yorkshire and Humberside, published the Great Jobs Agenda as part of its Great Jobs for Everyone campaign in 2018. The campaign has sought to engage employers to act to provide better jobs that offer a living wage and good working conditions.
- 1.3 The Council with a workforce totalling 15,000 staff has a key role to play as both an employer and as an exemplar to others. Our People Strategy 2020-2025 is being developed and our people vision is simple – to be the best place to work for everyone.
- 1.4 The Council also has an important role as a place based leader that can influence other employers and as an advocate for and service provider to local citizens. This reports sets out how the current and planned work of the Council supports and complements that of the Great Jobs Agenda and promotes good employment standards across the city through the Leeds Anchors Network and its wider engagement with employers in Leeds.

## **2. Background information**

- 2.1 Leeds is an economically buoyant city, experiencing the fastest private sector jobs growth of any UK city and the highest increase in the employment rate of any Core City 2009 -2017 with 74.4% of its working age residents economically active in September 2019. The city has the largest city concentration of financial and professional services and digital jobs in the UK outside London. It is a major hub for health innovation, data analytics, innovative manufacturing, and knowledge intensive jobs. The city also has the second highest productivity levels (GVA per hour) of the core cities. There are positive signs of wage growth, with average weekly earnings for residents in full time employment rising from £496.2 in 2014 to £555.9 in 2019.
- 2.2 However, in the changing labour market, where a 'hollowing-out' of skilled and semi-skilled occupations has been accompanied with growth in both high skilled and high valued jobs and lower skilled and lower income jobs along with 'flexible' jobs and the rise of the 'gig economy', it is clear that 'a job, any job' is no longer a guaranteed route out of poverty in the modern economy. The increased use of zero hour contracts nationally raises concerns about worker exploitation by some employers and the degree to which workers can assert their employment rights, and a lack of financial stability and security.
- 2.3 The 2019/20 Annual Report by the Joseph Rowntree Foundation shows that 56% of the households in poverty contain at least one adult that is in work compared to 39% 20 years ago, these families equate to more than 8 million people across the UK. In-work poverty is estimated to have risen from 9.9% of workers in 1997/98 to 12.7% in 2019/20. The report also notes that the risk of poverty is higher for workers with disabilities, Black and minority ethnic workers, part-time workers, those in families with children and those in single-adult families, especially lone parents. In Leeds,

70% of families receiving tax credits are in work and an estimated 91,000 Leeds residents earned less than the Living Wage Foundation's Living Wage in 2018.

- 2.4 The quality of work and working conditions are important for the health and well-being of individuals and the economy. Work provides an important source of income and routine for people and low pay and irregular hours can have a detrimental impact on health. Insecure employment, monotonous and repetitive work, a lack of autonomy and control, imbalance between effort and rewards, lack of workplace justice and poor progression routes can all contribute to poorer health, lower job satisfaction and poor performance at work.
- 2.5 Addressing poor quality work is good business for employers. Poor employee health and wellbeing is likely to result in lower productivity and increased staff turnover, and the implicit recruitment costs and subsequent lower profits that result from this. An employer providing a healthy workplace is likely to be attractive to existing staff and potential applicants, making it easier to retain and recruit good staff.

### 3. Main issues

#### 3.1 The TUC Great Jobs Agenda

- 3.1.1 The Great Jobs Agenda is a charter that sets out six standards that will support action to achieve great jobs. It is aimed at raising awareness and provides a tool for employers to assess the current position in the workplace, identify those areas where change is needed and to disseminate success stories and best practice.
- 3.1.2 The charter makes specific asks of employers to ensure that all employees are paid fairly; work in a safe and healthy workplace; are treated decently; have regular hours; get a voice on what matters at work; and get the chance to get on in life. The Executive Board received a report in November 2018 setting out the standards the current position of the Council as an employer. The details set out in Appendix 1 shows that the Council continues to meet the standards to provide better jobs that offer a living wage and good working conditions.
- 3.1.3 Our People Strategy 2020-2025 is being developed and this places our employees at the centre of our thinking, with **inclusion, diversity and wellbeing** as core underpinning themes. There are 3 aspects that define our 'Best Place to Work' ambitions, and form the basis for our 5 year mission. These are:
- Creating **the best employee experience** for all staff
  - Having **the best leadership and management**
  - Ensuring **the best organisational values and culture**
- 3.1.4 There is a clear and purposeful commitment around the 'offer' that staff will get at each of the four stages of the employee lifecycle: Great recruitment and a warm welcome; Brilliant development; Great all round experience; and Flexible career paths and progression, and the activities the organisation will do to strengthen our culture and values. Sandwiched between these two, we have positioned the role that leaders and managers will play, recognising that delivery is predicated upon their capability, confidence and compassion.
- 3.1.5 This framework reflects many of the themes covered by the Great Jobs Agenda including a voice at work, fair and decent pay, guaranteed hours, learning and progression, safe and healthy workplaces and build on the actions highlighted below.

- 3.1.6 **A Voice at Work.** The Council has an agreed Framework for Engagement in Employee Relations that sets out the approach adopted by the Council and the Trade Unions to effectively negotiate terms and conditions of employment for all employees. The Council supports and encourages active staff networks through the provision of resources and enabling staff the time to attend during working hours. They give staff a voice, provide networking and peer support and staff networks are making an increasing contribution to the inclusion and diversity agenda. Leeds is amongst the top three highest Stonewall ranked local authorities and the LGBT staff network is recognised as being the best receiving a regional award for Yorkshire and Humber.
- 3.1.7 **Fair and Decent Pay.** The Council has committed to pay a minimum pay rate of £9.30 an hour for new starters and £9.36 for all current employees. This will include apprentices. Work is also being undertaken with the Living Wage Foundation and staff who commission services to explore opportunities to raise pay rates to Foundation levels across our supply chain. Subject to adequate funding this will be implemented.
- 3.1.8 **Guaranteed Hours.** The Council continues to avoid the use of zero-hour contracts and offers premium payments for various types of overtime and working anti-social hours. For some areas of activity casual workers will nevertheless be engaged, e.g. one-off events. The Council works with its trade unions to ensure casual working is appropriate.
- 3.1.9 **Learning and Progression.** The Council currently has 700 apprentices, which is nearly 5% of the work-force and nearly double the public sector target of 2.3%.
- 3.1.10 **Safe and Healthy Workplaces.** The Council offers a range of health and wellbeing support programmes to all staff as part of the health and wellbeing strategy.

## 3.2 The Leeds Anchors Network

- 3.2.1 Leeds is leading the way in developing a placed based partnership approach through the Leeds Inclusive Anchors Network. Anchor institutions are big and locally rooted organisations with a long history in their places and are unlikely to move and they have a big impact on local communities and economies and are pivotal to their success and wellbeing. Enabled by the Council, the Leeds Anchors are committed to working together to maximise the local benefits from their spending, services and recruitment. Practical actions are focused on the achievement of city's ambitions on Inclusive Growth and the Health and Wellbeing of its citizens.
- 3.2.2 Established 12 months ago the Leeds Inclusive Anchors Network now comprises 11 organisations based in the city and includes the Council, the University of Leeds, Leeds Beckett University, Leeds Trinity University, Leeds City College, Leeds College of Building, Leeds Teaching Hospitals NHS Trust, Leeds and York Partnership Foundation NHS Trust, Leeds Community Healthcare NHS Trust, NHS Digital and Yorkshire Water. This network builds on the work of the More Jobs, Better Jobs research partnership 2013-17 between the Council and the Joseph Rowntree Foundation.

- 3.2.3 The Anchor Institutions have over 57,000 employees, one in seven of the Leeds' workforce, and an annual expenditure in excess of £2 billion per year. The network provides an important opportunity to unlock the potential for transformational change and outcomes to address inequalities in the city.
- 3.2.4 All the Anchors have undertaken a facilitated self-assessment using the Progressive Framework tool commissioned by the Joseph Rowntree Foundation and the Council to inform priorities for action that exploit the Anchor characteristics. This is shaping activity under key three themes - Employment, Healthy Workplaces and Procurement. Appendix 2 provides examples of activity undertaken to date across all these themes.
- 3.2.5 **Employment.** 10 of the Anchors are Living Wage employers with one which seeks to move towards this and all the HR Directors are committed to sharing best practice on non-pay benefits and working collaboratively to address issues associated with the gender and ethnicity pay gap reporting and action. Employee mapping for each organisation by gender, age and pay band against the Index of Multiple Deprivation 2019 has improved the collective understanding of the opportunity to contribute to inclusion and improve social mobility through recruitment. This has informed pilot outreach employment support programmes in Priority Neighbourhoods to recruit to vacancies at Leeds Teaching Hospitals NHS Trust. The pilot has now been mainstreamed and available to support all Anchors.
- 3.2.6 As employers, the talent pipeline is a particular focus of the group and we aim to have all Anchors represented on the Start in Leeds Careers platform available across schools in Leeds and supporting the Leeds Careers Charter through an Anchor employer offer to support careers education and work experience. LCC are currently finalising the profile on Start in Leeds. We are keen to support in-work progression and encourage further investment in workforce skills. This will build on the existing partnership work with Leeds Beckett University and the Council enabling more Apprenticeship Levy Transfer to benefit local SMEs through the development of a web enabled brokerage service between local levy and non-levy payers.
- 3.2.7 **Healthy Work Places.** HR Directors and Wellbeing lead officers have undertaken an audit of current practice and support services to benefit employees. This revealed significant levels of good practice, our in house mental health first aid trainer has trained over 700 staff to support colleagues to access support and raise awareness of mental health, however it is recognised that we can do more to support mental health and increasing manager confidence and ability to support this through training. The Leeds Anchors Healthy Workplace Pledge has been developed and its implementation will be supported by a toolkit and web resources and its impact monitored through workforce data and staff survey results.
- 3.2.8 **Procurement** –Heads of Procurement have undertaken an analysis of procurement expenditure using the methodology developed by the Centre for Local Economic Strategies. These studies, individually and collectively identify spend by geography; industry sector and type and size of supplier and indications of the percentage of spend which can potentially be realigned. Anchor procurement leads are invested in training to enable consistent measurement and reporting annually to inform continued action.

- 3.2.9 The current baseline based on an analysis of the 2017/18 expenditure of 6 Anchors is that 48% of procurement expenditure was with businesses based in Leeds. A further 4% is spent in West Yorkshire with the balancing 52% spent outside of Leeds and West Yorkshire. Further training and analysis is taking place to collate data on expenditure in 2018/19 across all 11 anchors to determine targets. However, we know from our research with the Joseph Rowntree Foundation that that if these 11 anchors are able to shift 10% of their total spending to suppliers in the city this could see an additional £150m to £200m circulating in the local economy each year when multipliers are factored in.
- 3.2.10 Action plans include the delivery of an Anchors Meet the Buyer event and engagement with Group Purchasing Organisations, business intermediaries, existing contractors and their supply chains and potential new contractors with access to advice and training and business support services. The Council has shared learning on developing and delivering its approach to social value and in the longer term it is planned to explore the development of an Anchors Social Value statement to support the delivery of a wider range of benefits.
- 3.2.11 Work has commenced to engage leading businesses in the city to act as strategic partners in adopting the Leeds Anchors approach to contribute to the city's Inclusive Growth ambitions. A workshop held at the beginning of February with a number of businesses demonstrated interest in a business network to amplify current good practice and share challenges and learning.

### **3.3 The Living Wage**

- 3.3.1 The UK has had a minimum wage since 1999 and the more recently the term National Living Wage has also been used by the UK government.
- The National Living Wage is the minimum wage rate. It is set at £8.21 per hour (this will rise to £8.72 in April 2020) and is paid to workers 25 and over. This is not based on the cost of living, rather it is calculated as 55% of median earnings, and is set to rise to 60% of median earnings by 2020, raising it to £9 per hour.
  - The minimum wage for those aged 21-24 is currently set at £7.70 per hour (this will rise to £8.20 in April 2020). This is a negotiated settlement based on advice from business and trade unions.
  - The minimum wage for those aged 18-20 is currently set at £6.15 per hour (this will rise to £6.45 in April 2020).
  - The minimum wage for an apprentice is currently set at £3.90 per hour (this will rise to £4.15 in April 2020).

These are legally enforceable rates.

- The Living Wage is a voluntary rate and is currently set at £9.30 per hour and updated every November, it covers those aged 18 and over. As it is based on the cost of living there is a separate higher rate for London set at £10.75.
- The rates are calculated annually by the Resolution Foundation and overseen by the Living Wage Commission. The Commission drawn from Living Wage accredited employers, trade unions, civil society and independent experts, supports and promotes the goals of the Living Wage as an attainable benchmark for employers committed to ensuring their employees earn a wage that meets the real cost of essential goods and services.

- 3.3.2 It is estimated that 9.8% of all Leeds working residents earned less than the government's National Living Wage in 2017, affecting 32,241 residents - 9.1% of full time working residents and 16.8% of part time working residents earned below the National Living Wage in Leeds. The amount of people paid below the real Living Wage is 9.7% impacting 37,695 workers.
- 3.3.3 Over the last 5 years the Council has taken a number of actions to ensure that around 5,000 directly employed staff earn the Living Wage. This has meant top-up pay awards have been made to our lowest paid staff where national pay agreements have not met this level. Since 2015 the value of this investment has been £13.2 million. Pay awards are now in line with the real Living Wage rate and will be monitored going forward to ensure this can be maintained. In terms of the Council's supply chain we have adopted an Ethical Care Charter to ensure the lowest paid care workers are paid above the National Living Wage – the minimum wage, this investment is around £6.6 million.
- 3.3.4 In June 2019, the Executive Board endorsed a new 5 year Procurement Strategy that will mean more consideration will be given to tackling low pay as part of our procurement of goods and services. To this end we have already amended our tender documentation for contracted activity to highlight our commitment to promoting the Living Wage across the city and ask that all bidders complete a Living Wage survey so that we can capture as much data as possible on our supply chains paying the Living Wage Foundation pay rates.
- 3.3.5 Joint working with the West Yorkshire Combined Authority and Leeds City Region Enterprise Partnership has enabled the introduction of new obligations on businesses to contribute to inclusive growth objectives. Grants for capital investment, plant, machinery and equipment and job creation include requirements linked to the scale of the grant offer and include developing a skills plan, training to assist low paid staff to progress, offering work opportunities to local people with disabilities or health issues and those furthest away from the labour market. Business support grants also require recipients to make a commitment to paying staff the Living Wage within an agreed timescale.
- 3.3.6 Accreditation by the Living Wage Foundation requires that the applicant can demonstrate that it not only pays its employees the Living Wage but that its supply chain also pays its employees the Living Wage. The Council will work towards seeking accreditation and we will continue to use our leadership role as a large employer in the city, and as a member of the Leeds City Region Economic Partnership and the LeedsBID to encourage more employers across the public and private sector to pay the Living Wage.
- 3.3.7 The campaign to make Leeds a Living Wage City was launched by the Leader of the Council on 26 February 2020 at Leeds Art Gallery. This event marked the start of a process which enables partners to explore the challenges, share their learning and set out plans to address low pay in Leeds. The Living Wage Foundation offers formal recognition to towns, cities and regions across the UK that show leadership, progress and ambition on the uptake of the Living Wage through its Living Wage Places model.
- 3.3.8 The model offers 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. The scheme focuses 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. There is a three step process beginning



with forming an action group to influence and champion the Living Wage; researching low pay to understand the challenge locally; and finally creating an ambitious action plan to deliver change.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 The aims of the Great Jobs Agenda strongly align with those of the Leeds Inclusive Growth Strategy and the Best Council Plan 2019/20-2020/21 approved by Executive Board following extensive consultation with city stakeholders.
- 4.1.2 The Executive Members for Culture and Inclusive Growth, Resources and Sustainability and Learning, Skills and Employment have been consulted on the activities aligned to the Great Jobs Agenda and that undertaken by the Leeds Anchors Network.
- 4.1.3 Local trade unions as well as the TUC were consulted on the continued endorsement of and alignment of programmes to the Charter.
- 4.1.4 This report was originally due to be considered by Executive Board at a meeting scheduled for Wednesday 18th March 2020.
- 4.1.5 Due to the Covid-19 pandemic the meeting was cancelled, and replaced instead with an informal meeting of the members of the Executive Board, with members dialling in remotely.
- 4.1.6 Under current legislation, as members were not physically present in one location, it was not a properly constituted Executive Board meeting and therefore cannot take decisions.
- 4.1.7 The decisions outlined in this report will now be taken by the Director of City Development and the Director of Resources and Housing through a delegated decision.
- 4.1.8 Executive Board members made a number of recommendations, which are reflected in the recommendations of this decision, which were:
  - (a) That support continue to be provided for the aims of the Great Jobs Agenda, with support also being given for the Council to continue to seek to meet the standards to provide better jobs that offer a living wage and good working conditions;
  - (b) That the aligned strategies and place based programmes currently being progressed under the Leeds Inclusive Growth Strategy to engage with the Leeds Anchors Network and a wider range of employers to provide good employment be noted;
  - (c) That the approach to work towards securing Living Wage Foundation accreditation of the Council as a Living Wage Employer and tackle low pay and in-work poverty through the Living Wage Foundation's Living Wage Places model to promote Leeds as a Living Wage City be endorsed;
  - (d) That it be noted that the officer responsible for all employment issues within the Council, including engagement with the trade unions is the Chief Officer Human Resources, with it also being noted that the officers responsible for the aligned intervention to support wide employer engagement, as outlined in the report, are the Chief Officer Economic Development and the Chief Officer Employment and Skills.

## **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 An Equality, Diversity, Cohesion and Integration screening was undertaken in November 2018 to ensure that the charter's aims are reflective of the Council's equality and diversity principles. As endorsement of the Charter does not involve specific policy changes there are no further and specific screening requirements.
- 4.2.2 The activities described in the report include both work with employers and employees and jobseekers. These include supporting employers in the city to adopt and promote best practice through the implementation of their employment policies and practice to address low pay and progression for those in work, encouraging them to invest in skills including apprenticeships and leverage their spending to achieve inclusive growth objectives. Activities also include support to local residents furthest away from the labour market to acquire new skills and to secure and sustain employment, support. These established policies and programmes have already been subject to screening and or impact assessment to ensure that due regard was given to equality, diversity, cohesion and integration within the decision making process.**Council policies and the Best Council Plan**
- 4.3.1 The policy framework and activities delivered by the Council as set out in the report align to the Great Jobs agenda and contribute directly to our Best Council Plan 2019/20-2020/21 ambitions to enable all of our residents to benefit from a strong economy in a compassionate city. In particular, this range of activity contributes to the Best City priority of Inclusive Growth by supporting growth and investment, helping everyone benefit from the economy to their full potential; supporting businesses and residents to improve skills; helping people into work and into better jobs; targeting interventions to tackle poverty in priority neighbourhoods; and tackling low pay. For the Council in its role as an employer, these objectives will be reflected in the People Strategy.
- 4.3.2 Climate Emergency  
Leeds City Council declared a climate emergency in April 2019 and is committed to reducing carbon emissions, maximising the economic benefits of environmental policy and improving the health and wellbeing of its citizens. The Anchors Network will explore with the Leeds Climate Commission action it can take to address climate polices and contribute to the development of a zero net carbon economy and ensuring that all staff are carbon literate to better enable them to drive change within their organisations and personal lives.

## **4.4 Resources, procurement and value for money**

- 4.4.1 There are no resourcing implications arising from this report.

## **4.5 Legal implications, access to information, and call-in**

- 4.5.1 There are no legal implications arising from this report.

## **4.6 Risk management**

- 4.6.1 Risk management plans will continue to be developed and monitored as this work progresses to identify and address any risks to delivery across the activities described in this report. These include financial and reputational risks.

## **5. Conclusions**

- 5.1 The TUC's Great Jobs Agenda sets out that all workers should be entitled to be paid fairly, work in a safe and healthy workplace, be treated decently, have guaranteed hours, get a voice on what matters at work, and get the chance to get on in life. It notes that while there are lots of great jobs, too many workers are currently in jobs that do not meet these basic standards. It calls on employers to recognise and work with trades unions to make great jobs a reality for all.
- 5.2 The TUC and the Leeds Anchors Network are taking action at a time when the focus is shifting from the quantity of jobs to the quality of jobs and echoes many of the issues and commitments to action made by the Council and key city stakeholders in the Leeds Inclusive Growth Strategy, the Health and Wellbeing Strategy and the Best Council Plan 2019/20 -2020/21.
- 5.3 The Council has already taken action against the six standards set out the Great Jobs Agenda and the placed based approach promoted by the Leeds Anchors network is already galvanising collaborative action with good returns financially and socially for the Anchors, local communities and for the city as a whole. The Council is already demonstrating that it is well placed to expand its work on low pay; apprenticeships, including work to agree an Apprentice Charter with the JTUC; procurement and supply chain management; and healthy workplaces to a wider range of organisations through its local leadership role with programmes of sufficient scale to create a difference locally.
- 5.4 The Council has taken great strides to ensure we pay the Living Wage, and £13.2 million has been spent over the past 5 years to ensure that council staff are paid the Living Wage. Work on encouraging and supporting the supply chain to pay its employees the Living Wage is underway enabling the Council to seek accreditation as a Living Wage Employer. We will continue to play a leadership role, together with the anchor institutions to promote the Living Wage across the city.

## **6. Recommendations**

- 6.1 The Director of City Development and the Director of Resources and Housing are asked to:-
- a) Continue to support the aims of the Great Jobs Agenda and continue to seek to meet the standards to provide better jobs that offer a living wage and good working conditions.
  - b) Note the aligned strategies and place based programmes currently being progressed under the Leeds Inclusive Growth Strategy to engage with the Leeds Anchors Network and a wider range of employers to provide good employment.
  - c) Endorse the approach to work towards securing Living Wage Foundation accreditation of the Council as a Living Wage Employer and tackle low pay and in-work poverty through the Living Wage Foundation's Living Wage Places model to promote Leeds as a Living Wage City.

- d) Note that the officer responsible for all employment issues within the Council, including engagement with the trade unions is the Chief Officer Human Resources and the officers responsible for the aligned intervention to support wide employer engagement on the above issues are the Chief Officer Economic Development and the Chief Officer Employment and Skills

## **7. Background documents<sup>1</sup>**

- 7.1 There are no background documents.

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<sup>1</sup> The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

## The Great Jobs Agenda

<b>Standard 1: A Voice at Work</b>	
<b>Great Jobs Agenda</b> We want employers to:	<b>Leeds City Council</b>
<ul style="list-style-type: none"> <li>Recognise a trade union for collective bargaining on pay and conditions</li> </ul>	<ul style="list-style-type: none"> <li>The Council operates within a system of collective bargaining with recognised trade unions to effectively negotiate terms and conditions of employment for employees. Membership of one of the recognised trade unions provides employees with an opportunity to actively engage in decisions which may impact upon their employment. It covers the following recognised, single trade unions: ATL, GMB, NASUWT, NUT, UNISON and Unite (known collectively as the Joint Trade Unions Committee) plus ASCL and NAHT.</li> </ul>
<ul style="list-style-type: none"> <li>Set out how they will consult the whole workforce on important decisions</li> </ul>	<ul style="list-style-type: none"> <li>The Council has agreed a Framework for Engagement in Employee Relations sets out the approach adopted by the Council and the Trade Unions to effectively negotiate terms and conditions of employment for all employees. Membership of one of the recognised trade unions therefore provides employees with an opportunity to actively engage in decisions which may impact upon their employment. The framework makes provision for a number of different forums for information, consultation and negotiation and discussions on formal and informal levels to enabling early dialogue on strategy and decision making that may impact on the workforce and associated employment terms.</li> </ul>
<ul style="list-style-type: none"> <li>Have elected workers on company boards</li> </ul>	<ul style="list-style-type: none"> <li>As a democratically accountable local government body the Council does not have a company board, however arrangements at an equivalent level include the Corporate Joint Consultative Committee which is chaired by a nominee of the Deputy Leader and Executive Member with responsibility for Strategy and Resources and includes full time Convenor representatives for the recognised Trade Unions.</li> <li>The Council supports staff in their decision to join or not join a trade union and it also supports and encourages active staff networks through the provision of resources and enabling staff the time to attend staff network meetings and events during working hours. They give staff a voice, provide networking and peer support opportunities for staff and include Healthy Minds Group which provides mental health peer support through the Disability and Wellbeing Staff Network. The others are BAME (Black, Asian &amp; Minority Ethnic), Carers, Early Careers, LGBT+ (Lesbian, Gay, Bisexual &amp; Trans +) and Womens Voice.</li> </ul>

## Standard 2: Fair and Decent Pay

Great Jobs Agenda We want employers to:	Leeds City Council
<ul style="list-style-type: none"> <li>negotiate pay with a recognised union</li> </ul>	<ul style="list-style-type: none"> <li>The National Joint Council for Local Government negotiates the pay, terms and conditions of staff in local authorities at a national level. It agrees an annual uplift to the national pay spine, with individual councils determining local pay arrangements in accordance with the nationally agreed pay spine. In determining these matters, the Council must take account of the value of a job using the nationally agreed job evaluation scheme. Any local discussion about the local pay structure will be conducted through the employee relations engagement framework.</li> </ul>
<ul style="list-style-type: none"> <li>pay all workers at least the real living wage, not just the government's minimum wage</li> </ul>	<ul style="list-style-type: none"> <li>The Low Pay Charter was adopted by West Yorkshire Councils, York City Council and the West Yorkshire Combined Authority WYCA in the spring of 2015. Since April 2015 the Council has invested £13.2 m in the bottom end of the local pay structure to increase minimum pay rates. Most recently, in April 2019, the Council increased minimum pay rates to the Living Wage Foundation (LWF) pay rate of £9.18 per hour. This increase benefitted 2,700 staff, with positive impacts regarding in-work poverty; especially for women, those under 25 years of age and part-time workers.</li> </ul>
<ul style="list-style-type: none"> <li>work towards everyone getting a total pension contribution of at least 15 per cent of their wages</li> </ul>	<ul style="list-style-type: none"> <li>The current employer pension contributions are 15.9% and are determined by the Pensions Service Board for Local Government. While this affords limited opportunity to influence changes to the contribution levels the Council has a significant number of staff below the £10,000 threshold for pension auto-enrolment and is putting in place plans to raise awareness amongst this target cohort of staff of the benefits of investing in pension provision.</li> </ul>
<ul style="list-style-type: none"> <li>measure the gap between the top and the bottom pay and commit to reducing it</li> </ul>	<ul style="list-style-type: none"> <li>The Council publishes the Annual Pay Policy Statement detailing the pay of its highest and lowest paid staff. This is reviewed annually and considered by full Council. The Council is conscious of the need to ensure that the salary of its highest paid employees is not excessive and is consistent with the needs of the Council to recruit and retain staff with the skills, knowledge, experience, abilities and qualities needed and to ensure that the authority meets any contractual requirements for staff including the application of any local or national collective agreements, or authority decisions regarding pay.</li> </ul>
<ul style="list-style-type: none"> <li>carry out regular pay audits and act to reduce the gap between women's and men's pay</li> </ul>	<ul style="list-style-type: none"> <li>From April 2017, the gender pay gap reporting regulations require all employers with 250 or more employees to publish their gender pay information. The Council complies with this and the 2019 statistics show that overall the difference between men's and women's pay is 5.9%, which compares favourably to other large organisations. It also shows that those in the top quartile (earning over £29,825 per annum) 58.8% were women and 41.2% were men. However within the lowest earning bracket (under £17,092 per annum) 75.2% are women and 24.28% are men. The council's gender pay gap has reduced year on year due to continued financial investment.</li> </ul>

### Standard 3: Guaranteed Hours

Great Jobs Agenda	Leeds City Council
We want employers to:	
<ul style="list-style-type: none"> <li>avoid using zero-hours and very short-hours contracts - give staff who want them contracts with guaranteed hours that reflect their normal working patterns</li> </ul>	<p>The Council does not use zero hours contracts and has significantly reduced its use of agency staff over the last few years. Where agency workers are hired they receive the Living Wage as a minimum. The Council also will engage casual workers to support some activities. The Council works with its trade unions to ensure casual working is appropriate.</p>
<ul style="list-style-type: none"> <li>agree a minimum notice period (we recommend one month) for allocating and changing shifts</li> </ul>	<p>Managers are expected to give staff reasonable notice of changes to shift patterns or rotas. Specifically where staff work on a rostered basis, work is planned ahead and staff are offered overtime for undertaking extra work. Premium payments are also offered for working anti-social hours and for shifts.</p>
<ul style="list-style-type: none"> <li>report on the use of zero-hours contracts, short-hours contracts and agency work in annual reports and explain why they are using them</li> </ul>	<p>The Council continues to review the use of agency staff with monthly reports to the Corporate Leadership Team to enable monitoring and challenge to services with high spend on agency and overtime and update reports on the workforce to Scrutiny Board as requested. The use and deployment of agency workers is also discussed with the trade unions</p>

### Standard 4: Fair Treatment and Respect

Great Jobs Agenda	Leeds City Council
We want employers to:	
<ul style="list-style-type: none"> <li>adopt a zero-tolerance approach to all forms of discrimination, harassment and bullying at work</li> </ul>	<ul style="list-style-type: none"> <li>The Council is committed to ensuring that all employees are treated with dignity and respect whilst at work. The Dignity at Work policy adopted by the Council defines standards of unacceptable behaviour for staff in relation to their work, and identifies the responsibilities of both managers and individual employees in creating an appropriate working environment. It also provides a framework for action when behaviour falls short of expected standards. This policy supports the Council's commitment to preventing acts of discrimination, exclusion, unfair treatment, bullying and demeaning behaviours.</li> </ul>

## Standard 5: Learning and Progression

Great Jobs Agenda We want employers to:	Leeds City Council
<ul style="list-style-type: none"> <li>offer more high quality apprenticeships</li> </ul>	<ul style="list-style-type: none"> <li>The Council is required to pay the Apprenticeship Levy and over the last 24 months has invested in developing a new apprenticeship programme that offers training at Levels 2 through to 7 and aims to meet the Public Sector Apprenticeship Target set by Government and the Council's workforce development needs to meet business priorities. Over 70 standards are now offered. The Council has a target of around 350 apprenticeships with an additional 260 required across our schools and we now have over 700 apprentices currently on programme and with a total levy expenditure of £2.25m to date.</li> </ul>
<ul style="list-style-type: none"> <li>negotiate with unions to make sure learning and progression opportunities are available to everyone</li> </ul>	<ul style="list-style-type: none"> <li>The Council has a Learning Agreement with its recognised Trade Unions and Union Learn to ensure that resources are aligned to provide the best learning and development opportunities for staff. We are in the process of signing up to a locally agreed apprenticeship charter with the JTUC.</li> </ul>
<ul style="list-style-type: none"> <li>make sure all employees know about their right to request time off for training or study</li> </ul>	<ul style="list-style-type: none"> <li>The Council aims to develop an empowered, motivated and effective workforce and all staff are required to complete an appraisal every six months. This enables staff and managers to consider the skills needs and ambitions of employees and support the completion of a personal development plan and access training and coaching or mentoring support. Development of the People Strategy highlights the importance of personal development, a talent management framework is currently under development to support individuals within the organisation to navigate potential development routes more easily. The successes of growing the apprentices offer has also supported more individuals to request time off for study, with over 700 staff working towards an apprenticeship. Growing our own talent and feeding future skills for our workforce and for the city.</li> </ul>
<ul style="list-style-type: none"> <li>recognise trade union learning reps and give employees time to pursue union-led learning opportunities</li> </ul>	<ul style="list-style-type: none"> <li>The Council works with the trade unions to encourage staff to participate in lifelong learning in and outside of work, develop and maintain their transferable skills and time to undertake learning where this is an identified need within their personal development plan. Where issues like basic skills, numeracy and literacy affect staff, rapport with trade union members can breakdown otherwise significant barriers and raise career aspirations.</li> </ul>



## Standard 6: Safe and Healthy Workplaces

Great Jobs Agenda	Leeds City Council
<p>We want employers to:</p> <ul style="list-style-type: none"> <li>• have a workplace well-being policy</li> </ul>	<ul style="list-style-type: none"> <li>• The well-established Council’s Wellbeing Strategy for staff is into year 5 of a 5 year strategy based on offering bespoke interventions to support health, changing behaviours, setting standards in the workplace and giving practical support. Services which staff can access to seek further information, advice and support to manage their health and wellbeing include the Occupational Health Wellbeing Service offering a full range of supportive interventions advice and access to counselling and physiotherapy services. Whilst general health promotion and care are important for all staff, more attention is being paid to customising support and advice so it is relevant and accessible to dispersed, frontline workers and key groups of staff. Approaches now include developing initiatives led by Active Leeds around exercise and with Public Health services e.g. on blood pressure monitoring men’s health and women’s health including work on menopause. Our in house mental health first aid trainer has trained over 700 staff to support colleagues to access support and raise awareness. There are now over 100 wellbeing champions as well as being a Mindful Employer for 9 years we are also the only authority beside the founder to employ a Mindful Employer Coordinator. The Council has also achieved the status of Disability Confident Leader and signed the Healthy Weight Declaration. In addition to physical and mental health there have also been initiatives to support financial wellbeing.</li> </ul>
<ul style="list-style-type: none"> <li>• set up a joint health and safety committee with representatives of trade unions and the employer</li> </ul>	<ul style="list-style-type: none"> <li>• The Council recognises that pro-actively managing health, safety and well-being can deliver and secure good business and organisational performance. This is achieved through a corporate health and safety management system including a Health and Safety Committee, which is chaired by the Deputy Leader. As a large employer we are committed to being an exemplar of good practice by ensuring that work does not contribute to poor health and can enhance public health through the workplace setting.</li> </ul>