

Title:	Brighton & Hove Living Wage
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Purpose/Key Messages:	To inform the partnership of progress against the recommendations of the Living Wage Commission, and in particular the local Living Wage campaign
Significance to BHSP and Delivering SCS outcomes:	The commission recommended that BHSP should oversee progress of the Living Wage. The campaign contributes to SCS themes of Promoting enterprise & learning and Improving health & wellbeing Discuss and note progress, including considerations for year two of the campaign. Specifically BHSP members are asked to:
What is BHSP being asked to do?	<ul style="list-style-type: none"> • Make sure they are a Living Wage employer and sign up to the local campaign (where they have not already done so) • Promote the Living Wage to their partners • Include the Living Wage in their procurement processes • Look into UK Living Wage employer accreditation
Next steps and report back mechanism:	A final report and evaluation will be brought to the strategic partnership in advance of end of the second year of the campaign to consider future commitment by the city, delivery options and resourcing requirements

1. Background

A living wage is a minimum hourly rate of pay (currently £7.45 per hour nationally) that takes into account certain basic costs of living. It is a voluntary commitment by employers and is separate from the National

Minimum Wage (currently £6.19 per hour) which companies are required to pay by law.

In October 2011 a Living Wage Commission was established for Brighton & Hove by the city council. Public, private and voluntary sector representatives and trade unions in Brighton & Hove worked together to consider the benefits and challenges of establishing a living wage for the city. Appendix 1 shows commission membership.

The commission looked at:

- What hourly rate would represent a living wage for the city
- Whether agreement could be reached across the city on the benefits of introducing a living wage
- How a living wage could affect employers

The commission talked to key sectors, including the business and community and voluntary sectors, before presenting its findings to the Brighton & Hove Strategic Partnership and the council's cabinet in May 2012. Full details of [Living Wage Commission](#) are available on the Brighton & Hove City Council website.

2. Key Findings

The [final report](#) of the Living Wage Commission summarised the key findings. The following is an extract from the report.

- In line with recommendations from the Living Wage Foundation and the independent findings of the Commission's work the city adopts the national living wage figure of £7.20 as the living wage for Brighton & Hove
- Public sector organisations in the city are already in a relatively good position to meet this rate
- The private sector position is not as favourable as a whole, but there is significant variation in wage distribution between different parts of the sector
- There is good support for a living wage among the business community, but with a need for practical help and advice to turn business support into higher wages
- There are specific issues and concerns about the Living Wage in businesses that are key to the city's employment and economy, including retail, hospitality and wider tourism sectors, that require further work

- The third sector, in general, pays the living wage with the exception of organisations that are competing for contracts directly with the private sector, i.e. transport, carers
- Public sector procurement presents a challenge but there are opportunities to address this in a phased way
- Making a living wage a reality needs to be directly linked to other activity to stimulate the local economy
- That the figure of £7.20 although challenging for many employers should be seen as a minimum living wage level, and that this level of pay is a first step towards a potentially higher figure that fully reflects the costs of living in Brighton & Hove.

3. Recommendations

The commission made seven recommendations. These are listed here along with a statement of progress against each one.

1. *Adopt the national living wage figure of £7.20 as a minimum living wage for Brighton & Hove.*

Progress:

The (then) national Living Wage rate was recommended by the Living Wage Commission to and endorsed by the Public Service Board and the Brighton & Hove Strategic Partnership (see also recommendation 3.).

2. *A campaign be developed to raise awareness and promote the benefits of a living wage for businesses, including providing practical business support, developing a local 'kitemark' scheme and linking in with the national living wage campaign and the accreditation scheme. The campaign to include support and further work with retail, hospitality and wider tourism sectors.*

Progress:

Brighton & Hove City Council and the Public Service Board provided two year funding for a local Living Wage Campaign, delivered by the Brighton & Hove Chamber of Commerce. Progress of the campaign is detailed in section 4. of this report. Appendix 2 provides names of companies who have signed up so far.

3. *The City's overarching cross sector working forums, the Brighton & Hove Strategic Partnership and the Public Service Board to*

formally endorse £7.20 as a living wage for the city, to take responsibility for overseeing the campaign and for the long-term promotion and development of a living wage for the city. This work to include revising the success of the campaign over a two year period and agreeing further changes to the living wage level as appropriate.

Progress:

The UK Living Wage rate is subject to annual review and in November 2012 was increased from £7.20 to £7.45 per hour to reflect increases in the basic cost of living. Given the increase, and likelihood of further annual recalculations, the local campaign has aligned with the national rate after consulting businesses who have already signed up to the local Living Wage and the Chair and Deputy Chairs of BHSP. Progress of the campaign is detailed in section 4. of this report.

- 4. Brighton & Hove City Council, within its procurement process, to trial requesting contractors to submit a living wage and a non living wage bid as mandatory. With partners the council will share learning and help develop approaches to include the Living Wage in the procurement work of other public bodies in the city.*

Progress:

The council has awarded its first Living Wage contract, Healthwatch, to the Community & Voluntary Sector Forum. A number of council contracts are coming forward for Living Wage consideration during the 2013/14 financial year and have been agreed with the Living Wage Foundation as part of the council's formal accreditation (see also recommendation 5.). The council's Living Wage procurement process is detailed in the [report](#) to Policy & Resources Committee in November 2012.

- 5. Brighton & Hove City Council to lead by example in the public sector and, as part of this, explore the possibility of gaining formal accreditation as a Living Wage employer from the Living Wage Foundation.*

Progress:

On 1st April 2013 the council received formal accreditation as a UK Living Wage employer from the Living Wage Foundation, following detailed proposals that were taken to Policy & Resources Committee in November 2012, receiving cross party

support. As a result a projected 180 council staff (not including casual staff who also benefited) were lifted from the council's previous lowest wage of £7.19 per hour to the new UK Living Wage rate of £7.45.

In addition the council agreed to a programme of contracts coming up for renewal over the next 12 months that would be considered for a Living Wage. It is important to note that, for a large and complex organisation with many contractual arrangements, the procurement aspects of accreditation were the most complex. The council is happy to discuss how it came to its final Living Wage proposals with any organisation considering applying for UK Living Wage accreditation, as it did with the CVSF (see also recommendation 6.).

6. *Community & Voluntary Sector Forum to lead by example in the third sector and, as part of this, explore the possibility of gaining formal accreditation as a Living Wage Employer from the Living Wage Foundation.*

Progress:

CVSF pays its employees over the UK Living Wage rate of £7.45 and was approved for UK Living Wage employer accreditation by the Living Wage Foundation. However CVSF felt that it could not prioritise spending on the annual accreditation fee in the current financial climate and therefore declined to be formally recognised.

This is an important point in terms of barriers for Third sector organisations, and potentially other small or medium sized organisations and businesses, to achieving UK Living Wage employer status. CVSF is signed up to the local Living Wage campaign.

7. *Embed the principle and promotion of the living wage in all new city strategic plans, strategies and programmes, in particular the city's new economic development strategy.*

Progress:

Submissions have been made to the current Economic Strategy refresh to include the Living Wage campaign as a project that contributes to supporting a sustainable local economy and tackling inequality within the city. The local Living Wage effort is a direct contribution to the One Planet Living recognition of the city and the council, included within the city Sustainability Action

Plan. Further opportunities to embed the Living Wage within relevant strategies will be pursued.

4. Brighton & Hove Living Wage campaign

The Living Wage campaign in Brighton & Hove is run by the Chamber of Commerce and has been launched for 7 months with website and social media activity. Over 30 businesses signed up during the period of the initial £7.20 Living Wage rate. This included a number of organisations from the Living Wage Commission

Once the local rate was brought in line with the revised national rate of £7.45 in April, the PR campaign was revisited and is now gaining momentum and is warmly understood with 66 businesses signed up as of June 2013.

The campaign has received great support from all political parties within the city, the local councillors and MPs, with regard to endorsement and testimonials. The Economic Partnership has received the campaign well.

From June 2013 the campaign will gain further momentum as the Chamber begins to communicate the message through all media channels across the city. To date it has only been through its own channels to a core audience.

Brighton & Hove City Council, who are signed up to the local campaign, have also successfully gained UK Living Wage Employer accreditation and hope that this will encourage others to do the same.

Sign ups

In addition to the 66 sign ups the campaign is also asking ambassadors from each sector to drive the awareness via their own communication channels. For example Wired Sussex for the Digital sector and CVSF for the Third sector are encouraging and supporting the Comms strategy. This has been extremely successful and these two sectors are leading the way with their commitment to pay their staff the Living Wage.

Brighton & Hove also has a good number of retail businesses signed up which is encouraging and is recognised by the Living Wage Foundation as a particular success – one to work more closely on between local and national campaigns. The Brighton & Hove campaign is still to sign up any of the larger private sector employers

in the city and more work will be done to engage with these businesses in the second year.

The campaign is also keen to do further work with sectors that find the prospect of paying the Living Wage challenging, as per the findings and recommendations of the commission, particularly tourism and hospitality sectors which are key to the local economy and national and international reputation of the city.

Media

Coverage in general Brighton & Hove print media has been good. Brighton & Hove Independent newspaper have confirmed that they will be print media partner for the campaign to give consistency of message and awareness in the community. This will be mirrored with a radio ad campaign. Latest TV have agreed to do a specific programme in due course.

The Argus has offered to support the campaign and have run several features. However commentary in the Argus Business section has been challenging, focussing on barriers to rather than benefits of paying the living wage. Arguably this angle keeps the debate very active and has provided even more coverage and debate in the business community.

The Brighton Business Forum continues to be supportive, paying the Living Wage to its staff and promoting it through the website. Social Media is very active and largely supportive with 425 followers on Twitter and 193 on Facebook.

Conclusion of Year 1

Over 100 businesses have directly been spoken to and awareness is high via other PR and Comms channels. Converting the call to action into sign ups is steady but pace should increase as a more coordinated print media, radio and digital media campaign launches by July, using the experience of those who have already signed up to encourage others to do the same.

It is currently simpler and free to pledge to the local campaign than to gain UK Living Wage accreditation. This does however mean there is a greater element of trust and self declaration with the local campaign. The Chamber, with the council, are keeping in close contact with the Director of the Living Wage Foundation and future proposals on the relationship between local and national campaigns will be brought to BHSP when the campaign is

evaluated. Employers are encouraged to sign up for both campaigns where they can.

The intention is that the local Living Wage rate will be automatically adjusted in line with future annual revisions to the UK Living Wage, primarily to join up efforts across the UK to secure better pay for individuals. Variation in the Living Wage around the country could dilute the message and potentially hamper the effort to get national employers to commit to the Living Wage.

The commission also recognised that the original rate of £7.20 was a challenge in itself but would need reviewing to meet rising living costs in the city, which in some instances are higher than national averages. The campaign will continue to inform and discuss changes to the Living Wage rate with businesses and work more closely with those sectors who perceive more fundamental challenges to meeting the Living Wage than the annual adjustment alone.

Work will also continue to get larger employers in the city signed up, though given the size and complexity of these organisations this can take time. City College do hope to be signed up by August and Brighton & Hove Albion are actively looking into it. We will look to work over the course of the campaign with other key companies such as American Express, Southern Water and Legal and General.

The Living Wage nationally is gaining momentum due to increasing political party support, regular national media coverage and also debate about the Welfare Reform agenda. The Chamber will work increasingly closely with local partners and with the national Living Wage Foundation to coordinate our efforts and achieve greater recognition for the movement that is going on in Brighton & Hove on the national platform.

To help the effort BHSP members are asked to:

- Make sure they are a Living Wage employer and sign up to the local campaign (where they have not already done so)
- Promote the Living Wage to their partners
- Include the Living Wage in their procurement processes

The Chamber and the council are happy to talk with anyone who is keen to sign up but needs advice about process and requirements of both the local and national Living Wage campaigns.

Appendix 1

The commission consists of the following members:

- City Council: Leader, Cabinet Member for Finance & Central Services, Labour & Co-op Group representative, Conservative Group representative
- City Council Chief Executive
- Business representatives: Chamber of Commerce, Economic Partnership
- Tourism sector representative (Chair of Hotel Association)
- CVSF representatives and CEO CVSF
- Trade Unions representatives (Unison, GMB, Unite)
- NHS Brighton & Hove
- Sussex Police
- University of Brighton
- The Living Wage Foundation

Appendix 2

The following businesses are signed up to the Brighton & Hove Living Wage campaign (as at 1st June 2013)

1. Brighton & Hove Bus Company
2. OCSI
3. ABC Translations
4. CVSF
5. Sussex Police
6. Brighton & Hove City Council
7. Brighton & Hove Chamber of Commerce
8. Brighton Housing Trust
9. Brighton Hove Food Partnership
10. MacConvilles Limited
11. Technical Solutions
12. Sussex Oakleaf
13. Fiveways Playcentre
14. The Whitehawk Inn
15. Bonnetts
16. Segment Marketing
17. Yelo Architects Ltd
18. Conran & Partners
19. PJ Ward Ltd
20. Brighton Journalist Works
21. Document Options (Hove) Ltd
22. Rockprotex Builders
23. Press Dispensary
24. Digicave

25. 1st Class Garage Ltd
26. NPS South East Ltd
27. Bailey Solutions
28. Swat Marketing
29. Spook Studio
30. Loch Associates Employment Lawyers
31. Brighton & Hove Independent Mediation Society
32. Cobb PR
33. FAIR
34. Grassroots Suicide Prevention
35. Brighton & Hove Business Forum
36. Dean Wilson LLP
37. Promo Me
38. GSBA
39. Silverado Retail Ltd
40. Grace Eyre
41. The Sussex Sign Company
42. Wired Sussex
43. Alpha Wave Media
44. Brightonesque Business Group
45. Osborne Brook
46. Bainbridge Lewis Accountants
47. Utility
48. Jump The Gun
49. Brightec
50. Face Media Group
51. Brighton Womens Centre
52. Stay Up Late
53. ParentSkool Ltd
54. Mind in Brighton and Hove
55. Cracker Business Solutions
56. Adventure Unlimited
57. Enterprise Exchange
58. Creative
59. Hisbe
59. Brainwaves
61. Leapfrog Ltd
62. Silicon Beach Training
63. Brilliant Noise Ltd
64. Mayo Wynne Baxter LLP
65. East Sussex Credit Union Ltd
66. Rockinghorse