# Housing, Homelessness, and Fair Work Committee

# 10.00am, Tuesday 5 December 2023

# **Edinburgh Fair Work Charter**

Executive/routine Wards

#### 1. Recommendations

- 1.1 It is recommended that Committee:
  - 1.1.1 Agrees the planned work programme for development of a city-wide Edinburgh Fair Work Charter.

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**Executive Director of Place** 

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# Report

## **Edinburgh Fair Work Charter**

## 2. Executive Summary

2.1 This report provides an update on progress in development of an Edinburgh Fair Work Charter, and a proposed timescale and approach for further engagement, design, and implementation.

## 3. Background

- 3.1 On <u>8 August 2023</u> the Housing, Homelessness and Fair Work Committee considered a progress update report on agreed Fair Work, Gig Economy, and Living Hours City actions.
- 3.2 This report noted a draft Edinburgh Fair Work Charter developed for implementation on the Forth Green Freeport, in line with the Council's commitment to ensure that employers who receive incentives and benefits from their investment in that site operate in a way that is consistent with the fair work ambitions of the city, and the proposed plans for its wider development for implementation across the city.
- 3.3 This report provides an update on progress towards development of a city wide Fair Work Charter, and a proposed timescale and work programme for further engagement, development, and implementation.

## 4. Main report

- 4.1 Appendix 1 provides a draft Edinburgh Fair Work Charter. In line with the recommendations of the Gig Economy Task Force, it is proposed that a period of consultation and engagement with Edinburgh businesses, workers, and trade unions is carried out to develop options for use of the charter across the city as a whole. This consultation will include consideration of how to:
  - 4.1.1 Ensure that the commitments outlined in the charter are appropriate and proportionate for businesses of all sectors and sizes in Edinburgh;
  - 4.1.2 Effectively embed the charter within all appropriate Council policy and guidance;

- 4.1.3 Ensure the use of the charter can complement and not complicate existing accreditation schemes and campaign work (including Living Wage, Living Hours, Zero hours justice, Fair Tax, and other campaigns); and
- 4.1.4 Further develop the charter as a useful resource for Edinburgh workers on how to identify employers who provide fair work opportunities.
- 4.2 Work carried out to date in this programme has included:
  - 4.2.1 Establishment of an internal council officer working group to guide and inform further engagement on this project, and to scope options for implementation across all relevant areas of Council policy. Representatives on this group include Corporate Policy and Insight, Employability, Business Gateway, Procurement, Human Resources, Non Domestic Rates, Culture, Licensing and Regulatory services, as well as trade union representatives.
  - 4.2.2 Further engagement and discussion with members of the Edinburgh Living Wage City Action Group, including private and third sector employers, as well as organisations such as Edinburgh Chamber of Commerce, Trade Unions, Living Wage Scotland, and the co-chair of the Fair Work Convention; and
  - 4.2.3 Initial engagement with Scottish Government Fair Work policy leads.
- 4.3 Through this process of engagement a proposed methodology and timescale has been developed to support the next steps of the project towards implementation. This includes:
  - 4.3.1 Scoping and engagement: A further period of wider engagement and discussion of the draft charter with employers, workers, trades unions, government and other agencies. This period will run from December 2023 to May 2024 and will include a programme of workshops and focus groups with all stakeholder groups, as well as an online survey designed to gather a broad base of opinion on the contents of a proposed charter, its communication, and its practical implications;
  - 4.3.2 Design: Using the findings from this process, a proposed final version of the Edinburgh Fair Work Charter will be designed, with full details on its planned implementation, communication, and use. This proposal will incorporate all of the principles and objectives outlined in paragraph 4.2 of this report, as well as a communication strategy for the project, and an assessment of potential resource implications for the Council associated with its implementation. A full report on this proposal will be prepared for consideration by Committee in August 2024;
  - 4.3.3 **Consultation**: In line with the Council's consultation policy, and subject to agreement by Committee, a final period of consultation on this proposal will then be conducted to ensure that it meets the needs and expectations of stakeholders; and
  - 4.3.4 **Implementation**: A final report with findings from this consultation and associated amendments to the Charter implementation plan will be prepared

for consideration by committee in October 2024 with a view to a potential launch during Living Wage Week in November 2024.

#### 5. Next Steps

- 5.1 Subject to approval by Committee, officers will:
  - 5.1.1 Proceed with the planned engagement and development programme as outlined above, with a next report planned for consideration by Committee in August 2024.
  - 5.1.2 Throughout the scoping and design phases of the programme, officers will commit to engage with elected members through regular group briefings and other communications. As a part of this process a formal cross party briefing and engagement session will be planned for Spring 2024.

#### 6. Financial impact

6.1 Delivery of actions outlined in this report can be taken forward within agreed Council budgets. Any resource implications for the Council arising from the implementation of a Fair Work Charter will be assessed during the design phase of the project and considered by Committee in the report planned for August 2024.

## 7. Equality and Poverty Impact

7.1 This project is being taken forward in line with the recommendations of the Edinburgh Poverty Commission to ensure that people in Edinburgh can access Fair work that provides enough to live on. A draft integrated impact assessment is underway and will be used to help engagement and scoping activities capture the diverse range of voices required to ensure the project provides a useful of promoting access to fair work for all Edinburgh's communities.

## 8. Climate and Nature Emergency Implications

8.1 This report does not itself contain any direct environmental or climate related implications. The aim of the project, to promote and support access to fair work in Edinburgh, is a key part of the city's approach to ensuring a just transition to net zero.

## 9. Risk, policy, compliance, governance and community impact

9.1 This report supports delivery of the Council Business Plan commitments to promote access to fair work in Edinburgh, as well as key actions in the Council's End Poverty in Edinburgh Delivery Plan.

9.2 The proposed programme of engagement outlined in the report will be carried out in compliance with best practice and the Council's Consultation Policy, and is designed to ensure that the voices of all communities affected by the project are considered and acted upon.

## 10. Background reading/external references

10.1 Housing, Homelessness and Fair Work Committee <u>8 August 2023</u>, Fair Work, Gig Economy and Living Hours.

## 11. Appendices

11.1 Appendix 1 - Edinburgh's Fair Work Charter (Draft).

## Appendix 1: Edinburgh's Fair Work Charter (Draft)

#### Foreword / Background

Fair work is not just about paying employees a rate of pay which enables them to meet the cost of daily living, it is ensuring that your workers and employees have meaningful employment within a safe, respectful, fair, and healthy workplace while allowing your business to grow from strength to strength.

This charter is based on the principles of the <u>Scottish Government's Fair Work First</u> guidance and the <u>Fair Work Convention</u>, which sets out Scottish Government's vision to ensure that everyone in Scotland will have 'a world leading working life where Fair Work drives success, wellbeing and prosperity for individuals, businesses, organisations and society'. In doing so more businesses can help to lift those still in low paid and insecure work into fair work, helping them to fulfil their potential and get a home or provide a secure start for their children.

Fair Work not only benefits the individual but also benefits the business. By implementing fair work practices, you can attract a higher standard of applicants into your organisation and create an environment where people want to stay and contribute to the continuing success of your business. A healthier, happier workplace culture can lead to improved productivity and by investing in the upskilling of your staff through training and developing opportunities, you can build the ideal future workforce for your business.

We recognise that not everyone is able to meet all criteria at once, and so the Charter allows businesses to map out their journey to always consider Fair Work First. By working together, we can build on the good practices that are already happening in workplaces and widen these out.

All businesses are encouraged to audit themselves against the requirements of providing Fair Work and to self-assess and record their journey as they continue to improve their delivery in line with this Fair Work Charter. An excellent tool to use can be found on the Fair Work Convention website - The Fair Work Convention

#### Fair

We commit to treating all our workers Fairly. We will do this by providing each employee and worker with fair pay, at a minimum the rate of the <u>Real Living Wage</u> or the collectively bargained rate where applicable, and by providing each worker and employee with defined, set hours with **no use of zero hours contracts**, unless requested by the employee.

#### **Real Living Wage**

Level	Actions
Aspiring	Workers and employees within the organisation who are not currently receiving the Real Living Wage are identified and a plan agreed to move them onto this by a set date. All employees to have access to sick pay from day one of absence.
Achieving	All workers and employees, excluding apprentices, are paid at a minimum the rate of the Real Living Wage or the collectively bargained rate where applicable. All employees to have access to enhanced sick pay from day one of absence for a clearly defined timeframe.
Excelling	All workers and employees, including apprentices, are paid at a minimum the rate of the Real Living Wage or the collectively bargained rate where applicable. Contractors are engaged and achievable actions implemented to pay Real Living Wage for this group. Receive accreditation from <a href="Living Wage Foundation"><u>Living Wage Foundation</u></a> as a Real Living Wage employer.

#### **Living Hour Contracts**

Level	Actions	
Aspiring	Posts which are not secure contracts, including those without set hours, are identified and a plan developed for these workers to be moved onto secure contracts by an agreed date, unless the worker or employee requests otherwise.	
Achieving	All workers, including those requesting an atypical contract, have a contract with agreed set hours, suitable to their lifestyle choices or balances. Regular reviews of non-typical contracts are conducted to ensure they remain relevant and suitable. No periods are always given for changes in working hours or shift requirements.	
Excelling	Receive accreditation from <u>Living Wage Foundation</u> as a Living Hours employer.	

#### Secure

We commit to ensuring a **voice** for our workers and employees and **oppose the use of fire and rehire practices**. We will do this by keeping a constructive dialogue between the employer, employees, workers and (where appropriate) a relevant trade union/s to address workplace issues, ensuring fair, transparent and communicative practices if the need to change terms and conditions of employment arises.

#### Voice

Level	Actions
Aspiring	Formal and informal arrangements are in place through which meaningful individual and collective dialogue can take place, including one-to-ones between workers, employees and management, appraisal/feedback processes, team/organisation meetings.
Achieving	Formal scheduled arrangements are in place with worker representatives and/or trade unions to discuss key aspects of worker welfare. A structured whistleblowing policy has been implemented.
Excelling	Workers and/or trade unions are represented in key governance and decision-making structures.

#### No Fire and Rehire

Level	Actions	
Aspiring	Fire and rehire practices are not utilized. Alternative ways are sought to achieve the required goal, such as upskilling and/or retraining workers and employees to meet the current business needs and changes to terms and conditions or redundancies are considered a last resort.	
Achieving	Clear and formal redundancy policies and procedures are in place, which includes consulting with workers and employed and trade unions (if applicable). 'Suitable alternative employment' is always offered if there are roles available elsewhere the organisation.	
Excelling	All workers and employees are supported throughout a redundancy process and time and resource is provided to find alternative employment such as <a href="https://example.com/employees">The Partnership Action for Continuing Employment</a> (PACE).	

## Respectful

We commit to respecting our workers' ability to achieve a balance between work and home life that supports their wellbeing. We will do this by supporting **flexible working** within all reasonable boundaries and by ensuring that all workers and employees have **access** to training and development opportunities and create pathways into employment for new workers and employees.

#### **Flexible Working**

Level	Actions				
Aspiring	All employees are aware of how to request flexible working options. Roles within the organisation which can work flexibly, including flexible start/finish times, compressed hours/annual hours, job sharing/part-time are identified and this is communicated as an option to all employees.				
Achieving	All employees who can work flexibly are able to and equipped to do so and are not excluded from development opportunities.				
Excelling	A suite of flexible working policies are in place and vacancies are advertised with the possibility of flexible working, where suitable.				

#### Access to training and development opportunities

Level	Actions			
Aspiring	Have an established induction programme for all workers and employees that clearly outlines the organisational values and standards of behaviour expected. Agree target for number of apprentices recruited and/or work experience placements that can be provided annually. Actively support new entrants to the workforce.			
Achieving	Have a Training and Development policy and performance management process which ensures all workers and employees, including managers, have paid time available to them in supporting their development. Meet target for number of apprentices recruited and/or work experience placements that can be provided annually.			

	Have a clear progression route into substantive employment within the organisation for individuals who successfully complete
Excelling	their apprenticeship/work experience. Have a clear workforce plan in place, identifying future skills need of the organisation.
	Signed up to Investors in People: We Invest in People or similar national scheme.

#### Inclusive

We commit to creating an inclusive and diverse workplace. We will do this by having **Diversity**, **Equality and Inclusion policies and procedures** in place to include recruitment, retention, and upskilling of the workforce, representing all protected characteristics, and by monitoring and reporting on protected characteristics pay gaps within the organisation.

Level	Actions			
Aspiring	Understanding current demographics of existing workforce and looking for ways to improve procedures to make them more inclusive. Have Diversity and Inclusion and Equality policies and procedures in place and create career pathways, and training and development opportunities accessible to all. Signed up to national standard such as <a href="Disability Confident">Disability Confident</a> Committed stage or the <a href="Scottish Union of Supported Employment (SUES)">Supported Employment (SUES)</a> APT service.			
Achieving	Engage with local employability partners to provide support and pathways into the organisation for those with barriers to employment. Signed up to national standard such as Disability Confident Employer stage or SUSE's APT. Working towards implementing the UK government's 'Positive action in the workplace' guidance.			
Excelling	Establish employee network groups such as ethnic minority, women's, LGBT+ or disability networks with clear aims and objectives to provide avenues for employee voice. Signed up to national standard such as Disability Confident Leader stage or SUSE's APT. Embedded the UK government's 'Positive action in the workplace' guidance.			

Level	Actions				
Aspiring	Understanding current demographics of existing workforce and identify possible pay gaps based on gender, ethnicity and disability. Ensure gender pay gap data is reported to UK Government annually (if more than 250 employees). Develop a plan to address the pay gaps.				

Achieving	Regularly carry out a diversity, equality and inclusion audit. Have policies and procedures in place and set clear targets and dates to reduce the pay gaps.	
Excelling	Achieve or surpass targets within the identified timeframe. Review policies, procedures, targets and dates annually to continually work towards reducing gaps.	

Business Leader:			
Date of initial completion:			
Commitment	Current Stage	Action Plan to Progress	Target Date
Fair Pay	<ul><li>☐ Aspiring</li><li>☐ Achieving</li><li>☐ Excelling</li></ul>		
Fair Hours	<ul><li>☐ Aspiring</li><li>☐ Achieving</li><li>☐ Excelling</li></ul>		
Voice for employees	<ul><li>☐ Aspiring</li><li>☐ Achieving</li><li>☐ Excelling</li></ul>		
Oppose the use of fire and re-hire practices	☐ Aspiring ☐ Achieving ☐ Excelling		
Flexible Work	☐ Aspiring ☐ Achieving ☐ Excelling		
Skills and Development	☐ Aspiring ☐ Achieving ☐ Excelling		
DEI policies in place	☐ Aspiring ☐ Achieving ☐ Excelling		
Pay Gap reporting	<ul><li>☐ Aspiring</li><li>☐ Achieving</li><li>☐ Excelling</li></ul>		
Date of completion:			
Date of next review:			
Paul Lawrence			

**Commit to the Charter** 

**Executive Director of Place** 

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**Business Name:** 

