

To: City Executive Board
Date: 10 April 2019
Report of: Scrutiny Committee
Title of Report: Scrutiny Committee recommendations concerning the Oxford Living Wage

Summary and recommendations	
Purpose of report:	To present Scrutiny Committee recommendations for City Executive Board consideration
Key decision:	Yes
Scrutiny Lead Member:	Councillor Andrew Gant, Chair of the Scrutiny Committee
Executive Board Member:	Councillor Susan Brown, Leader of the Council
Corporate Priority:	A vibrant and sustainable economy
Policy Framework:	n/a
Recommendation: That the City Executive Board states whether it agrees or disagrees with the recommendations in the body of this report.	

Introduction and overview

1. On 2 April 2019, the Scrutiny Committee received a report which set out progress made against the recommendations made to the City Executive Board by the Oxford Living Wage Review Group in March 2018. The Committee would like to thank Councillor Brown, Leader of the Council, and Matt Peachey, Economic Development Manager, for attending meeting to answer questions.

Summary and recommendations

2. The Committee noted that 11.1% of jobs in the City were estimated to pay below the Real Living Wage in 2015, falling to 10.3% in 2018, showing a move in the right direction. This was well below the 22.8% UK average. However, this is couched against Oxford being the most unaffordable City in the UK, with a significant portion of people leaving in some of the most deprived areas nationally.
3. The Committee expressed support for the direction of travel, and the need to continue promoting the Oxford Living Wage with local employers. The increasing number of local employers becoming living wage accredited was also positive to note. A discussion took place on the challenges faced in certain sectors and supply

chains, where outsourced work to third party employers was often paid at the minimum wage only. The retail, catering, care and cleaning sectors were highlighted in particular as often paying below the Oxford Living Wage. The Committee also gave support to the Leader for writing to Oxford University's Colleges to ask them to pay the Oxford Living Wage to their staff, the majority of which did not.

4. The Committee asked what opportunities there might be to incentivise businesses to pay the Oxford Living Wage. It was explained that some councils including Ealing and Brent were offering a business rates discount scheme for London Living Wage employers. In Ealing for example, a discount of £50 to £1000 is offered to businesses depending on the number of employees, which accounts for two years' worth of living wage accreditation fees.¹ The Committee did not recommend pursuing this approach specifically, but instead they are recommending that this and other incentives be explored as options in the future.

Recommendation 1: That the Council continues to seek out ways to incentivise local businesses to become Oxford Living Wage accredited employers.

5. The Committee made clear that it wished to see more promotion of the Oxford Living Wage targeted towards customers. Specifically, there is a need to highlight which companies are Oxford Living Wage employers, and promote conscience driven spending by the public with these shops and services. This means delivering a campaign that asks the public to think twice before spending (both online and in person) with companies which do not offer the Oxford Living Wage to their employees. The process will also highlight the social value added by supporting fair wage employers.

Recommendation 2: That the Council's promotional activity around the Oxford Living Wage incorporates customer facing marketing, which encourages conscience driven spending with Oxford Living Wage accredited shops and services.

6. The Committee noted that that Council is not the only partner in driving forward the Living Wage agenda. Several campaign and pressure groups are undertaking similar activities to encourage Living Wage and Oxford Living Wage accreditation. The Committee is therefore recommending that further engagement takes place with these groups to maximise the cumulative effect of their work.

Recommendation 3: That the Council engages with trade unions, campaign groups, parish councils and other community groups to broaden the pool of pressure groups in the City and better coordinate the local Oxford Living Wage campaign.

¹ Ealing Council, 2019. Available at:

https://www.ealing.gov.uk/info/201014/business_rates/2118/london_living_wage_business_rate_discount/5

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