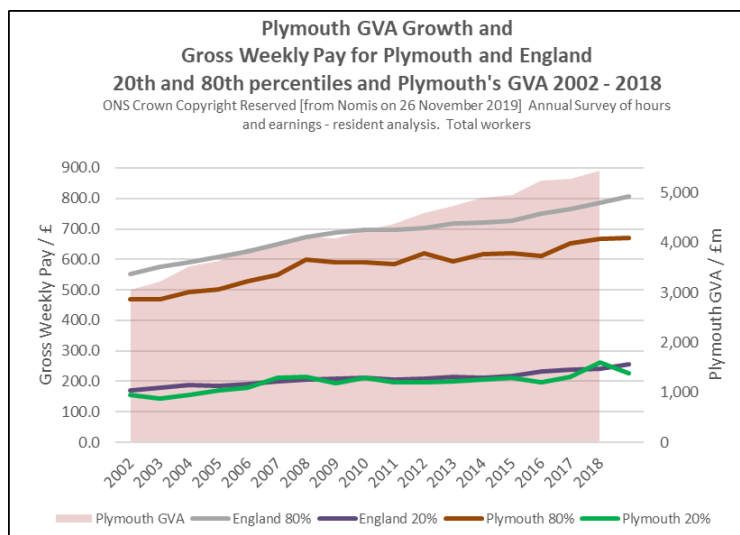


Appendix A - Plymouth's Inclusive Growth Charter

Background

Across the world, the growth of wages isn't keeping pace with the growth of the economy. Economic growth isn't benefitting ordinary people as much as it could. There is also growing inequality between the highest and lowest paid workers. For Plymouth, this is illustrated in the graph on the right

Plymouth Growth Board's Inclusive Growth Group has worked with local businesses to develop a Charter for businesses to demonstrate and increase their activity to address this and to act as a beacon for others. The four themes for the Charter are; Inclusive Growth, Environment, Jobs and Responsible Growth.



Below, is a summary of how the Charter will work. The following pages include more information on each theme, the individual pledges that they address and a narrative of the business case for action.

Charter and Chartermark Summary

Businesses will:

- Publish their own Business Charter, by choosing pledges that they commit to deliver
- Access pledge-pages which describe why the pledge is good for their business, how to deliver it, and priorities for Plymouth
- Demonstrate progress by applying for the chartermark and by measuring their social value in pounds.

The **chartermark** will only be awarded to businesses that achieve mandatory pledges – these are:

Outcome(s)	Pledge
Secure Contracts	1.1 All our employees have contracts that offer employment security through provision of sick pay, holiday rights, pensions and working hours. Casual worker contracts are only used for specific appropriate purposes, where agreed by both parties and atypically.
Employee Voice	1.2 We have an employee engagement programme that enables true employee voice and representation.
Fair Pay	1.3 We pay all our staff the Real (Living Wage Foundation) Living Wage, or have published a strategy to do so.
Climate impacts are reduced. Air pollution is reduced. Better places to live. Sustainable procurement is promoted.	3.1 We have, and implement, a policy on minimising environmental impact through our business and this includes action on climate.

Businesses can participate in activities to:

- Network and be inspired by ambassador companies and individuals
- Increase the number of pledges that their business delivers
- Increase their impact for specific pledges
- Measure the financial value of their impact

Inclusive Growth: Ensuring that no one is left behind		
	Pledge	Outcome(s)
1. Inclusive Employment	1.1 All our employees have contracts that offer employment security through provision of sick pay, holiday rights, pensions and working hours. Casual worker contracts are only used for specific appropriate purposes, where agreed by both parties and atypically.	Secure Contracts
	1.2 We have an employee engagement programme that enables true employee voice and representation.	Employee Voice
	1.3 We pay all our staff the real (Living Wage Foundation) Living Wage, or have published a strategy to do so.	Fair Play
	1.4 We have an organizational approach to minimizing or eliminating any “pay inequality” for groups with protected characteristics.	Pay Inequality
	1.5 We publish the ratio between the pay of the CEO and the rest of the staff and explain year on year changes.	
	1.6 We provide access to flexible working across the organisation to accommodate personal circumstances.	Flexible Working
2. No one left behind	2.1 We demonstrate a commitment to paying Fair Tax by being transparent about our company structure and ownership, publishing our full accounts, understanding what tax has been paid and why, having a tax policy that commits to good practice and, if multi-national, reporting country by country.	Fair Tax
	2.2 We participate in networks of businesses to increase skills, enable career progression and increase average wages.	Sector Progression
	2.3 When the business is successful and profits grow, we commit to sharing the benefits with workers	Fair Profit

The growth over the past several decades of non-standard work – temporary contracts, temporary agency and dispatched work, dependent self-employment, marginal part-time work – have heightened workers’ concerns over employment security. The Low Pay Commission reports that increases in National Minimum Wage are often managed by employers by reducing the hours of their employees. It is therefore important to engage workers with the way their organisations are run. The resulting positive changes in staff behaviour commonly include:

- Staff involvement in decisions and changes at work
- Advocacy to colleagues, clients and suppliers
- Improved motivation

The average weekly salary of the lowest paid 20% of Plymouth’s residents has barely changed since 2007 coupled with issues surrounding pay equality, which has been a very persistent issue that, despite many years of legislation, has shown no sign of disappearing.

There is evidence that investors, customers and employees are boycotting companies with excessive executive pay and this reporting is now a requirement for companies with more than 250 employees (The Companies (miscellaneous reporting) Regulations 2018). Research shows that, after salaries reach a (relatively low) level, workers value nonpecuniary factors more highly, such as on-the-job training, flexible working conditions, and progression opportunities.

Supporting employees to adjust to life’s ups and downs ensures that changes to personal circumstances are managed, thereby minimising detrimental impact on individuals, friends and family, colleagues and society as a whole.

Working within a cluster can increase the competitiveness of all participating businesses by: Introducing new skills across all levels of the company; Staving off complacency of long term employees; Creating Incentives to perform; Introducing new ideas; Stimulating change; Enabling collaboration.

Environment: Protecting and Improving Our Environment		
	Pledge	Outcome(s)
3. Environmental Impact	3.1 We have, and implement, a policy on minimising environmental impact through our business and this includes action on climate.	Climate impacts are reduced. Air pollution is reduced. Better places to live. Sustainable procurement is promoted.

The quality of the environment and wider planetary health needs to be consistent and sustainable in order for business operations and people's health and wellbeing to be consistent and sustainable. Plymouth City Council must lead by example to encourage other organisations, Plymouth residents and visitors to the city to be more environmentally aware. Not only will this have a positive impact on the planet's health, but it will help fulfil our responsibility to protect the city's natural environment including the National Marine Park.

Jobs: Promote Local Skills and Employment		
	Pledge	Outcome(s)
4. Recruitment & Retention	4.1 We are proactive in attracting, recruiting, retaining and promoting people from diverse communities in our workplace and provide support and reasonable adjustments where required.	More local people in employment. More opportunities for disadvantaged people. Improved skills for local people.
5. Staff Training	5.1 We have a policy, procedure and investment programme for staff that offers routine feedback, performance reviews, career development and training.	Improved skills for local people.
6. Placements & Apprenticeships	6.1 We support practical, vocational routes to career entry and progression that start with meaningful, paid placements and include apprenticeships.	Improved skills for local people.
	6.2 We raise aspirations of young people by working with schools, youth groups and parents to showcase the best of Plymouth's jobs and careers. We inspire young people to be proactive in pursuing their chosen career.	

A diverse workforce, which includes a range of perspectives, can improve flexibility, creativity and problem-solving, resulting in better decision-making. There is a direct correlation between levels of bias found in the workplace and feelings of inclusion at work, as well as the desire to stay or leave an organization. Diverse organisations are often more innovative and likely to grow at a higher rate. Performance reviews let employees know that they are valued, agree to new targets, align with team and company goals and air grievances. They also help managers to understand motivation, manage change, build trust and assess skills needs.

The cost of failing to upskill the population is massive and includes:

- Young NEET people (Not in Employment, Education or Training) – being disenfranchised and demotivated.
- Wasted training funds as people acquire knowledge or skills in domains that are wrong for them and wrong for the economy.
- Higher unemployment costs - increasing subsidy and support costs, impacting mental health and wellbeing of a large segment of the population.
- Losses in tax and business revenue from vacant positions and migration of jobs and industries to regions or countries where skilled workers are more available. E.g. 40% of Londoners have upskilled in the past five years, ten per cent higher than the national average of 30 per cent. In South West England the figure is 33 per cent.

Ensuring that there is a strong talent pipeline at all levels of the organisation ensures that people believe and prove that they can be valuable and productive members of the workforce, and that employers can benefit from current good practice and develop skills for future changes in their industry.

Growth: Supporting Growth of Responsible Regional Business		
	Pledge	Outcome(s)
7. Local Engagement	7.1 Our staff regularly engage with the local community in ways that improve opportunities and employability, for example, through formal volunteering or offering pro bono support, etc.	More opportunities for local SMEs and VCSEs
8. Work Place Wellbeing	8.1 We commit to improving the health and wellbeing of our staff through delivery of a strategic objective for our organisation`.	Improved staff wellbeing
9. Supply Chain	9.1 When we buy, we request delivery of inclusive growth pledges in the delivery of works, goods and services.	A workforce culture that reflects the diversity of the local community. Ethical procurement is promoted. Social value embedded in the supply chain.
Other	Tell us what else you are doing?	

By investing in local communities, tackling the issues that affect the lives of the workforce, businesses can help to build strong communities who are better able to support local business. It's about understanding how the choices you make when deciding; who you employ, where you locate, what you buy, sell and invest in - impact on your local communities and the social issues that affect us all.

Communities of particular importance in Plymouth include:

- Armed Forces, veterans and their families <https://www.plymouth-armedforcescovenant.co.uk/>
- People who are, or have been in care or engaged with other targeted youth services <https://www.plymouth.gov.uk/youngpeople/youthservices/targetedyouthservices>
- People living in the city's deprived communities
- Young people
- Older workers

The shape and content of work is strongly related to individual health and well-being. For the benefit of firms, workers and the public interest we need to develop a more proactive approach to workplace health.

Corporate Social Responsibility (CSR) is all about suppliers playing their responsible part in society and giving back to the community. By taking up IG pledges, customers, employees and suppliers can begin to place more value on CSR initiatives as a means of strengthening the principle of placing social improvement before the short term interests of financial performance.

With the internet and access through the global supply chain, there are clear pros and cons of procurement from a local supply chain which means that local suppliers adopting inclusive growth pledges need to demonstrably show how they have a unique selling point of serving the wellbeing of the people of Plymouth.