
Report to: Business Innovation and Growth Panel

Date: 25 February 2021

Subject: **Good Work Standard**

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1. Purpose

- 1.1 To seek views on possible options for encouraging the creation of good work and the adoption of better employment behaviours and practices across all sectors of the regional economy. To seek a nomination for membership of a reference group to steer the development of a Good Work Standard.

2. Information

- 2.1 Too few people in the region's economy are currently in good work, in terms of enjoying high quality, secure, well paid employment:

- In-work poverty is a significant problem – 271,000 WY employees (29% of the total) are not in good quality work (ONS definition based on the Taylor Review), so for example they are paid below the real living wage.
- Poor mental health (15.1% of people in West Yorkshire suffer from depression and anxiety, compared to 13.7% nationally) is not just a wellbeing problem, it increases the risk of permanent exclusion from the labour market. This contributes to West Yorkshire lagging England's employment rate (74% vs 77%).
- Various inequalities mean that many of our communities face barriers to securing good work, eg BAME, disabled people, and mothers who want to work (especially lone parents), all suffer from higher than average levels of unemployment, also in terms of pay gaps, and opportunities for employment and progression (ie underemployment and lack of social mobility); and

- The region has a productivity challenge – there is correlation between low pay and lack of workforce diversity and lower innovation and productivity.
- 2.2 The Good Work Standard approach (also sometimes known as a Good Employment Charter, or Pledge), secures commitments from – and gives recognition to – employers in terms of driving positive employment behaviours and practices.
- 2.3 The model, if effectively designed, resourced, and implemented has the potential to address the in-work poverty, wellbeing, inequality, and productivity issues set out above. As such, it is part of the West Yorkshire Economic Recovery Plan’s commitment to delivering an inclusive economic recovery.
- 2.4 The September meeting of the Panel identified various merits of developing a standard (or charter) for this region and agreed that options should be prepared for considering the most appropriate model. For each option, the following common principles would apply:
- Relevance to all sectors and irrespective of business/organisation size;
 - Aligns with any local and national approaches and so does not duplicate effort and confuse employers; and
 - Covers a range of employment-related themes, such as fair pay, workforce voice, health and welfare, leadership, and equality, inclusion & diversity.
- 2.5 In September, the NP11 and the Convention for the North committed to adopting good employment charters across the North, setting a common definition of good work for the whole of the North, and encouraging more employers to commit to high standards.
- 2.6 At the November LEP Board, strong support was expressed for the development of a Good Work Standard for the region.
- Options
- 2.7 Factoring in the above views about the most appropriate model for the region, the following potential options for consideration are set out in Appendix 1:
- Option 1 – implementing an existing model;
 - Option 2 – building on an existing approach; and
 - Option 3 – a bespoke model.
- 2.8 For information, the Inclusive Growth and Public Policy Panel and Employment and Skills Panel have separately considered these options. The

benefits of adapting an existing model, such as the GM Charter, were recognised including the following:

- Striking a balance between the desire to deliver at pace;
- Ensuring strong alignment with other standards across the north; and
- Securing local buy-in and engagement by adapting the model to local circumstances.

Next steps

- 2.9 Progressing the development of the region's Good Work Standard, irrespective of the option selected, will require a partnership based approach. It is proposed to establish a reference group including membership by CIPD, ACAS, local authority HR leads, and others to steer the implementation of the project, including finalising the model. The Panel is invited to nominate a member to join the proposed reference group.

3. Clean Growth Implications

- 3.1 There are no clean growth implications arising as a direct result of this report.

4. Inclusive Growth Implications

- 4.1 The opportunity to develop a Good Work Standard, or similar model, for the region, could play key role in delivering an inclusive economic recovery.

5. Financial Implications

- 5.1 There are no immediate financial implications arising as a direct result of this report.

6. Legal Implications

- 6.1 There are no legal implications arising as a direct result of this report.

7. Staffing Implications

- 7.1 There are no staffing implications arising as a direct result of this report.

8. External Consultees

- 8.1 No specific or official external consultations have been undertaken in relation to this report.

9. Recommendations

- 9.1 The Panel is requested to:

- Note the proposal to develop a Good Work Standard for the region.
- Consider the three options as set out in Appendix 1:
 - Option 1 – implementing an existing model;
 - Option 2 – building on an existing approach; and
 - Option 3 – a bespoke model.
- Consider a nominee for the proposed reference group set out at 2.9 above.

10. Background Documents

10.1 There are no background documents referenced in this report.

11. Appendices

11.1 Appendix 1 - Options

11.2 Appendix 2 - Greater Manchester's Good Employment Charter