

# City of Edinburgh Council

10am, Thursday, 25 August

## Cost of Living Crisis

Executive/routine  
Wards  
Council Commitments

### 1. Recommendations

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1.1 It is recommended that Council:

1.1.1 Note the actions taken in response to Cllr Campbell's motion of 17 March 2022.

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## Cost of Living Crisis

### 2. Executive Summary

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- 2.1 Following a motion to Council on 17<sup>th</sup> March 2022, the Chief Executive and officers met with Chief Executives of Council Arms-Length External Companies (ALEO) to set out the Council's expectation that all ALEOs should be accredited within one year.
- 2.2 As at August 2022, five of the Council's seven ALEOs are now fully accredited real living wage employers. The remaining two ALEOs are in discussions with Living Wage Scotland on the requirements of the accreditation process.

### 3. Background

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- 3.1 On 16<sup>th</sup> November 2021 Edinburgh was awarded 'Living Wage City' status in recognition of the launch of its Living Wage City Action Plan which aims to more than double the number of real Living Wage accredited businesses across the city over the next few years.
- 3.2 The accreditation was awarded by Living Wage Scotland who work with a council led action group of local employers to engage with and encourage businesses across the city to sign up for real living wage accreditation.
- 3.3 Since the launch of this action plan, a total of 100 additional businesses have become real living wage accredited employers in Edinburgh as at end of July 2022. These businesses employ a total of 5,430 workers, including 1,316 staff who have received wage uplifts as a direct result of the accreditation process.
- 3.4 On 17 March 2022 Council approved a motion by Cllr Campbell. With this motion, Council agreed to:
  - 1.1.1 Note that Edinburgh is now an accredited Living Wage City, and the actions are being progressed through the Edinburgh Living Wage City Action Group
  - 1.1.2 Note the positive progress Council Arms-Length External Organisations (ALEOs) are making on the fair work agenda, including becoming accredited Living Wage employers, but note that not all ALEOs are accredited Living Wage employers

- 1.1.3 Instruct the chief executive to write to the chief executives of all ALEOs, on behalf of the council as shareholder, to set out the expectations that all ALEOs should be accredited within one year of this motion being passed,
- 1.1.4 Request officers to work with the ALEOs on how this can be achieved, offering support to help them achieve accreditation and revising SLAs to include these expectations, and
- 1.1.5 Bring back a report to the August Full Council to report on progress

## **4. Main report**

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- 4.1 The Council operates seven active ALEOs. At the time of publication of the motion noted above, one ALEO (Capital City Partnership) was a fully accredited real Living Wage employer. A further ALEO (Edinburgh International Conference Centre) achieved accreditation on the first of April 2022.
- 4.2 In response to the motion, the Council Chief Executive and officers met with ALEO chief executives to set out the Council's expectation that all ALEOs should be accredited within one year.
- 4.3 Following this discussion, a further three ALEOs have completed the accreditation process with Living Wage Scotland – Capital City Theatres, Edinburgh Trams, and Transport for Edinburgh.
- 4.4 Remaining ALEOs are in active discussion with Living Wage Scotland on the accreditation process and next steps required.
- 4.5 The current living wage status of Council ALEOs is as follows:
  - 1.1.6 Capital City Partnership – real living wage (RLW) accredited employer since May 2017
  - 1.1.7 Edinburgh International Conference Centre – RLW accredited employer since April 2022
  - 1.1.8 Capital Theatres – RLW accredited employer since April 2022
  - 1.1.9 Edinburgh Trams – RLW accredited employer since June 2022
  - 1.1.10 Transport for Edinburgh – RLW accredited employer since July 2022
  - 1.1.11 Lothian Buses – not accredited but in discussion with Living Wage Scotland
  - 1.1.12 Edinburgh Leisure – not accredited but in discussion with Living Wage Scotland.

## **5. Next Steps**

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- 5.1 Ongoing discussions between Living Wage Scotland and remaining non accredited ALEOs will continue, with support from Council officers where required.
- 5.2 A full annual update on progress towards delivery of the Living Wage Action Plan will be considered by the Housing, Homelessness, and Fair Work Committee.

## **6. Financial impact**

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- 6.1 Each ALEO will inform the Council during annual budget discussions of any costs to implementing the living wage and whether this will have any subsequent impact on funding from the Council or a dividend to the Council.

## **7. Stakeholder/Community Impact**

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- 7.1 The Edinburgh Living Wage City Action Plan is developed and implemented with key partners and stakeholders across the city.

## **8. Background reading/external references**

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- 8.1 Motion by Councillor Kate Campbell - Living Wage Accreditation and ALEOs
- 8.2 Edinburgh Living City Action Plan

## **9. Appendices**

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