

# Social Value



## in Salford

### CASE STUDIES – Benefits of Social Value

#### Living Wage

##### Background

In 2013, Salford City Council became the first council in Greater Manchester to introduce the full Living Wage, a move that helped 1,200 Salford City Council employees the majority of whom are also Salford residents (60% of the total directly employed workforce are Salford residents which equates to 2,465 employees).

Describe the social, environmental and economic ‘added’ value that you are hoping to achieve through your service or project, and what you are doing to generate this

The council is concerned to ensure that wages (salaries) in the City can sustain families and individuals and underpin a thriving economy. In 2013 the council took the decision to implement the Living Wage which defined its policy with regards to its lowest paid employees. As a result the minimum hourly rate for any council employee is £7.85 per hour from 1<sup>st</sup> April 2015. This also applies to apprentices employed by the council.

The council was proud to be accredited as a living wage employer by the Living Wage Foundation in June 2013 and continues to build on this achievement by using its influence as a civic leader to encourage others to do the same – with the ultimate aim of leading Salford to becoming a Living Wage City. This aim is supported by the City Mayor’s Employment Standards Charter which sets the benchmark for working conditions in the council as an exemplar employer and for other employers across the City including the living wage.

In recognition of this approach the council won the first Living Wage Champion Award for the North West in November 2014.

##### What was the impact / result?

More than one thousand of Salford's lowest paid staff received a pay rise when the council became the first in Greater Manchester to introduce a full Living Wage. The 1,000 workers to benefit will see their hourly pay increased to £7.45 in April 2013, with the overwhelming majority (958 - 91 per cent) being women. They included 347 cleaners and 385 welfare assistants, as well as more than 100 general kitchen assistants and 65 classroom teaching assistants.

Most were previously paid just above the National Minimum Wage of £6.19 an hour at the time - Salford then increased this to a minimum of £6.65 an hour in April 2013.

With Salford's full Living Wage of £7.45 an hour at this time, a catering assistant working full-time would see an increase in their basic pay of £1,385 a year.

# Social Value

## in Salford



In addition to the move to implement the Living Wage for Salford City Council helping 1,200 employees, the City Mayor's Employment Standards Charter has also encouraged other employers within Salford to implement the Living Wage for their own employees.

More than 2,000 Salford people are to benefit from being paid a Living Wage after seven public sector organisations announced the move.

Then seven other major local employers announced that they are following the City Mayor's lead and also becoming Living Wage employers, benefiting hundreds more staff. They are:

- The University of Salford
- Salix Homes
- City West Housing Trust
- Salford Community Leisure
- Together Housing Trust
- Helping Hands
- Great Places Housing Group

Representatives of all seven explained how many staff will benefit and why they support the campaign for a Living Wage. The announcements are a major boost to the City Mayor's campaign to make Salford a Living Wage city.

Salford Health Matters is the latest organisation in Salford to become an accredited Living Wage Employer. Its workers will now see their pay increased to £7.85 per hour - £1.35 per hour more than the national minimum wage. The community interest company was founded in 2007 and provides primary care to 15,000 people from three GP practices across Eccles, Little Hulton, and Charlestown and Lower Kersal from a team of doctors, nurses and support staff.

As a social enterprise any profits are reinvested back into the organisation to help benefit the whole community.

A further social enterprise who has committed to becoming an accredited Living Wage Employer is Aspire, a recently created social enterprise that 'spun-out' from Salford City Council to provide care services to adults with complex needs in Salford.

Quotations and illustrations

**Quotation from Salford City Council employee April 2013:**

# Social Value

## in Salford



For two Salford City Council workers, the City Mayor's decision to introduce the Living Wage is life-changing.

The pair, both catering staff, will see their wages shoot up after Ian Stewart ensured that the lowest paid staff would see a rise to at least £7.45 per hour.

Swinton resident Claire Gettins declared the move a "great idea". Claire, 24, has spent eight years working as a catering assistant for the council.

"I was shocked when I found out that the Living Wage was being introduced because it will really help me," she said.

"With this extra money I'm going to start saving for a new car. It will be a real boost."

Claire's yearly wage will rocket by £1,385 to £13,874.

Claire, who is based at Buile Hill Park, explained that the Living Wage money will help to give her "independence".

She began as a casual worker but now works in the council's hospitality team for conferences, meetings and weddings.

Claire is also hoping to start saving for her own home: "I contribute to the bills at home with my dad, but I would love to have my own place," she explained.

And she had a special message for the City Mayor. Claire said: "Thank you for giving me the opportunity to earn more money. You will help a lot of people with this, when they are struggling. It's a great idea."

Fellow catering assistant Kirsty Bamping has her sights firmly set on a new house. And with an extra £1,346 in her pocket over the year, she'll be well on her way.

Kirsty, whose wage will shoot up to £13,488, explained that the Living Wage boost will help her and her partner to save up for their dream home.

The 26-year-old said: "This is great news because I'm saving up for a mortgage to get a house with my boyfriend."

Kirsty has worked for the council for three years and currently lives in Irlam o' the Heights.

# Social Value

## in Salford



She continued: "My colleagues and the customers are the best thing about working here. I couldn't be any more dedicated to my job. I couldn't work harder. I'd like to thank the City Mayor. Any increase in my wages is a big help."



City Mayor Ian Stewart said: "No one in Salford should be earning below £7.45 an hour.

"We must campaign for the cause of fairness, decent pay and putting money in people's pockets and purses which will boost our local economy in austerity.

"We've made an excellent start to becoming the first Living Wage city in the country by bringing these key public sector organisations on board.

"Now I want to see private companies and third sector organisations also sign up to help end poverty pay in Salford."

The move was welcomed by trade union leaders including TUC North West Regional Secretary, Lynn Collins. She said: "Salford must be warmly congratulated for taking such significant steps towards becoming a Living Wage city."

# Social Value



## in Salford



Date case study completed /

Last updated

29 June 2015