

CARDIFF PUBLIC SERVICES BOARD



Cardiff a Living Wage City

26 July 2021

Sarah Hopkins – Cynnal Cymru

John Paxton – Cardiff Council



Why the real Living Wage is Important



Unemployment and in-work poverty closely align with health, crime and educational inequalities

In work poverty growing issue in UK

Around **1 in 5** jobs in Cardiff pay below the real Living Wage – around 35,000 jobs

1/3 of Cardiff households are living in poverty

7 of the top 10 wards in Wales for child poverty are in Cardiff

Over **52,000** adults in debt in Cardiff (18%) UK average 15.9%

Cardiff in **Top 10 hotspots** in Britain for **high cost payday loan use**

If **1,000 people** were uplifted to real Living Wage estimated to put around **£1m** into local economy

1 in 5 people in Wales are over indebted
(Money Advice Service/ CACI, 2015)

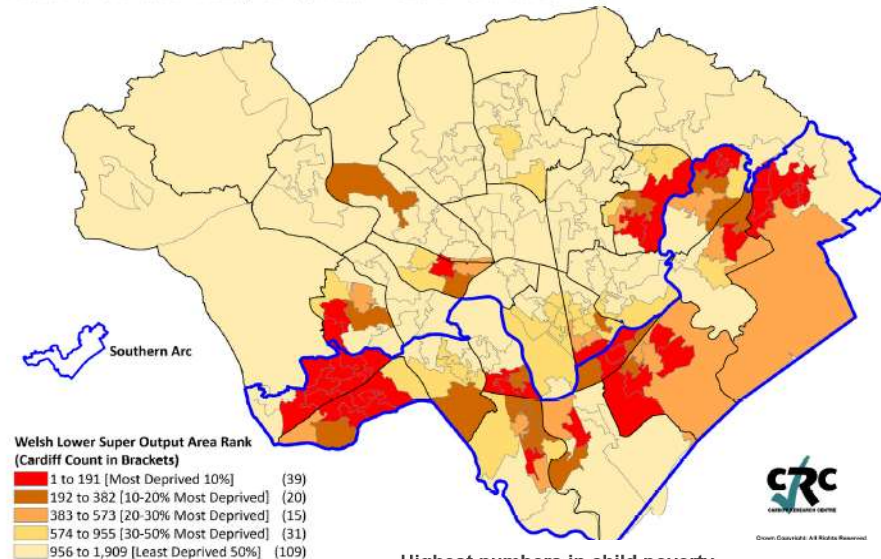


1 in 4

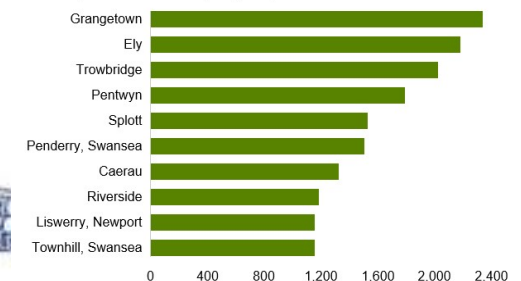
workers say they have lost sleep over money worries

SMF, 2016

2019 Welsh Index of Multiple Deprivation: Cardiff - Overall Ranks



Highest numbers in child poverty
Ward-by-ward estimates, July-September 2017



Source: End Child Poverty, 2018



Cardiff's Living Wage Journey

- Cardiff was recognised as a Living Wage City in 2019
 - Anchor organisations accrediting shown to drive change
 - Partners delivering ambitious Living Wage City Action Plan
 - Accredited employers increased from **82** (Jan 2019) to **139** (July 2021)
 - Employed by an accredited Living Wage employer increased from **27,250** to **59,300**
 - Employees receiving a pay rise increased from **4,425** to **8,192**
 - Estimated an additional **£36m** in local economy from 2012
- Fair Work Agenda and Social Partnership & Public Procurement (Wales) Act
- Greener, Fairer, Stronger – City Recovery and Renewal Strategy

City	Living Wage Employers	Living Wage Employees 000s	LW recipients 000s
Edinburgh	387	141	8.8
Glasgow	382	68	3.5
Cardiff	117	49	7.1
Manchester	100	52	4.2
Birmingham	84	58	7.8
Bristol	76	27	3.3
Leeds	73	15	1.1
Liverpool	60	22	2.3
Sheffield	33	8	0.4
Newcastle	33	31	1.7
Nottingham	31	21	0.5

Core Cities - Oct 2020



Living Wage impacts on Wellbeing

- Link between low pay and life expectancy, health / mental health well established
- JRF estimates that in UK £29 billion a year spent on treating conditions of poverty
- Living Wage supports organisations to meet Future Gen Act
- Living Wage supports the delivery of the PSB Wellbeing Objectives including *A Capital City that Works for Wales* indicators:
 - Employee jobs with hourly rate below the living wage
 - Gross disposable household income per head



Living Wage Accreditation

Common Perceived Barriers to accreditation

- Complex and difficult
- Procurement - cannot mandate suppliers for pay real Living Wage but can encourage
- Affect on pay structure and supervisory salaries



CYNNAL | SUSTAIN
CYMRU | WALES

Addressing Perceived Barriers

- Support and advice available from Cynnal Cymru and LWF
- Organisations in all sectors have accredited
- Once all staff paid real Living Wage can develop 3-year action plan for suppliers
- Can use Fair Work question in tenders to encourage payment
- Risk of legal challenge low
- Living Wage Wales website



Next Steps

Anchor institutions accrediting shown to increase local accreditations. Our ask is:

- Non accredited organisations actively work with Cynnal Cymru to develop a plan to accredit.
- Accredited organisations act as Living Wage ambassadors and encourage other PSB members across Wales to accredit
- Signpost suppliers to Living Wage Wales website (www.livingwage.wales)



www.livingwage.wales



For all you need to know about the real Living Wage and the benefits of accreditation please visit

www.livingwage.wales

