



## FAIR WORK CONVENTION MINUTES

DATE: 24 February 2022

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### Attendees and apologies

#### Attendees:

- Patricia Findlay (Chair)
- Roz Foyer
- Satnam Ner
- Lilian Macer
- Jim Savege
- Chris Westcott
- Anna Fowlie
- Aileen Mcleod
- Robert Carr
- Jim Savege

#### Apologies:

- Mary Alexander
- Grahame Smith

#### Guests:

- Poverty and Inequality Commission – Bill Scott and Katherine Hudson
- Lewis Hedge, Deputy Director of Fair Work and Labour Market Strategy

#### Secretariat:

- Fair Work Convention Secretariat

### Items and action

#### Grahame Smith's Retirement

Patricia Findlay let members know that Grahame Smith has decided to resign with immediate effect from his role as Co-Chair and member of the Fair Work Convention.

Tricia wanted to put on record her thanks and the Convention's thanks to Grahame for all of his efforts and support of fair work in the convention and elsewhere throughout his career. Grahame's input saw the Convention itself being established and before that his work in the working together review has been invaluable.

Grahame wished to thank convention members for their support and he will be in touch to members to confirm his stepping down

Tricia conveyed her deepest gratitude to him for all that he has achieved.



For information – the position of Co-Chair of the Convention is being considered and Members should note that the appointment is made by the Minister for Just Transition, Employment and Fair Work, after taking advice from the Convention. Members will be informed of the process and the outcome as soon as a replacement has been nominated.

## **Welcome and Introductions**

The Chair welcomed Bill Scott and Katherine Hudson from the Poverty and Inequality Commission and Lewis Hedge, Deputy Director of the Fair Work and Labour Market Strategy Directorate of the Scottish Government to the meeting.

## **Minutes and Actions**

Minutes and actions from the previous Convention meeting on the 18 November, 2021 were approved

## **Poverty and Inequality Commission**

Bill Scott gave an overview of The Poverty and Inequality Commission work, its role and its likely priorities in the coming period.

The Poverty & Inequality Commission was created by the Child Poverty (Scotland) Act 2017. The three things that the commission do according to the law are:

- Check whether the Scottish Government is meeting its targets to reduce child poverty.
- Provide advice to the Scottish Government on how to reduce poverty and inequality.
- Advocate for the reduction of poverty and inequality.

The commissions priorities in the next three years (2020 – 2023) are to:

- Ensure that reducing poverty and inequality is central to policy making and delivery in Scotland;
- Increase the impact of policies to reduce poverty and the inequality by promoting better use of evidence in developing policies and measuring impact;
- Advocate for a response to COVID-19 that addresses the structural causes of poverty and inequality and;
- Establish the Commission as an authoritative voice, and support conversation that promotes dignity, challenges stigma, encourages action and changes the narrative about poverty and inequality in Scotland.

With an overarching priority to 'Amplify the voices of experts by experience to make sure they are part of identifying issues, developing and designing solutions and scrutinising progress.



The Child Poverty Act targets are that by 2030 - less than 1 in 10 Scottish children should be living in poverty and that less than 1 in 20 children should be living in persistent poverty.

Bill shared statistics in how far we, as a nation have to go stating that currently Currently 1 in 4 children live in poverty and 1 in 6 children live in persistent poverty.

Bill also stated the we are not moving in the right direction and told the Convention that currently none of the four measures of poverty that are part of the 2017 Act suggest that Scotland was (as of 2019/20) on a trajectory towards the interim or final targets. For some measures, the position may getting worse, not better, even before the impact of the COVID-19 pandemic is fully revealed.

Bill then pointed to measure that need to be taken in the next delivery plan to put Scotland back on track, they included:

- The Scottish Government has a clear and demonstrable commitment to tackling poverty. While welcome, this commitment is not enough. Actions taken so far are evidently not on a scale or pace sufficient to meet the interim or final targets.
- The next Child Poverty Delivery Plan needs to improve on the first, by giving a clearer picture of what the collective impact of the actions contained within it are expected to be. It must make better use of evidence to assess likely impact, and also to monitor and evaluate whether that impact is being realised.
- The interim targets are very close, and SG will need further action on social security that can deliver in the short term to meet the interim targets, while at the same time acting on employment and housing now, so that these measures can contribute over the medium term to 2030.

Recent work and work going forward of the Poverty and Inequality Commission include:

- Recently published advice to Scottish Government for its child poverty delivery plan 2022-26.
- In March they will be publishing their first broader scrutiny report, looking at the extent to which Scottish Government policies and funding align with commitments to address poverty.
- The Poverty Commission plan to undertake a joint evidence review with the UK Social Mobility Commission on the impact of the pandemic on young people affected by poverty and what we can learn from previous crises, such as the 2008 recession.
- Good Jobs research which they published alongside the child poverty advice (Bill thanked the FWC Secretariat for their assistance with this work)

Bill then went on to talk about 'Work and Earnings' quoting a main panel member saying:



“The main barrier facing disabled people who want to work is employers...We need to create a space for people to work and contribute, and not judge them. So yes, we might be able to fix the benefits system, but we need employers to do some work too.”

Recommendations of the Poverty & Inequality Commission include:

- Public sector wage setting and procurement – wider adoption of Real Living Wage as floor for wages.

(The cost of Living Crisis is a huge challenge)

- Social infrastructure such as childcare and transport has to be “joined up” and genuinely meet the needs of priority groups.
- Similarly with investment in employability/skills, actions for employers – we need to see the priority groups moving into higher skilled, higher paid work.

Commission’s work programme up to June 2024 includes:

- Continued scrutiny of progress towards meeting the child poverty targets
- Awareness raising of cost of living issues
- A piece of work looking at how investment in adult skills and retraining can address poverty
- Employability support, and particularly how it meets the needs of the priority groups identified in the child poverty delivery plan
- Race and poverty

There was then a period of open conversation with FWC members where they were given a chance to ask questions on the relationship between fair work and poverty and inequality and discuss how we can work together in practical terms and support each other’s work objectives.

Topics discussed were:

- Monitoring and evaluating the impact of Fair Work First and the data challenge in collecting in work poverty on low pay
- Opportunities to make links on our skills work in particular in disability and employability, access to travel, childcare and preparing for interviews for people who live in poverty, opportunities now in working from home
- Ways in which Fair Work can help respond to the cost of living crisis
- The effect on budgets in particular with Local Authorities and the Real Living Wage, the Public Sector Pay Policy and its effects on in-work poverty
- Lessons learned from how the Convention has engaged with employers to date such as the challenge of reaching the SME’s community



## **Deputy Director of Fair Work and Labour Market Strategy**

The Chair welcomed Lewis Hedge, Deputy Director of Fair Work and Labour Market Strategy to the meeting and noted that Lewis took up his post as DD just before Christmas.

Lewis Hedge then gave an overview to the FWC on the priorities for the Government on fair work over the next year.

Lewis commended on how Fair Work fits into the last discussion as it is one of the tool kits that is about helping people out of poverty and into work and addressing in-work poverty.

Lewis pointed to the following Scottish Government strategies and plans which help tackle these issues:

- National Strategy for Economic Transformation
- Child Poverty Delivery Plan
- Resource Spending Review

Lewis told the Convention that the Scottish Government's Fair Work Consultation closed in December and findings from that will feed into the new Fair Work Action Plans later in the year. This will pick up on the work around race, gender and disability.

There is continued work on rolling out conditionality on public sector grants, which is work that is one of the commitments with the Scottish Green Party 'Bute House Agreement. Fair Work First is incorporated into elements of procurement in this piece of work.

There is also a lot of work on-going into sectorial fair work agreements and issues around labour shortages and looking at how we can support the inactive population.

Lewis then explained that he saw three stages on how the Directorate handles these pieces of work.

1. Making Fair Work mainstream and the commitment to fair work across all sectors. Incorporating fair work into big areas of Government spend such as Early Learning and Childcare, Construction Procurement, Health and Social Care.
2. How we connect with Employers, private and third sectors and how we engage with the demand for fair work.
3. How do we harness the expertise of the Fair Work Convention, networks and knowledge.

There was then a period of open conversation with FWC members where they were given a chance to ask about the priorities for the Scottish Government on fair work.

Topics discussed were:



- How pressures on the market place increase pressure on employers in incorporating fair work
- Fair work is a good way of doing business and not just a social inclusion measure, it should be seen as a model of good economic strategy that builds effective organisations.
- How do we change the perception of fair work in certain sectors as being seen as a token gesture and a tick box exercise into a model for good business and economic benefit.
- Labour Market Industrial Strategy and how can FWC influence that process and action plans.
- Making sure that Fair Work First is monitored, enforced and evaluated and that the benefits of being a fair work employer is promoted by ministers and the Scottish Government.
- Expanding and broadening fair work conditionality to less obvious areas such as in the private sector or sub contracted contractors and how that message can be communicated better.
- How we embed conditionality in contracts, the impact on procurement and the detailed work and guidance that will be needed to be rolled out so that all sectors adhere to fair work standards. There is also an issue of capacity

## **Secretariat Updates**

The secretariat provided updates on ongoing work including:

- The Hospitality Inquiry
- Research update and Self -Assessment tool update
- Communications update
- Speaking Engagements undertaken by Support Team

Actions – All outstanding actions are complete

## **Construction Inquiry Report**

Tricia Findlay (FWC member and Co- Chair of the Construction Inquiry Group) gave an update on the Construction Inquiry Report.

The final Construction Inquiry Report has now been signed off and is due to be published in March.

Tricia told members that she thought the report was a powerful one and that she was pleased with the recommendations it proposed and will challenge Scottish Government and other stakeholders to fully implement.

Convention members will receive the executive summary of the report shortly. Members can request a copy of the full 100 page report if they would like further information. We would be keen to hear convention members views on the final report.



We will now be moving to publish- seeking a good date in March and we will be actively disseminating the report.

### **Work plan Presentation**

Helen Martin (Head of the Fair Work Convention Secretariat) presented to the Convention the latest year's work-plan and priorities.

The work plan included a look back on the work the convention has achieved to date and a reminder of the Conventions vision and purpose.

Current priority areas for 2022/23 are:

- Creating Sector Level Fair Work Processes
- Prioritising Fair Work Activity where Fair Work is least prevalent
- Embedding High Standards through Conditionality.
- Responding to and Shaping Labour Market Change
- Improving Data Quality

There was then a period of open conversation with FWC members on what the key priorities are in the coming year.

### **Chair and Member updates**

Tricia Findlay gave an update to members on what work the Chair's done since the last meeting, this included:

- We have written a response to the Careers Review (which Grahame Smith has been chairing in his role as an SES Board member)
- Meeting with Louise McDonald, the new Chief Executive of IoD on strategic partnerships
- Meeting with Ivan McKee MSP who is very interested in the forthcoming hospitality inquiry
- Tricia gave a presentation to one of the Colleges bodies and had good discussion with both the employers and trade union reps in Scotland's Colleges
- Meeting with the SNIB – these meetings will be on-going
- Tricia has been interviewed by with Brigid Schulte from Better Life Lab (an American journalist interested in fair work)
- Meeting with STUC Women's Committee (Tricia)
- Meeting with the Young Person's Guarantee team (Grahame)

### **Social Care Issue**

The Chair's had a meeting with Andy Kerr on social care and discussed with him how the work stream on Effective Voice has hit some significant obstacles.



## **Members Updates**

**Aileen McLeod** has a meeting with Rachel McEwen Chief Sustainability Officer at SSE and is heading the energy sector inquiry for the Just Transition Commission. Aileen asked if she could meet representing the FWC as well as her role in SSE. Tricia agreed that Aileen can represent the FWC at this meeting.

**Satnam Ner** participated as a Convention member in the Short Life Working Group on The Ethnicity Pay Gap Strategy development. This group has had 4 meetings so far and the group has been extended until June.

**Roz Foyer** updated members on the National Strategy for Economic Transformation as she had been involved in its development as STUC Chair. The strategy talks about collective bargaining and where unions fit in to that and Roz has managed to incorporate specific fair work language to be included. The STUC are however not very supportive of the strategy as the STUC don't see it as a strategy for transformation but status quo.

### **Next Meeting:**

The next FWC meeting will be on Thursday 28 April, 2022