

Real Living Wage Analysis; Annual Survey of Hours and Earnings (ASHE)

Employees earning below the Real Living Wage, as defined by the Living Wage Foundation, in Manchester and comparators

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Summary

The Annual Survey of Hours and Earnings estimates the proportion of employees earning below the Real Living Wage for all UK Local Authorities, regions and countries by gender and full-time or part-time status for both employee place of residence and place of work. This briefing note analyses the latest survey findings and key highlights are summarised below:

- In 2017 an estimated **15.2%** (+/-1.4%) of employees working in Manchester and **27.2%** (+/-2.5%) of employees living in Manchester were paid less than the Real Living Wage of £8.45.
- Of all the UK Local Authorities in 2017, Manchester had the biggest difference between its resident employees and its workforce, with **12%points** more resident employees earning less than the Real Living Wage than those working in the city.
- In 2017 there was only a slight difference between Manchester's male and female workforce, however there was a significant difference between male and female resident employees, with 30.9% (+/-3.6%) of females overall being paid less than the Real Living Wage compared to 23.3% (+/-3.4%) of males.
- In Manchester a low proportion of full-time workers were paid less than the Real Living Wage (8.8%, +/-1.3%) compared to 17.4% (+/-2.5%) of full-time Manchester resident employees.
- More than a third of Manchester's part-time workforce (38.3%, +/-4.1%) and just over half of part-time Manchester resident employees (50.3%, +/-5%) were paid less than the Real Living Wage in 2017. For both the workforce and residents it is the part-time employees, in particular part-time males, that are much more likely to be earning less than the Real Living Wage.
- For both the Manchester workforce and Manchester residents, the accommodation sector in particular has been identified as having the highest proportion of employees paid less than the Real Living Wage, followed by a high proportion employed in the food and beverage service activities sector, retail trade (excluding motor vehicles / motorcycles) sector, and services to buildings and landscape activities sector.
- The Parliamentary Constituency Manchester Gorton had a high proportion of its workforce earning less than the Real Living Wage (30.3%, +/-9.1%). Although reported with a large margin of error, there may be a need to focus on businesses here to understand why this area is so different to the rest of Manchester.
- For all English Core Cities, a higher proportion of resident employees were paid less than the Real Living Wage, than the city's workforce employees in 2016 and 2017.
- When all UK Local Authorities were ranked based on employee place of work in 2017, Manchester was one of only three Northern England Local Authorities to feature in the **top 50**, alongside Copeland in Cumbria and Salford.
- Of the 41 Local Authorities within the North West region in 2017, Manchester had the **second** lowest proportion of its workforce paid less than the Real Living Wage. Conversely, Manchester ranked **34th** for its resident employees.
- Over the last four years Manchester has consistently had the lowest proportion of its workforce being paid less than the Real Living Wage in Greater Manchester, followed closely by Salford; these were also the only GM local authorities to note a significant decrease between 2016 and 2017.
- Whilst in Manchester, Salford and Bolton there is a higher proportion of resident employees earning less than the Real Living Wage than the workforce, the reverse is true for the other Greater Manchester authorities, suggesting that many of the higher paid residents of these towns may work in the neighbouring boroughs of Manchester, Salford and Bolton or further afield.

The gap between resident and workplace wages in Manchester is long standing and complex. Although Manchester has a growing quality housing offer, the city's unusual linear shape means that Manchester still loses some highly paid workers who choose to settle in the suburbs of neighbouring Greater Manchester authorities or further afield. There is also a direct link between low skills and a low wage economy; Manchester has a disproportionate number of residents with no qualifications. The key challenge is to ensure that Manchester residents are equipped with skills and qualifications to benefit from the higher paid opportunities being created in the city.

Introduction

The Annual Survey of Hours and Earnings (ASHE) estimates employee gross pay (before tax, National Insurance and other deductions) by place of residence (where the employee lives) and place of work (where the employee works). It is a survey of employee jobs based on a 1% sample taken from HM Revenue & Customs (HMRC) PAYE records. The survey relates to employees on adult rates of pay whose earnings for the survey period were not affected by absence and does not cover the self-employed or those not paid during the reference period. Estimates of hourly earnings are provided for the pay period that included a specific date in April. Figures reported for 2017 are provisional and may be revised on the next release date in October 2018.

Through an ad hoc request Manchester City Council has obtained the proportion of employees earning below the Real Living Wage for all UK Local Authorities, regions and countries by gender and full-time or part-time status for both employee place of residence and place of work.

In April 2016 the government introduced a higher minimum wage rate for all staff over 25 years of age inspired by the Living Wage campaign - even calling it the 'national living wage'. However, the government's 'national living wage' is not calculated according to what employees and their families need to live and there is no London weighting. Instead, it is based on a target to reach 60% of median earnings by 2020. The 'national living wage' in 2018/19 is £7.83 per hour.

The estimates in this analysis have been defined using the Living Wage Foundation's Real Living Wage¹. This is a voluntary hourly rate for employers calculated according to the cost of living, based on a core basket of household goods and services, housing costs, council tax, travel costs and childcare costs. A separate higher rate is calculated for London. New Real Living Wage rates are announced in November each year, with Living Wage employers expected to implement the rises by May the following year, therefore **Table 1** shows that the ASHE analysis is based on the Real Living Wage rates available from the preceding year of the survey. The Council is committed to paying its employees the Manchester Living Wage, currently £8.75 per hour, and advocates its adoption by schools, contractors and agency suppliers.

Table 1: Real Living Wage hourly earnings thresholds used in the analysis

ASHE year	Living Wage rate year	Living Wage hourly rate working within London	Living Wage hourly rate working in the UK, outside London
2018 (Oct-18)	2017	£10.20	£8.75
2017	2016	£9.75	£8.45
2016	2015	£9.40	£8.25
2015	2014	£9.15	£7.85
2014	2013	£8.80	£7.65

¹ <https://www.livingwage.org.uk/calculation>

Being survey data, the quality of the results are influenced by the sample size. At local authority level, the sample sizes are relatively small. For this reason, while changes over a number of years or between geographies provide useful insights into local trends, any conclusions should be regarded with caution. The margin of error (+/-) is reported alongside all figures quoted in this analysis which provide an indication of where the true value lies. For example, an estimate of 30% reported with a +/- 2.5% margin of error means that the true value will lie between 27.5% and 32.5%.

Regional and national comparisons

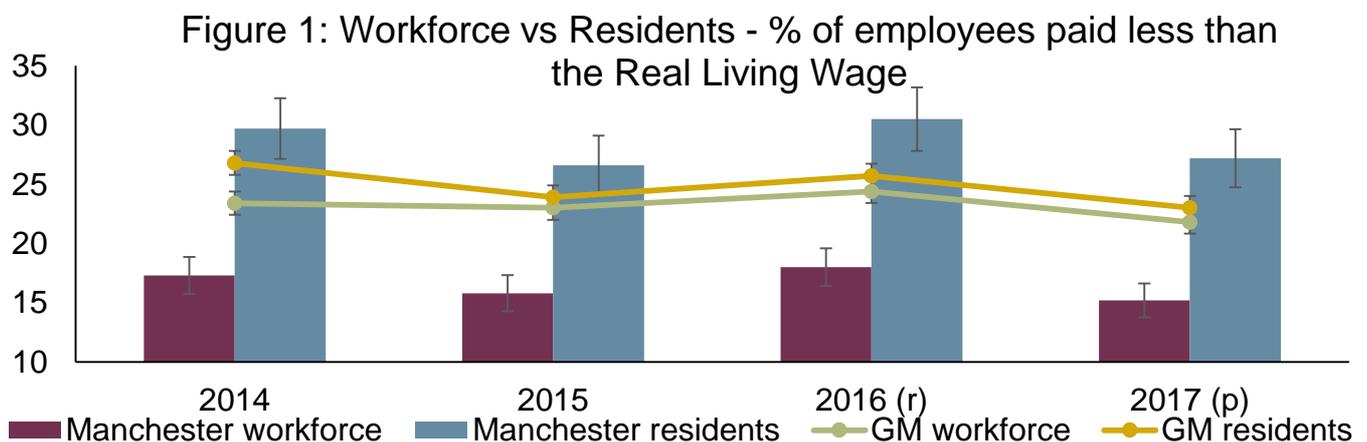
In 2017 an estimated **15.2%** (+/-1.4%) of employees working in Manchester and **27.2%** (+/-2.5%) of employees living in Manchester were paid less than the Real Living Wage of £8.45, representing a significant decrease since 2016. **Table 2** shows that decreasing trends have also been noted for comparator areas. Manchester has a much higher proportion of residents and a much lower proportion of employees working in the city that are paid less than the Real Living Wage compared to Greater Manchester (GM), the North West region and England.

Table 2: % of employees paid less than the Real Living Wage

		Margin of error	2014	2015	2016 (r)	2017 (p)
Place of work	Manchester	+/-1.5	17.3	15.8	18.0	15.2
	Greater Manchester	+/-1	23.4	23.0	24.4	21.8
	North West	+/-0.6			25.2	23.8
	England	+/-0.2			23.2	22.0
Place of residence	Manchester	+/-2.5	29.7	26.6	30.5	27.2
	Greater Manchester	+/-1	26.8	23.9	25.7	23.0
	North West	+/-0.6			25.5	23.9
	England	+/-0.2			23.1	22.0

Source: Annual Survey of Hours and Earnings (ASHE), ONS. (r) revised, (p) provisional

Of all the UK Local Authorities in 2017, Manchester had the biggest difference between its resident employees and its workforce, with 12%points more resident employees earning less than the Real Living Wage than those working in the city. Newcastle also had a large difference between its workforce and resident employees (+11.5%points), followed by Leicester (+9.9%points) and Tower Hamlets (+9.8%points). **Figure 1** shows the extent of the difference between Manchester's resident employees and its workforce in comparison to GM.



When all UK Local Authorities were ranked based on employee place of work in 2017, the Local Authority with the lowest proportion of its workforce paid less than the Real Living Wage was City of London (5.8%, +/-0.9%), followed by Bracknell Forest (9%, +/-2.9%), Oxford (9.1%, +/-2.2%) and Tower Hamlets (9.3%, +/-1.4%). Manchester was one of only three Northern England Local Authorities to feature in the top 50 (15.2%, +/-1.4%, ranked 34th), alongside Copeland in Cumbria (15.1%, +/-4.8%, ranked 33rd) and Salford (15.9%, +/-2.6%, ranked 43rd). Most Local Authorities in the top 50 were located in London and the counties surrounding London.

Table 3 shows that of the 41 Local Authorities within the North West region in 2017, Manchester had the second lowest proportion of employees working in the city that were paid less than the Real Living Wage, just behind Copeland (although the margin of error reported for Copeland is quite high). Conversely, Manchester ranked 34th for the proportion of its resident employees that were paid less than the Real Living Wage.

Table 3: Top 10 North West Local Authorities, % paid less than Real Living Wage in 2017

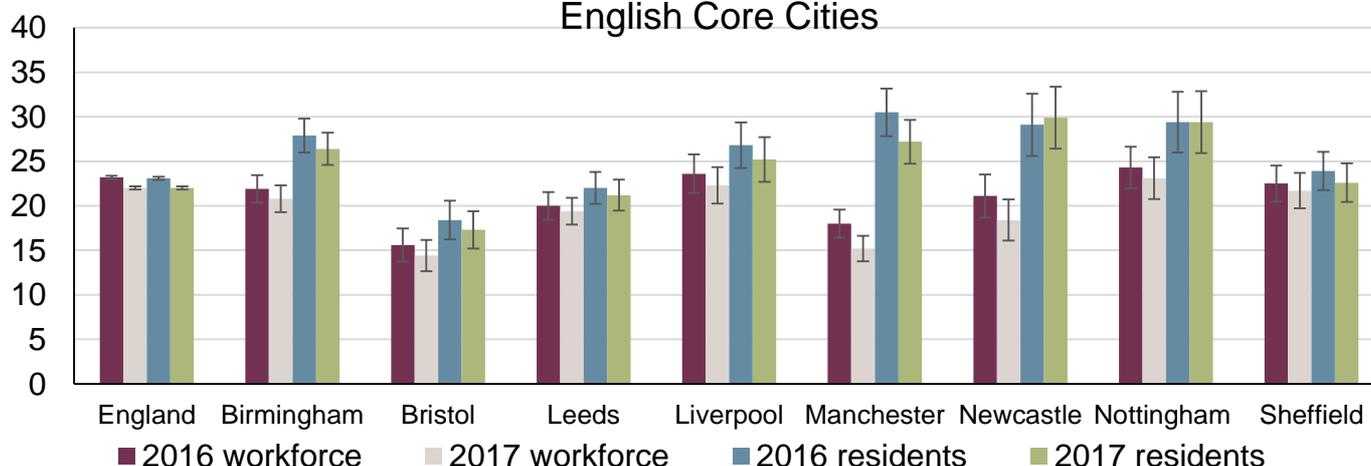
RANK	Employee place of work	%	RANK	Employee place of residence	%
1	Copeland (+/-4.8%)	15.1	1	Warrington (+/-3.1%)	17.8
2	Manchester (+/-1.4%)	15.2	2	Stockport (+/-2.7%)	17.9
3	Salford (+/-2.6%)	15.9	3	Trafford (+/-3.1%)	18
4	Halton (+/-3.9%)	19.3	4	Ribble Valley (+/-6.1%)	18.9
5	Preston (+/-3.4%)	19.3	5	Bury (+/-3.6%)	19
6	Fylde (+/-5.2%)	19.8	6	Cheshire West & Chester (+/-2.6%)	20
7	Warrington (+/-3.0%)	20.7	7	Halton (+/-4.3%)	21.3
8	Pendle (+/-6.1%)	21.9	8	Cheshire East (+/-2.5%)	21.6
9	West Lancashire (+/-4.9%)	22.3	9	Copeland (+/-6.5%)	21.6
10	Liverpool (+/-2.1%)	22.3	10	Chorley (+/-4.8%)	21.7

(+/-x%) = margin of error

Comparison with English Core Cities

Figure 2 shows that between 2016 and 2017 all English Core Cities noted a decrease in the proportion of employees working in the city that were paid less than the Real Living Wage. Decreases were also noted for resident employees in all English Core Cities apart from Newcastle, which increased by 0.8%points.

Figure 2: % of employees paid less than the Real Living Wage - English Core Cities



In 2017, although not as significant as Manchester (+12%points), there was also a significant difference between workforce employees and resident employees in Newcastle (+11.5%points),

Nottingham (+6.3%points) and Birmingham (+5.6%points). For all English Core Cities, a higher proportion of resident employees were paid less than the Real Living Wage, than the city's workforce employees.

Comparison with other Greater Manchester Authorities

Figure 3 shows that over the last four years Manchester has consistently had the lowest proportion of its workforce being paid less than the Real Living Wage in Greater Manchester, followed closely by Salford, boosted by the development of Media City UK; these were also the only GM local authorities to note a significant decrease between 2016 and 2017 (Manchester - 2.8%points, Salford -5.4%points). In 2017 Oldham had the highest proportion of its workforce paid less than the Real Living Wage (29.3%, +/-4.6%), followed by Wigan (28.9%, +/-3.7%) and Rochdale (28.7%, +/-4.4%), with around a quarter of the workforce affected in Bolton, Bury, Stockport, Tameside and Trafford.

Figure 3: % of workforce employees paid less than Real Living Wage - Greater Manchester Authorities

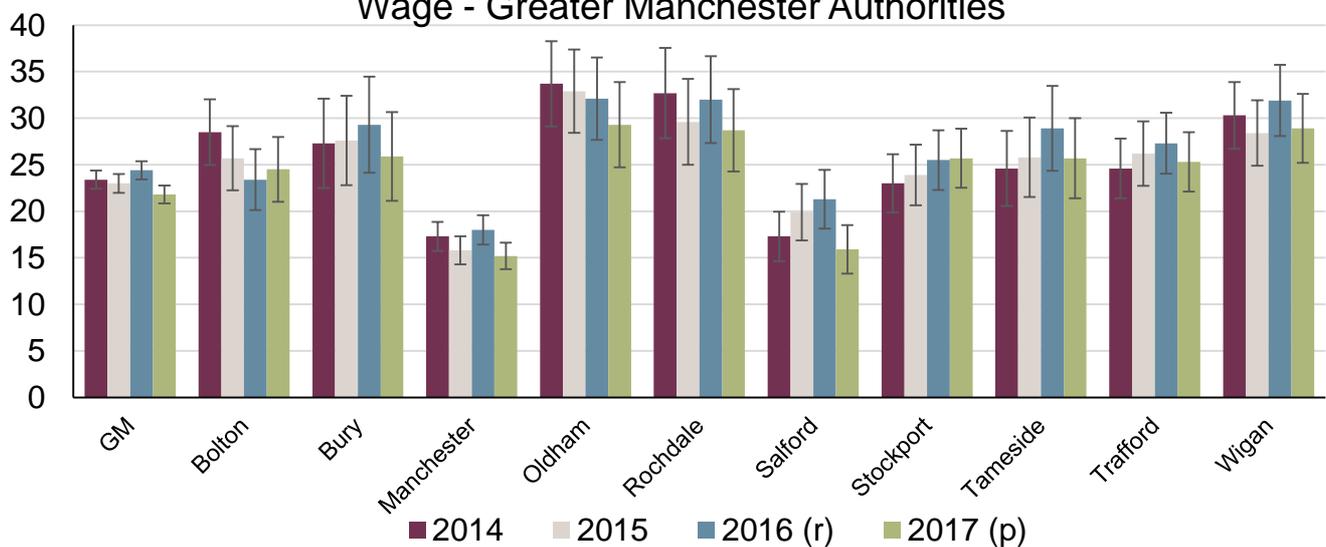


Figure 4: % of resident employees paid less than Real Living Wage - Greater Manchester Authorities

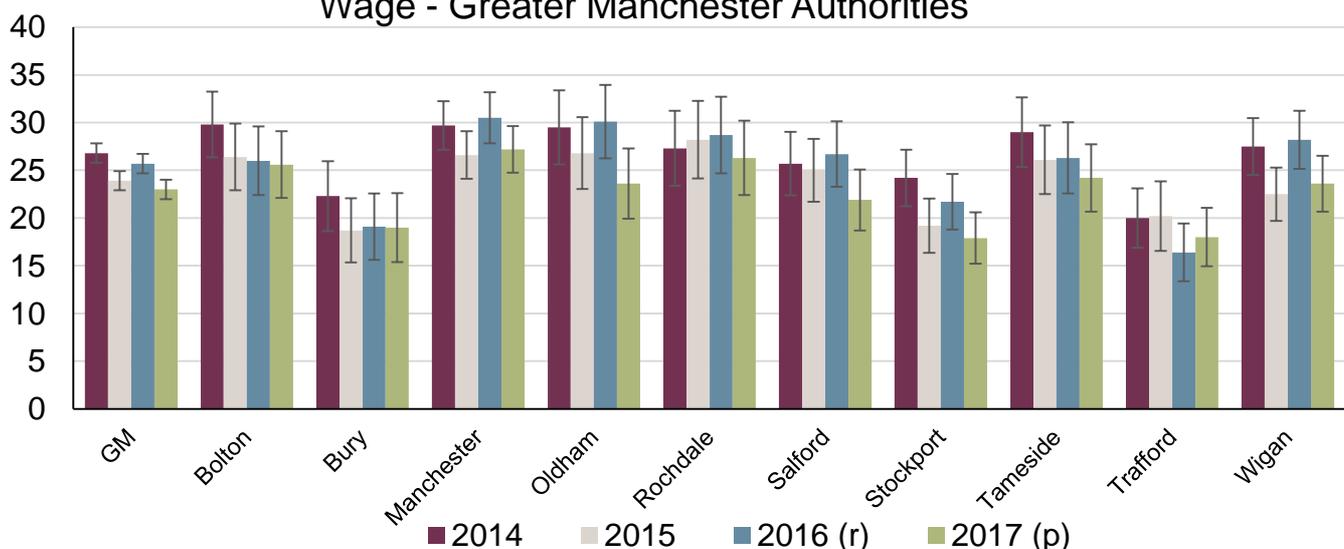
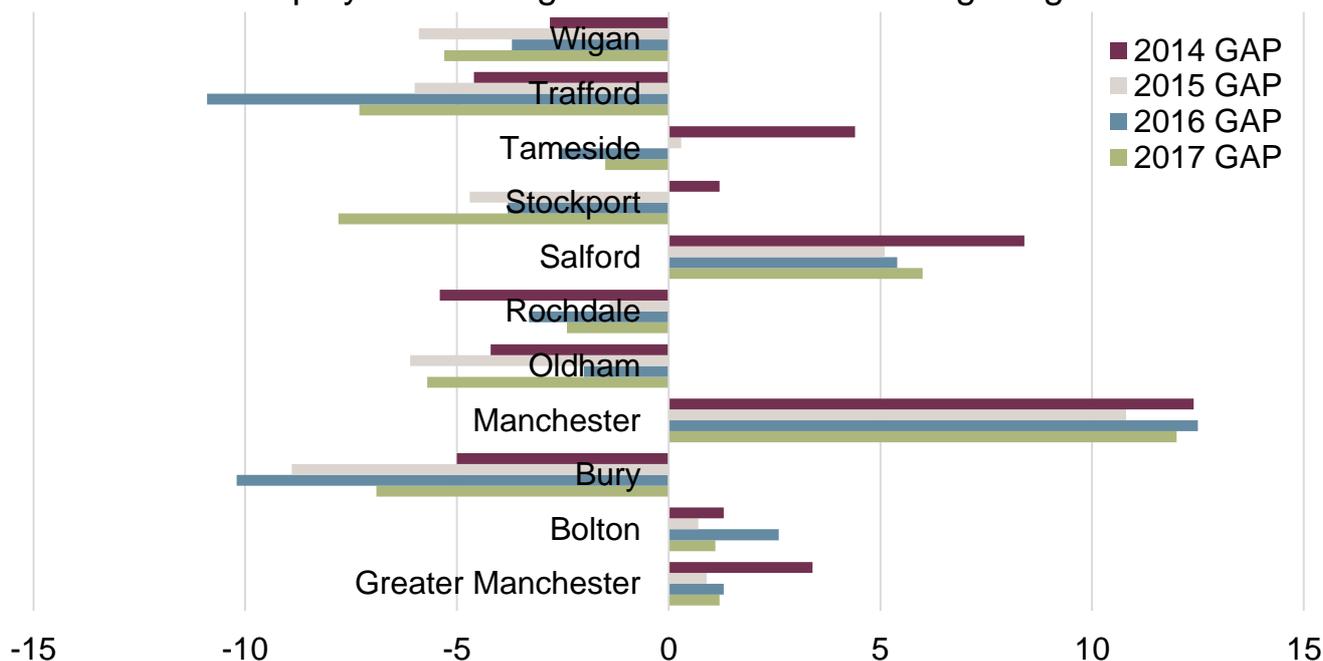


Figure 4 shows that of the GM local authorities, Stockport (17.9%, +/-2.7%) had the lowest proportion of resident employees paid less than the Real Living Wage in 2017, followed by Trafford (18%, +/-3.1%) and Bury (19%, +/-3.6%). Conversely, Manchester (27.2, +/-2.5%), Rochdale (26.3%, +/-3.9%) and Bolton (25.6%, +/-3.5%) had the highest proportion of resident

employees. Most of the GM local authorities noted a significant decrease between 2016 and 2017, apart from Bolton, Bury and Rochdale whose decreases were within the margin of error.

Figure 5 highlights the extent of the difference between the workforce and resident employees earning less than the Real Living Wage. Whilst in Manchester, Salford and Bolton there has been a consistently higher proportion of resident employees earning less than the Real Living Wage than the workforce, the reverse is true for the other Greater Manchester authorities, with a higher proportion of the workforce earning less than the Real Living Wage than resident employees. This pattern suggests that perhaps many of the higher paid residents of these towns may work in the neighbouring boroughs of Manchester, Salford and Bolton or further afield.

Figure 5: %point difference between workforce and resident employees earning less than the Real Living Wage



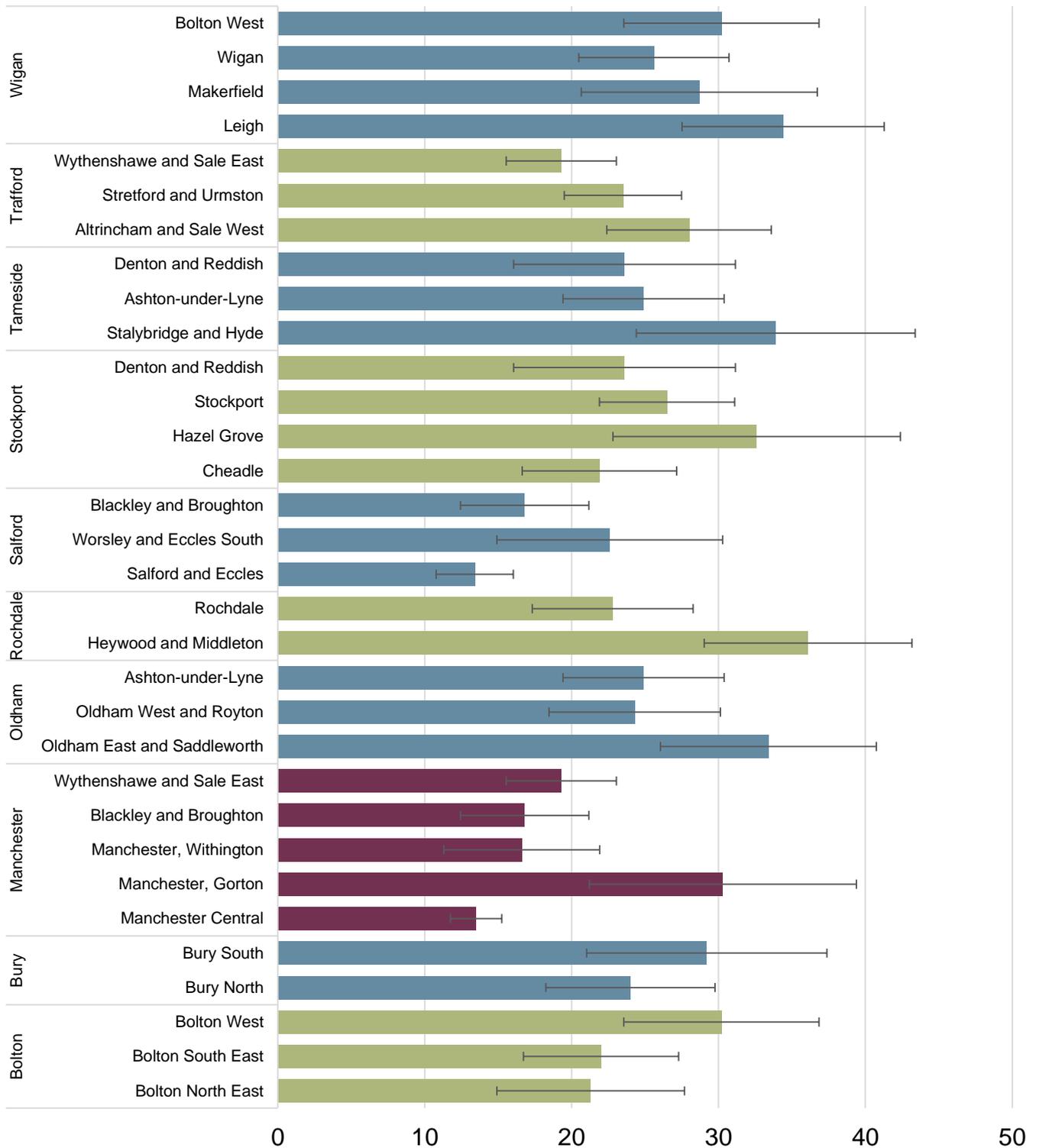
Greater Manchester Parliamentary Constituencies

Figure 6 shows that of the 27 Parliamentary Constituencies within Greater Manchester, Salford & Eccles had the lowest proportion of its workforce earning less than the Real Living Wage in 2017 (13.4%, +/-2.6%).

With the overall Manchester Local Authority area having such a low proportion of its workforce earning less than the Real Living Wage it is no surprise that the second lowest constituency was Manchester Central (13.5%, +/-1.8%), followed by Manchester Withington (16.6%, +/-5.3%), Blackley & Broughton (16.8%, +/-4.4%) and Wythenshawe & Sale East (19.3%, +/-3.7%).

However, Manchester Gorton had a high proportion of its workforce earning less than the Real Living Wage (30.3%, +/-9.1%). Although reported with a large margin of error due to the small sample size (the true value could lie anywhere between 21.2% and 39.4%), there may be a need to focus on businesses to understand why this area of the city is so different and to target employers here so that more employees may be paid at least the Real Living Wage.

Figure 6: % of workforce employees paid less than the Real Living Wage - Greater Manchester Parliamentary Constituencies



Note that the Parliamentary Constituencies of Blackley & Broughton, Ashton-under-Lyne, Denton & Reddish, Wythenshawe & Sale East and Bolton West are located within more than one Local Authority boundary.

Within Greater Manchester, the Parliamentary Constituency of Heywood & Middleton had the highest proportion of its workforce earning less than the Real Living Wage in 2017 (36.1%, +/-7.1%), followed by Leigh (34.4%, +/-6.9%), Stalybridge & Hyde (33.9%, +/-9.5%), Oldham East & Saddleworth (33.4%, +/-7.4%), and Hazel Grove (32.6%, +/-9.8%).

Indicative counts for the number of jobs are provided alongside all estimates. These are intended to provide a broad idea of the numbers of employee jobs but they should not be considered accurate estimates. Caution should be applied when using these numbers, however **Table 4** below illustrates the indicative distribution of Manchester’s workforce employees paid less than the Real Living Wage in 2017, which was estimated to be 55,000 for the Manchester Local Authority area out of an estimated total of 362,000 workforce employees. Manchester Gorton has a smaller estimated number of employees than the other Manchester parliamentary constituencies which explains why the margin of error reported for this area is so high.

Table 4: Indicative number of Manchester workforce employees paid less than the Real Living Wage in 2017

Parliamentary Constituency	Indicative number of workforce employees paid less than the Real Living Wage in 2017	Indicative number of workforce employees in 2017 (Rounded to nearest '000)
Manchester Central	30,000	222,000
Manchester Gorton	4,000	13,000
Manchester Withington	4,000	24,000
Blackley and Broughton	8,000	48,000
Wythenshawe and Sale East	12,000	62,000

It is important to reiterate that the quality of the survey results are influenced by the sample size. At Parliamentary Constituency level the sample sizes are relatively small, some figures are reported with a large margin of error so any conclusions should be regarded with caution.

Industry Comparisons

According to the ONS Business Register and Employment Survey, in 2016 a third of Manchester’s workforce was employed within the Accommodation & Food Services; Retail; Art, Entertainment & Recreation; and Business, Administration & Support Services sectors. Nationally, these sectors have the lowest median hourly pay (under £10 per hour) and generally tend to have entry level opportunities which are accessible to employees with no or low skills.

Due to the small sample size, the estimated proportion of employees paid less than the living wage in 2017 by 2 digit Standard Industrial Classification is reported with a large margin of error, and in many cases the figures were not made available because they were either negligible, disclosive or the estimates were considered unreliable for practical purposes. Where the figures were made available these have been reported in **Table 5** and **Table 6**, however as above, any conclusions should be regarded with caution due to the large margin of error reported and due to the small number of sectors where figures were made available.

Table 5 shows that of the Manchester workforce working in the accommodation sector an estimated 77.4% (+/- 18.6%) were paid less than the Real Living Wage. Approximately half of the workforce working in the food and beverage service activities, retail trade (excluding motor vehicles / motorcycles), and services to buildings and landscape activities sectors were also paid less than the Real Living Wage. Even when the large margin of error is taken into account, the accommodation sector still stands out, with the actual figure estimated to be between 58.8% and 96%.

Table 5: Manchester workforce paid less than the Real Living Wage by Sector, 2017

2-digit Standard Industrial Classification	% paid less than the Real Living Wage	Margin of error (+/-)
Accommodation	77.4%	18.6%
Food and beverage service activities	56%	9.0%
Retail trade (excluding motor vehicles / motorcycles)	47.5%	8.0%
Services to buildings and landscape activities	46.4%	16.7%
Education	9.1%	2.7%

Similar sectors were identified for Manchester residents, although a higher proportion of residents working in the sectors noted in **Table 5** were paid less than the Real Living Wage. **Table 6** shows that of the Manchester residents working in the accommodation sector an estimated 90.7% (+/- 17.4%) were paid less than the Real Living wage, with the actual figure estimated to be between 73.3% and 100%. It is estimated that more than three out of every five Manchester residents working in the services to buildings and landscape activities, food and beverage service activities, and retail trade (excluding motor vehicles / motorcycles) sectors were also paid less than the Real Living Wage. In addition, social work activities without accommodation and residential care activities were both sectors where a high proportion of residents were estimated to be paid less than the Real Living Wage.

Table 6: Manchester residents paid less than the Real Living Wage by Sector, 2017

2-digit Standard Industrial Classification	% paid less than the Real Living Wage	Margin of error (+/-)
Accommodation	90.7%	17.4%
Services to buildings and landscape activities	68.9%	12.3%
Food and beverage service activities	62.1%	10.1%
Retail trade (excluding motor vehicles / motorcycles)	60.2%	8.8%
Social work activities without accommodation	50.9%	18.3%
Residential care activities	41.5%	16.6%
Education	14.5%	4.6%

Based on the sectors highlighted in **Table 5** which showed the proportion of the Manchester workforce being paid less than the Real Living Wage by sector, the ONS Business Register and Employment Survey (2016) has been analysed to report the proportion of the Manchester workforce employed in these sectors by each Parliamentary Constituency.

Table 6 shows that in 2016, 31.2% of the Manchester workforce were employed in these sectors and Manchester Gorton has a much higher proportion, 40.7%, although the high figure is boosted by 19% of the workforce employed in Education. It is estimated that only 9.1% of the Manchester workforce in the Education sector is paid less than the Real Living Wage. Compared to Manchester, Manchester Gorton has a slightly higher proportion of its workforce employed in the food and beverage and retail trade sectors, which are estimated to have a high proportion of employees paid less than the Real Living Wage. It has a higher proportion of the workforce employed in health; construction; manufacturing; arts, entertainment, recreation and other services; and motor trades industries, although Real Living Wage breakdowns were not available for these sectors. Manchester Gorton also has a much lower proportion of its workforce employed in the professional, scientific & technical industry, 6% compared to 13.1% for Manchester in total (see **Appendix 7**).

Table 6: Proportion of workforce employed by sector and Parliamentary Constituency

2-digit Standard Industrial Classification	Blackley & Broughton	Central	Gorton	Withington	Wythenshawe & Sale East	Manchester
Accommodation	0.5%	2.5%	0.7%	1.5%	2.2%	2.1%
Food and beverage service activities	3.7%	7.2%	8.3%	11.3%	5.1%	6.8%
Retail trade (excluding motor vehicles / motorcycles)	11.0%	9.3%	11.9%	8.1%	7.2%	9.2%
Services to buildings and landscape activities	0.9%	3.8%	0.8%	5.6%	3.6%	3.1%
Education	14.6%	10.5%	19.0%	9.7%	4.3%	10.0%
Total	30.7%	33.3%	40.7%	36.2%	22.4%	31.2%

Gender and work status

Figure 7 shows that in 2017 in Manchester there was only a slight difference between the male and female workforce, with 2%points more females overall being paid less than the Real Living Wage. The trends are the same but much more significant in GM (7.4%points), for the North West region (10%points) and England (10.4%points).

In Manchester a low proportion of full-time workers were paid less than the Real Living Wage (8.8%, +/-1.3%). A higher proportion of the male full-time workforce (9.4%, +/-1.8%) were paid less than the Real Living Wage, than their female counterparts (8%, +/-1.9%), although the difference is within the margin of error. The trends were reversed in GM, the North West and England, with a significantly higher proportion of full-time female employees paid less than the Real Living Wage compared to their male counterparts.

More than a third of the part-time workforce in Manchester (38.3%, +/-4.1%) was paid less than the Real Living Wage in 2017. A lower proportion of the female part-time workforce (34.7%, +/-4.9%) was paid less than the Real Living Wage, than their male counterparts (46.7%, +/-7.9%). Across other comparators, the part-time workforce, in particular part-time males, were much more likely to be earning less than the Real Living Wage.

Figure 7: % of workforce paid less than the Real Living Wage by gender and work pattern in 2017

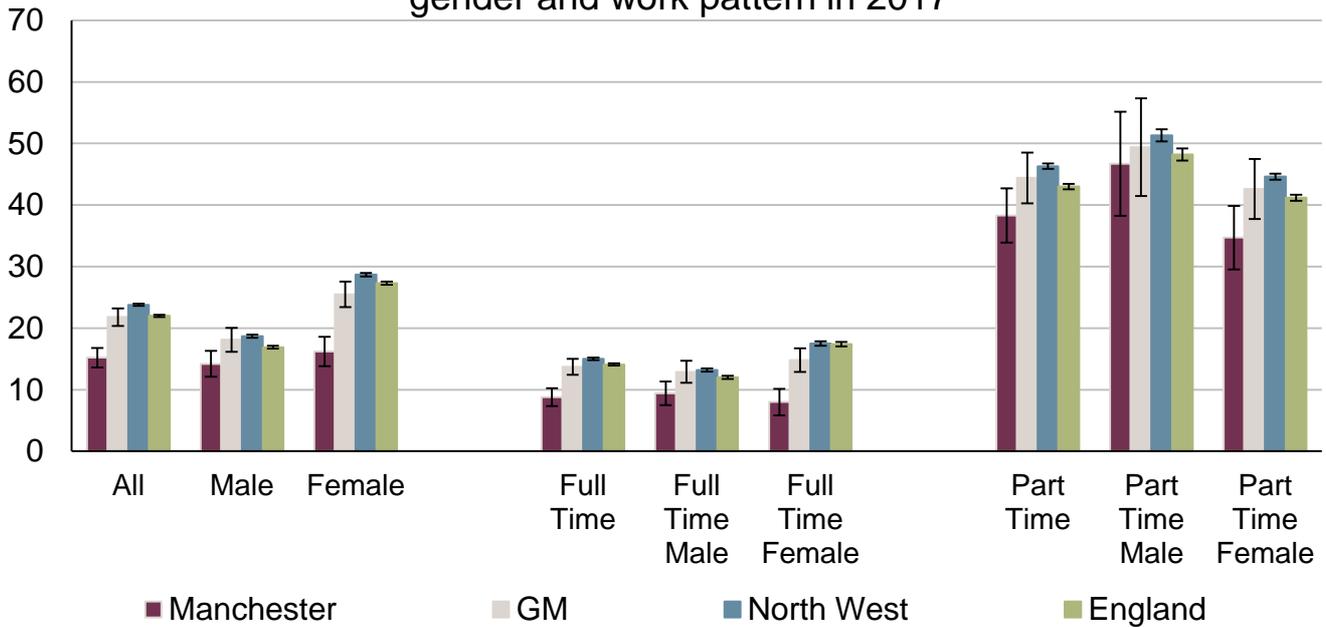
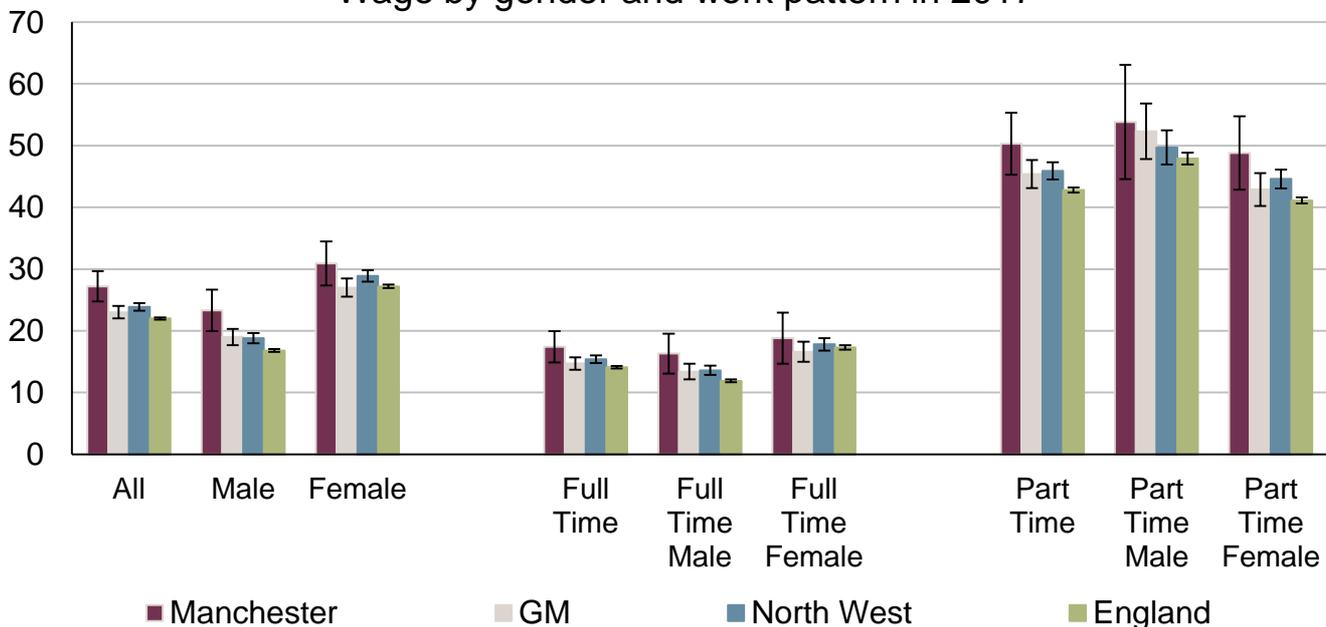


Figure 8 shows that in 2017 there was a significant difference between male and female resident employees in Manchester, with 30.9% (+/-3.6%) of females overall being paid less than the Real Living Wage compared to 23.3% (+/-3.4%) of males. This trend is mirrored in GM, the North West and England.

Figure 8: % of resident employees paid less than the Real Living Wage by gender and work pattern in 2017



In 2017, 17.4% (+/-2.5%) of full-time Manchester resident employees were paid less than the Real Living Wage, compared to just over half of the part-time Manchester resident employees (50.3%, +/-5%). A lower proportion of the female part-time resident employees (48.8%, +/-6%) were paid less than the Real Living Wage, than their male counterparts (53.8%, +/-9.3%), although the difference is within the margin of error. As seen with workforce employees, the part-time resident employees, in particular part-time males, are much more likely to be earning less than the Real Living Wage across comparators.

Key Challenges and Opportunities

The gap between resident and workplace wages in Manchester is long standing and complex. Although Manchester has a growing quality housing offer, the city's unusual linear shape means that Manchester still loses some highly paid workers who choose to settle in the suburbs of neighbouring Greater Manchester authorities or further afield. Some of Manchester's largest employment sectors create challenges; a third of the workforce is employed within the Accommodation & Food Services, Retail, Art, Entertainment & Recreation, and Business, Administration & Support Services sectors². Nationally, these sectors have the lowest median hourly pay (under £10 per hour) and generally tend to have entry level opportunities which are accessible to Manchester residents with no or low skills. In addition, the Accommodation sector in particular has been identified as having the highest proportion of employees paid less than the Real Living Wage, for both the Manchester workforce and Manchester residents. There is a direct link between low skills and a low wage economy. Manchester has a disproportionate number of residents with no qualifications; 11.1% in 2017 compared to a UK average of 8%³. The key challenge is to ensure that Manchester residents are equipped with the skills and qualifications to benefit from the higher paid opportunities being created in the city. Although for certain sectors, such as hospitality, our highly skilled residents may still not be paid the Real Living Wage.

There are issues to consider for our residents such as the lack of incentive to become a low paid apprentice, agency workers whose wages are impacted by recruitment agencies taking commission, and the impact of low pay and living in poverty on the ability to progress in pay and position - particularly those in part-time roles or roles in the gig economy with few other rights. The introduction of Universal Credit may mean that some part-time workers' overall income reduces as their circumstances change if they move from Working Tax Credits. However, there will be an enhanced offer and greater focus from Job Centre Plus in future years, to work with residents who are dependent on in-work benefits to increase their hours and/or move to a job that pays better. Currently there are residents trapped in poorly paid part-time employment because of the lack of quality part-time employment opportunities. Promoting flexible working, including flexible hiring, opens up more opportunities. The Council is working with Timewise to improve our flexible working practices and become a Timewise Council and will encourage others to do the same.

The Council is committed to paying its employees the Manchester Living Wage and advocates its adoption by schools, contractors and agency suppliers. Entry level opportunities within the Council are ring fenced for unemployed Manchester residents; while numbers are modest, the Council is leading by example. All tenders issued through the Council's Corporate Procurement commends the Manchester Living Wage to all suppliers and their supply chain and ask suppliers to confirm if they are paying the Manchester Living Wage or above to the staff that will be employed on Council contracts. The Council has also increased its weighting for social value considerations from 10% to 20%; paying the Manchester Living Wage is one of the suggested ways that suppliers can help meet the Social Value Framework objective of to 'raise the living standards of local residents and promote equality and fairness'.

The Work and Skills team continues to undertake employer engagement work across the city to promote payment of the Real Living Wage, local recruitment, work experience, apprenticeships and social value. This work targets all employers but has a particular focus on start-ups and businesses that have recently located to the city. Uptake of the Real Living Wage with start-ups and Small and Medium Enterprises remains a particular challenge due to some of the financial pressures businesses are under. Manchester's Family Poverty Strategy (2017-2022) sets out how tackling poverty in Manchester should be a collective responsibility. Anchor Institutions are

² ONS, Business Register and Employment Survey (2016)

³ ONS, Annual Population Survey (2017)

important in assisting to meet the core objective of the strategy, which is ultimately to move people out of poverty through sustainable employment, through their recruitment practices, procurement and assets to maximise the benefits to low income residents of the city. Anchor Institutions will set the example by which smaller institutions can follow with the Our Manchester Forum and the Greater Manchester Chamber of Commerce playing a lead role in promoting this approach. The Greater Manchester Chamber of Commerce is a living wage accredited employer which has helped to influence some of its members and promote the many positive impacts for employers, such as productivity, employee motivation, staff retention, employee relations, ability to attract high quality staff and cost savings (savings in recruitment and training costs, for example). There is also a plan to launch a 'Good Work' charter / kitemark for Greater Manchester employers; there will be the opportunity for the Council to feed into the content of the charter and to promote it within the city.

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Appendix table 1: English Core Cities - % of employees paid less than the Real Living Wage

				Margin of error (+/-)	
		2016 (r)	2017 (p)	2016 (r)	2017 (p)
Place of work	Birmingham	21.9	20.8	1.53	1.50
	Bristol	15.6	14.4	1.87	1.76
	Leeds	20.0	19.4	1.56	1.51
	Liverpool	23.6	22.3	2.17	2.05
	Manchester	18.0	15.2	1.58	1.43
	Newcastle	21.1	18.4	2.41	2.32
	Nottingham	24.3	23.1	2.33	2.36
	Sheffield	22.5	21.7	2.03	2.00
Place of residence	Birmingham	27.9	26.4	1.90	1.80
	Bristol	18.4	17.3	2.17	2.11
	Leeds	22.0	21.2	1.80	1.74
	Liverpool	26.8	25.2	2.57	2.52
	Manchester	30.5	27.2	2.68	2.45
	Newcastle	29.1	29.9	3.49	3.47
	Nottingham	29.4	29.4	3.41	3.47
	Sheffield	23.9	22.6	2.15	2.17

(r) revised, (p) provisional

Appendix table 2: North West Local Authorities (Provisional 2017) – Place of work

Rank	Place of work	% of employees earning below the Living Wage	+/- % margin of error
1	Copeland	15.1	4.83
2	Manchester	15.2	1.43
3	Salford	15.9	2.61
4	Halton	19.3	3.86
5	Preston	19.3	3.44
6	Fylde	19.8	5.15
7	Warrington	20.7	2.98
8	Pendle	21.9	6.13
9	West Lancashire	22.3	4.91
10	Liverpool	22.3	2.05
11	Cheshire East	22.7	2.50
12	Knowsley	22.9	4.21
13	Barrow-in-Furness	23.1	6.47
14	Cheshire West and Chester	23.3	2.75
15	Ribble Valley	23.6	7.08
16	Bolton	24.5	3.48
17	Trafford	25.3	3.19
18	Chorley	25.3	5.57
19	Lancashire	25.4	1.63
20	Stockport	25.7	3.19
21	Tameside	25.7	4.32
22	South Ribble	25.7	5.65
23	Bury	25.9	4.77
24	Cumbria	26.4	2.32
25	Carlisle	27.4	4.60
26	South Lakeland	28.4	5.34
27	Rochdale	28.7	4.42
28	Wigan	28.9	3.70
29	St. Helens	29.0	4.99
30	Oldham	29.3	4.57
31	Lancaster	29.4	5.00
32	Wirral	29.4	3.82
33	Sefton	29.9	3.77
34	Eden	30.7	7.98
35	Hyndburn	31.1	7.46
36	Blackburn with Darwen	31.5	4.85
37	Blackpool	32.1	5.01
38	Allerdale	32.7	6.34
39	Burnley	33.7	7.41
40	Wyre	34.7	7.63
41	Rossendale	36.4	9.46

Appendix table 3: North West Local Authorities (Provisional 2017) – Place of residence

Rank	Place of residence	% of employees earning below the Living Wage	+/- % margin of error
1	Warrington	17.8	3.06
2	Stockport	17.9	2.69
3	Trafford	18.0	3.06
4	Ribble Valley	18.9	6.05
5	Bury	19.0	3.61
6	Cheshire West and Chester	20.0	2.64
7	Halton	21.3	4.26
8	Cheshire East	21.6	2.51
9	Copeland	21.6	6.48
10	Chorley	21.7	4.77
11	Fylde	21.8	6.54
12	Salford	21.9	3.20
13	Wyre	22.4	5.38
14	Barrow-in-Furness	23.0	5.98
15	Oldham	23.6	3.68
16	Wigan	23.6	2.93
17	Wirral	23.6	2.93
18	South Ribble	23.8	4.76
19	West Lancashire	23.9	5.26
20	St. Helens	24.1	3.90
21	Tameside	24.2	3.53
22	Sefton	24.2	3.15
23	Lancashire	24.8	1.59
24	Hyndburn	25.2	6.05
25	Liverpool	25.2	2.52
26	South Lakeland	25.3	4.81
27	Bolton	25.6	3.48
28	Lancaster	26.0	4.58
29	Pendle	26.0	5.72
30	Cumbria	26.2	2.31
31	Rochdale	26.3	3.89
32	Allerdale	26.6	5.05
33	Knowsley	27.1	4.66
34	Manchester	27.2	2.45
35	Preston	27.8	4.84
36	Rossendale	28.2	6.77
37	Eden	28.6	7.44
38	Carlisle	30.1	5.24
39	Burnley	30.2	6.64
40	Blackburn with Darwen	34.6	5.47
41	Blackpool	39.0	5.38

Appendix table 4: Greater Manchester Local Authorities - % of employees paid less than the Real Living Wage

						Margin of error (+/-)			
		2014	2015	2016 (r)	2017 (p)	2014	2015	2016 (r)	2017 (p)
Place of work	GM	23	23	24.4	21.8	0.98	1.01	0.98	0.96
	Bolton	29	26	23.4	24.5	3.53	3.44	3.28	3.48
	Bury	27	28	29.3	25.9	4.80	4.80	5.16	4.77
	Manchester	17	16	18.0	15.2	1.56	1.52	1.58	1.43
	Oldham	34	33	32.1	29.3	4.58	4.47	4.43	4.57
	Rochdale	33	30	32.0	28.7	4.84	4.62	4.67	4.42
	Salford	17	20	21.3	15.9	2.66	3.02	3.15	2.61
	Stockport	23	24	25.5	25.7	3.13	3.25	3.21	3.19
	Tameside	25	26	28.9	25.7	4.03	4.28	4.57	4.32
	Trafford	25	26	27.3	25.3	3.20	3.46	3.28	3.19
	Wigan	30	28	31.9	28.9	3.58	3.52	3.83	3.70
Place of residence	GM	26.8	23.9	25.7	23.0	1.02	1.00	1.03	1.01
	Bolton	29.8	26.4	26.0	25.6	3.46	3.48	3.59	3.48
	Bury	22.3	18.7	19.1	19.0	3.66	3.37	3.48	3.61
	Manchester	29.7	26.6	30.5	27.2	2.55	2.50	2.68	2.45
	Oldham	29.5	26.8	30.1	23.6	3.89	3.75	3.85	3.68
	Rochdale	27.3	28.2	28.7	26.3	3.93	4.06	4.02	3.89
	Salford	25.7	25.0	26.7	21.9	3.34	3.30	3.42	3.20
	Stockport	24.2	19.2	21.7	17.9	2.95	2.84	2.91	2.69
	Tameside	29.0	26.1	26.3	24.2	3.65	3.60	3.73	3.53
	Trafford	20.0	20.2	16.4	18.0	3.12	3.64	3.02	3.06
	Wigan	27.5	22.5	28.2	23.6	2.97	2.79	3.05	2.93

(r) revised, (p) provisional

Appendix table 5: Greater Manchester Parliamentary Constituencies - % of workforce employees paid less than the Real Living Wage (Provisional 2017)

LA	Parliamentary Constituency	% of workforce	+/- % margin of error
Bolton	Bolton North East	21.3	6.39
	Bolton South East	22.0	5.28
	Bolton West	30.2	6.64
Bury	Bury North	24.0	5.76
	Bury South	29.2	8.18
Manchester	Manchester Central	13.5	1.76
	Manchester, Gorton	30.3	9.09
	Manchester, Withington	16.6	5.31
	Blackley and Broughton	16.8	4.37
	Wythenshawe and Sale East	19.3	3.74
Oldham	Oldham East and Saddleworth	33.4	7.35
	Oldham West and Royton	24.3	5.83
	Ashton-under-Lyne	24.9	5.48
Rochdale	Heywood and Middleton	36.1	7.08
	Rochdale	22.8	5.47
Salford	Salford and Eccles	13.4	2.63
	Worsley and Eccles South	22.6	7.68
	Blackley and Broughton	16.8	4.37
Stockport	Cheadle	21.9	5.26
	Hazel Grove	32.6	9.78
	Stockport	26.5	4.61
	Denton and Reddish	23.6	7.55
Tameside	Stalybridge and Hyde	33.9	9.49
	Ashton-under-Lyne	24.9	5.48
	Denton and Reddish	23.6	7.55
Trafford	Altrincham and Sale West	28.0	5.60
	Stretford and Urmston	23.5	4.00
	Wythenshawe and Sale East	19.3	3.74
Wigan	Leigh	34.4	6.88
	Makerfield	28.7	8.04
	Wigan	25.6	5.12
	Bolton West	30.2	6.64

Note that the Parliamentary Constituencies of Blackley & Broughton, Ashton-under-Lyne, Denton & Reddish, Wythenshawe & Sale East and Bolton West are located within more than one Local Authority boundary.

Appendix table 6: Gender and work status - % of employees paid less than the Real Living Wage

	Area name	Place of work				Place of residence			
		2016 (r)	2017 (p)	2016 Margin of error (+/-%)	2017 Margin of error (+/-%)	2016 (r)	2017 (p)	2016 Margin of error (+/-%)	2017 Margin of error (+/-%)
All employees	England	23.2	22	0.19	0.18	23.1	22	0.18	0.18
	North West	25.2	23.8	0.60	0.62	25.5	23.9	0.61	0.62
	GM	24.4	21.8	0.98	0.96	25.7	23.0	1.03	1.01
	Manchester	18.0	15.2	1.58	1.43	30.5	27.2	2.68	2.45
Male employees	England	18	16.9	0.25	0.24	17.9	16.8	0.25	0.24
	North West	20	18.7	0.84	0.79	20.2	18.8	0.85	0.83
	GM	20.4	18.1	1.35	1.27	21.7	19.0	1.39	1.33
	Manchester	15.8	14.2	2.09	1.96	27.6	23.3	3.64	3.36
Female employees	England	28.5	27.3	0.29	0.27	28.4	27.2	0.28	0.27
	North West	30.2	28.7	0.91	0.86	30.6	28.9	0.92	0.92
	GM	28.2	25.5	1.47	1.38	29.7	27.0	1.54	1.46
	Manchester	20.3	16.2	2.40	2.07	33.4	30.9	3.87	3.58
Full-time employees	England	15.1	14.1	0.21	0.20	15.1	14.1	0.21	0.20
	North West	16.4	15.0	0.62	0.60	16.8	15.4	0.64	0.62
	GM	15.5	13.7	0.99	0.93	16.9	14.7	1.08	1.00
	Manchester	10.3	8.8	1.44	1.30	19.8	17.4	2.77	2.54
Part-time employees	England	44.6	43.0	0.45	0.43	44.3	42.8	0.44	0.43
	North West	48	46.3	1.34	1.30	48.2	45.9	1.35	1.38
	GM	47.8	44.4	2.20	2.22	48.9	45.4	2.25	2.27
	Manchester	45.7	38.3	4.39	4.14	55.8	50.3	5.25	5.03
Male, full-time employees	England	13.1	12.0	0.26	0.24	13.0	11.9	0.26	0.24
	North West	14.6	13.2	0.79	0.77	14.9	13.6	0.80	0.76
	GM	14.5	12.9	1.28	1.19	15.5	13.4	1.33	1.26
	Manchester	10.7	9.4	1.90	1.79	19.6	16.3	3.57	3.23
Male, part-time employees	England	49.6	48.2	0.99	0.96	49.3	47.9	0.99	0.96
	North West	54.9	51.3	2.85	2.77	54.4	49.7	2.83	2.78
	GM	55.8	49.4	4.46	4.35	56.7	52.3	4.42	4.50
	Manchester	52.7	46.7	8.43	7.94	61.0	53.8	9.27	9.25
Female, full-time employees	England	18.2	17.4	0.36	0.35	18.1	17.3	0.36	0.35
	North West	19	17.5	1.06	1.02	19.5	17.8	1.09	1.03
	GM	17.0	14.8	1.63	1.48	18.7	16.6	1.76	1.63
	Manchester	9.8	8.0	2.16	1.92	20.2	18.8	4.44	4.14
Female, part-time employees	England	42.9	41.2	0.51	0.49	42.7	41.1	0.51	0.49
	North West	45.8	44.6	1.56	1.52	46.2	44.6	1.57	1.52
	GM	45.1	42.6	2.53	2.56	46.1	42.9	2.58	2.66
	Manchester	42.9	34.7	5.15	4.86	53.3	48.8	6.29	5.95

(r) revised, (p) provisional

Appendix table 7: ONS Business Register and Employment Survey (2016) - % of workforce employed within broad industrial groups by Parliamentary Constituency

Industry	Manchester	Blackley and Broughton	Central	Gorton	Withington	Wythenshawe and Sale East
Agriculture, forestry & fishing (A)	0.0	0.0	0.1	0.0	0.0	0.0
Mining, quarrying & utilities (B,D and E)	0.3	0.2	0.3	0.8	0.1	0.1
Manufacturing (C)	3.4	4.9	3.0	6.0	1.1	5.1
Construction (F)	2.1	3.7	1.5	4.8	4.0	1.8
Motor trades (Part G)	0.4	0.6	0.3	1.7	0.2	0.4
Wholesale (Part G)	2.6	7.3	1.7	2.1	4.0	2.9
Retail (Part G)	9.2	11.0	9.3	11.9	8.1	7.2
Transport & storage (inc postal) (H)	7.1	3.7	3.8	3.3	1.3	23.2
Accommodation & food services (I)	8.9	3.7	9.7	8.3	12.9	7.2
Information & communication (J)	3.7	3.0	3.4	3.3	4.0	5.1
Financial & insurance (K)	5.5	0.6	8.0	0.7	1.9	3.6
Property (L)	2.4	2.4	2.5	2.1	4.8	1.3
Professional, scientific & technical (M)	13.1	11.0	15.6	6.0	8.1	8.7
Business administration & support services (N)	11.8	5.5	13.9	9.5	9.7	10.1
Public administration & defence (O)	3.9	6.1	4.6	1.0	2.9	2.2
Education (P)	10.0	14.6	10.5	19.0	9.7	4.3
Health (Q)	12.1	17.1	8.4	16.7	25.8	14.5
Arts, entertainment, recreation & other services (R,S,T and U)	3.4	2.4	3.8	4.8	4.0	1.8