Fair and Decent Work in Scotland’s Local Authorities: Evidence and Challenges

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Abstract

Scottish Local Authorities (SLAs) have been and are expected to promote Fair and Decent Work (FDW). Drawing on semi-structured interviews with Human Resource (HR) and Organization Development (OD) personnel the evidence and challenges of FDW are mapped. This study will show that some SLAs seem to be or claim to be leading in FDW yet others may appear reluctant to commit beyond meeting statutory obligations. The status of FDW in SLAs matters to managers, and more broadly if SLAs are to convincingly advocate FDW more widely in local and national contexts.

Keywords: employment; human resources; fair and decent work; work quality.

Introduction

Under a Fair Work Framework in Scotland public sector employers are expected to be advocates for Fair and Decent Work (FDW) and provide exemplars as employers themselves (FWC, 2016). In relation to employment practice two key policy positions, the Fair Scotland Duty and the National Performance Framework matter. The Fair Scotland Duty places a statutory duty on certain public bodies in Scotland to pay due regard to tackling inequalities when making strategic decisions (Scottish Government, 2018a). Advocacy of FDW has also long been an integral part of procurement of organizations that provide public services and of healthy, strong communities (Scottish Government 2008). The Scottish Government is an advocate of FDW (Scottish Government, 2016a) through their sponsorship of the Fair Work Convention alongside fair work being central to their strategic plan for business development in Scotland as a
whole (Enterprise & Skills Strategic Board, 2018). This sets the context for Scottish Local Authorities (SLAs) as anchor employers in many communities, whose performance as employers is of great interest, not only in relation to in-service delivery, but also indirectly as they role model (World Bank, 2002) and potentially influence directly and indirectly many other employers in their communities.

Scotland’s Local Authorities (SLAs) share of employment represents around 10% of total employment, employing directly 252,000 people (Scottish Government, 2019), while also procuring services from many other organizations employing many more. Within Scotland as a whole SLAs have a 45% share of all public sector employment, only the National Health Service (NHS) at 30% being comparable in size. SLAs are big and significant employers, both on the numbers they employ and on the general influence on work quality beyond their own organizational boundaries. The reach and general influence of SLA employment and FDW, across and among communities and families in diverse contexts from cities to remote and rural areas, makes what SLAs do especially impactful. It is therefore no surprise that the practices and perceptions of local government as employers have been perennial matters of public and research interest though often the evidence base for exploring the nature and validity of these perceptions has been limited. A model of possible perceptions, either positive or negative, are represented in Figure 1.
An evidence-based determination of where SLAs are positioned is not currently clear. In Scotland as a whole most employees report good work quality, with pockets of FDW ongoing concern (Gibb & Ishaq, 2019), a picture that is not definitive and subject to change. Events and trends are seeing these FDW pockets of concern expanding and being added to across many sectors, driven by factors like the growth of the gig economy (Taylor, 2017) and growing focus on mental health (Hudson, 2016).

Prescriptively all SLAs are expected to have and be sustaining commitments to FDW (COSLA, 2017a). However, the challenges of that, and remaining resilient given resource challenges across Scotland is increasingly and widely recognised (Fitzgerald & Lupton, 2015). These challenges include adverse impacts on providing work quality and sustaining reputation as an employer (Lockert, Bjørnå, Haugen & Salomonsen, 2018). The SLA sector in this context includes some organizations with reputations as among
the best employers (Bloomberg, 2016) but with others perceived, in part, at the other end of the spectrum as they are faced with significant disputes over meeting legal requirements in basic issues such as providing equal pay.

The current and future position of SLAs as FDW employers would be expected to reflect two major themes in public management as a whole: dealing with austerity (Liddle & Murphy 2012) and innovation in the form of organizational diversity and hybridity (Diamond & Vangen, 2017). Concerning the former theme, if it was believed that SLAs were traditionally providers of FDW, that has been at risk as a consequence of a prolonged period of austerity, manifest in part through declines in funding for local authorities. The strategic context is one of a period of funding limits given a number of factors, especially the UK Government's austerity agenda. Between 2010-11 and 2019-20, the Scottish Government's Fiscal Departmental Expenditure Limit (DEL) from HM Treasury will have fallen by at least over nine per cent in real terms (Scottish Government 2016b). FDW may be expected to have declined as significant resource savings have been made and continue to be made (Kennett, Jones, Meegan & Croft, 2015). With the latter theme, organisational innovations (Nahlinder & Eriksson, 2019) may either impact to improve or diminish FDW. In SLAs new collaborations to deliver services have certainly been creating variation in employment policies and practices. How these new collaborations impact the overall position FDW within an around SLAs is not known. The combined effects of austerity and innovation, with no effect or diminishing or improving FDW, is yet to be properly gauged.

This all matters as an integral part of SLAs managing their reputations as employers (Audit Scotland, 2014) in their local areas to attract-retain staff, and as collectively SLAs will practically influence work quality through of their own employees and reach, beyond SLA service provision across and among many diverse communities and families. Despite SLAs representing such a significant presence in labour markets across Scotland in a way that no other employer does, directly effecting a large proportion of the workforce and indirectly those in a wide range of socioeconomic and varying regional contexts among cities and rural areas, research on
perceptions and practices in this sector is very limited (Accounts Commission, 2016; Accounts Commission, 2018).

Apart from basic employment statistics (Audit Scotland, 2013) there is strikingly little data or research available at a national level on perceptions and practices for work quality in SLAs. And what does exist is difficult to interpret and assess over time given the continuous changes to public sector structures, roles and responsibilities. What is clearest is that there have been general employment reductions and new strategic collaborations on service delivery, as outlined in guidance on workforce planning and information sharing, alongside occasional reports on major change in employment in Scotland’s public sector workforce (Audit Scotland, 2015).

Despite guidance asking for better workforce information there is still not even an explicit and accessible dataset on public sector employment and staff costs. There are only occasional reports highlighting employment reduction and the need for strategic collaborations on service delivery (Audit Scotland, 2018). Information on the mix of approaches used in SLAs to manage their workforces is thin on the ground. There is no single source of comparative information across the Scottish public sector on perceptions and practices for either pay, terms of employment, job characteristics, wellbeing, or work-life balance.

Three research questions were identified and addressed around the issue of evidence and challenges in FDW in SLAs. First, what model can be used that might frame an examination of work quality and employment practices in SLAs? Second, what are the perceptions of work quality and employment in SLAs with regard to that model? Third what are the practices for work quality and employment in SLAs, with regard to that model? To contextualise these three questions the recent history and
current state of SLA employment and the recent experience of austerity, organizational change and ‘localism’ can be reviewed.

**Scottish Local Authorities (SLAs) in Context**

The effects of the global recession after the 2008 financial crash set the context for public administration in the UK as a whole over the last ten years (Lowndes & Gardner, 2016.). It has been recognised that policies pursued by the UK Government since then have led to significant cuts to public spending whilst there has been a large increase in citizen demand (Hastings et al., 2015). That SLAs are among those most impacted by austerity is strikingly evident with reducing budgets and decreasing employment. SLAs have seen a loss of approximately 15,000 staff while making £1.4 billion in efficiencies in the last ten years. In terms of employment alone they have suffered more than every other part of the Scottish public sector.

These savings have been made without a crisis of performance, with staff until recently accepting year-on-year real reductions in wages (COSLA, 2018) but if this continues then issues of capacity, resilience and maintaining performance will emerge. On the other hand, SLAs seem to be strong advocates of the Real Living Wage, as around 50% of SLAs are registered with the Living Wage Foundation, which contrast with the NHS which, while paying all staff the National Living Wage appears in Scotland to only have two units registered for the Real Living Wage (Living Wage Foundation, 2019). Whilst much contextualisation can be linked to austerity measures since 2008 some would argue there are even longer term trends in play, noting that the de-privileging of public sector work (Hood, 1995) has been a trend and part of a wider deliberate policy by successive governments for some time leading to various kinds of
organizational change other than direct contraction of employment (Dickinson et al., 2019).

Some have argued that this has stimulated innovation in local government with collaboration between public service organizations (Elston, MacCarthaigh & Verhoest, 2018) and local government has remained resilient in the face of significant cuts (Accounts Commission 2018.). A popular perception that public sector workers continue to be somehow better off than their private sector counterparts has been increasingly contested, and has become, for many, more and more unjustifiable. ONS statistics (ONS, 2016) have shown that public sector workers earned 1% less per hour, on average, than private sector workers with equivalent characteristics. Other benefits such as training budgets have also declined at a greater rate than across the private sector despite the significant proportion of highly skilled professional staff in public sector roles (CIPD, 2015). More recently the CIPD (2018) have shown how those working in the public sector are more likely to agree (36%) that there is a conflict between their professional judgement and what their organisation expects compared to those in the private sector (27%) or third sector (25%).

One component of these cuts to date, and the extent to which SLAs have demonstrated resilience, lies in how budgetary cuts have been focused on ‘back-office’ functions, thereby largely avoiding unpopular cuts to frontline services but the nature and impact of local government cuts is changing and ongoing cuts may now change the very nature of local government. SLAs are increasingly failing in their statutory duties, with responses to continued budgetary cuts leading to service failure (Murphy et al., 2019).

To some the development of more inclusive governance through Alternative Service Delivery Model (ASDM) type collaborations may be part of how to ‘renew
local democracy’ and community empowerment in Scotland (Pugh & Connolly, 2016) while others fear they are part of redistributing social risk to vulnerable communities (McKendrick et al. 2016).

Modelling Fair and Decent Work

How perceptions and practices of FDW can be modelled and gauged in this context includes the central and dominant factor of pay, especially low pay, but is broader than that alone (Burchell et al., 2014; Findlay et al. 2013; Sehnbruch et al., 2015). Fair pay is indeed a prominent and significant issue in SLAs, with the issue of equal pay in some of Scotland’s SLAs being especially prominent. There are several constructs that might be adopted (ILO, 2001; Warhurst et al., 2012; Holman, 2013). As fair work and decent work are both similar terms that have been operationalized in similar contexts for framing research on work quality, they are used conjointly here.

The work quality literature also contains a spectrum of models for FDW, from unidimensional measures of job satisfaction to extensive and comprehensive models of work quality incorporating many factors and items. In the former, a simple ‘shortcut’ approach defines an overall indicator of work quality, for example job satisfaction as an overall indicator or proxy (Muñoz de Bustillo & Fernández-Macías, 2005). The more complex and comprehensive approaches draw upon the literature in the social sciences (Ghai, 2003; Bonnet et al., 2003). An ‘intermediate’ (Muñoz de Bustillo, Fernández-Macías, Antón & Esteve, 2009) approach adopts a modest set of features to explore through both interviews and surveys what agents in a context consider as being important for work quality. An intermediate model, used in prior research in Scotland (Gibb & Ishaq, 2016), with 5 dimensions (Stuart et al., 2016) was adopted to review FDW in Scottish SLAs with HR/OD staff. The 5 dimensions of the model are; pay,
health and safety, work-life balance, terms of employment, intrinsic characteristics of work. Each of these dimensions can be operationalised using a number of indicators, 26 were used in the original study. In the Scottish context the top 5 priorities across these factors from among the 26 items had been established. These were a decent hourly rate of pay; job security; paid leave; a safe working environment; a supportive manager. This model can provide a good intermediate construct for framing perceptions and practices of fair and decent work in the context of Scotland’s SLAs.

The second and third research questions were rephrased to be; ‘what are the perceptions of fair and decent work in SLAs?’ and, ‘what are the practices for fair and decent work in SLAs?’. The approach to answering these questions is outlined next. In what follows the key definitions around basic wages are shown in Figure 2.

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<thead>
<tr>
<th>Minimum Wage</th>
<th>National Living Wage</th>
<th>Real Living Wage</th>
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<tr>
<td><strong>What is it?</strong></td>
<td>Government minimum for under 25 year olds</td>
<td>Government minimum for over 25 year olds</td>
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<td><strong>Is it the law?</strong></td>
<td>Statutory</td>
<td>Statutory</td>
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<tr>
<td><strong>How is it set</strong></td>
<td>Negotiated based on recommendations from employers and trade union</td>
<td>A % of median earnings (at present 55%, going up to 60%)</td>
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**Figure 2 Basic Wage Definitions**

Materials and Method

Stakeholders who have perceptions of and views on the practices for FDW are many and varied, including for example low paid and average paid workers, young adults entering careers and later years employees approaching retirement, those with young
families and those with elderly relations to care for. The fullest picture and evaluation of FDW would come from an appreciation of all these, though the representative views of employers, employees and advocates, including trade unions, tend to be the major concern. One central group with concerns and, arguably, experience among and across a range of stakeholders are HR/OD staff. The rationale for focussing primarily on this group is that they have key roles and a significant responsibility in employment within SLAs which entails relations with many stakeholder groups. They have access and insight into management and work practices (Pollitt, 2018), and experience of how employers and also unions think about work quality in their organizations. The HR/OD voice is not the sole nor necessarily the most valid voice on fair and decent work, though it does offer an informed insider voice, experienced and accessible, where it exists.

There is an issue of potential personal or professional bias, as the interviewees are all employed to implement FDW, though with differing degrees of commitment. Some may be ‘strong active advocates’ while others may be ‘neutral or compliant advocates’ or even weak or resistant’ advocates. This differentiation is not formally made and applied in the data description and analysis provided here, but is worth noting as an issue to consider in context. There were no other groups of stakeholders interviewed at this stage of the research as the aim was to capture an initial and official picture. How Union Representatives or non-HR managers perceive FDW, and the extent to which this mirrors the HR view, would be a key area of further research.

Interviewees were sought from all 32 authorities, with subsequent participants sourced from 19 of these. The range of local authorities by employee size spread from 30,000 to 1,600, across classifications of ‘urban’ and ‘rural’ or a mixture of urban and
rural. The study includes some of the biggest authorities in terms of employment levels, and some of the smallest. The job titles of interviewees were mainly Senior HR advisor/officer, with others HR and OD service managers. The sample allows for generalization about attitudes and challenges in fair and decent work and the themes around it are understood and discussed in SLAs. Interviews were conducted face-to-face, by telephone or by video call. All interviews were audio recorded and later transcribed.

From general and open questioning about fair and decent work in general the interviews would explore any themes the interviewees raised. These included ‘what do you understand by the term decent work?’, ‘Is this LA a decent work employer?’, ‘Is decent work a priority?’, and ‘who is responsible for decent work?’. Interviewees were not directed or prompted to discuss any particular model or dimensions of fair and decent work. Analysis of interview data about perceptions and practices based on these could then be done with respect to the template and themes of fair and decent work represented in the model adopted. There were a number of themes which were raised by the interviewer if they had not been mentioned; including the process of procurement. The interviewees were free to explain and expand upon work quality and employment themes in their own words and terms, with these being interpreted in regard to the themes of the fair and decent work model outlined earlier.

Results
The general view of perceptions emerging from these HR/OD staff was clear. When asked directly if their LA was a provider of fair and decent work one said;
Absolutely without a shadow of a doubt.

One other respondent made another common and general point about FDW practices;

*We are trying to hold on to a very positive set of terms and conditions of employment under very challenging economic circumstances, and we’re trying to hold onto it because of the public sector ethos.*

Most of the interviewees would be within with this span of perception, with an unequivocal affirmation of FDW alongside a sense of facing much more challenge now and in the future. On practices the responses were reflecting both continuing commitments to fair and decent work and on the other concerns about forces gathering to cause the erosion of employment standards. In the following sections reference to SLAs and participants, and quotes attributable to them, are made using a number assigned to each local authority; for example, local authority 1 as ‘LA1’ and local authority 2 as ‘LA2’.

**The Meaning of Fair and Decent Work**

Fair and decent work was understood by most, initially, in terms of pay, with other themes, such as work-life balance and/or job security, and/or supportive managers mentioned. With the context being that some SLAs are registered (sixteen in total out of thirty-two) with the living wage foundation, and many have had in some cases major challenges around declining wages as well as equal pay issues, the initially reward led interpretation of fair and decent work is not surprising:

*decent work to me as a concept is about employees being paid for a fair day’s work* (LA1).

*It’s ensuring that you are remunerating you know someone appropriately for the work that they’re doing, but also that it is meaningful work* (LA11).

*What comes to my mind probably as a job analyst is decent work is that you get paid fairly for the job that you do. We are very stringent in the job evaluation that we do …to make sure we’ve got equal pay* (LA15).
Job security as an aspect of fair and decent was raised and mentioned by just over a third of respondents:

Decent work would be employment that is secure (LA9).

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there are some things in there that we take for granted for example as a local authority employer, job security is almost par for the course and people already come to us because of that sense of security (LA10).

Some referred to employees’ ability to combine work, family and personal life, which links with the need for paid leave and ‘a supportive manager’, and with the wider dimension of work-life balance:

Flexibility within the workplace, it’s not all about, you know, the pay that you get for a fair day’s work ... We have a number of policies within the council like the family-friendly sort of policies, the work-life balance. (LA7).

It’s about job security and family-friendly work-life balance type stuff, and your working environment and the actual kind of job you do and the hours you work. (LA18).

Our flexible working, you know, family-friendly, we, we have probably captured quite a lot of the good practice that’s out there. (LA19).

Equal opportunity and treatment in employment was mentioned by others as representing ‘terms of employment’;

We understand it to mean not only a “fair days’ work for a fair days’ pay” but also work that offers job satisfaction, the ability to have opportunities for personal development... fair employment policies and practices, including equality of opportunity in employment. (LA4).

ensuring inclusivity regardless of gender, regardless of ethnicity... we’re trying to be seen as a reasonable employer and we’re trying to practice as a reasonable employer. (LA12).

What is interesting here is where issues such as equality of opportunity in employment, which are statutory obligations, are seen by HR/OD professionals to equate to ‘decent work’. It is also notable, in the context of shrinking LA employment and significant change, that job security was still considered to be a feature of LA employment.
All the different policies that we have in place ... of course they apply to every single person in the council, ... and we check that these policies are being applied fairly across the council which is, is quite a difficult thing... The difficulty is making sure that managers are trained well enough that they can apply the same rules for one as another. (LA5).

you have got a culture that has been in place in the public sector for decades, and you’ve got governance arrangements that make decent work more likely to be the outcome....You have in the public sector stakeholders such as trade unions who have got a clear focus and their primary concern is decent work, but take them out of the equation and it is a totally different story. (LA12).

People might come up with reasons as to why it would not work (fair and decent work), but if they actually buy into the values of it then it would. (LA14).

Perceptions of SLAs Themselves

When asked based on their understanding of the term, whether their LA was a fair and decent work employer, most were emphatic in stating ‘yes’. Many elaborated to explain in what ways they felt they would be seen as a fair and decent work employer, along the following lines:

Of course working for a local authority we adhere to employment legislation, we also have a trade union structure, you know, which stands up and is a voice for the employees. We pay the living wage, we have good health and safety processes and procedures. (LA2).

we look after, we respect the individual’s rights. We meet our statutory obligations. We try and follow best practice which in most situations we’re able to. We have decent conditions of service. We’ve adopted, for instance, the Scottish living wage ... so we’re looking after employees’ wellbeing, I suppose, keeping a safer working environment for people. (LA5).

Absolutely without a shadow of a doubt. I think that we have a good pay scheme. I think that people are paid fairly for what they do. We have really good terms and conditions and I know that we are heavily unionised. (LA15).

Once again here we can see that for many HR/OD professionals meeting statutory obligations such as employment legislation, recognising official Trades Unions and following health and safety guidelines were seen to contribute to providing FDW.
The extent to which HR/OD staff felt SLAs viewed FDW as a priority issue was explored. Many respondents felt decent work as a ‘high’ or ‘top’ priority, with only a few who did not. Those who believed it to be a high priority cited the importance of satisfied employees to the success of SLAs in meeting their objectives and delivering effective services to communities. Not prioritising FDW was viewed as endangering this.

*I would say it is fairly high on our list of priorities.*  (LA1).

*I think that would be very high in our priorities. Obviously, you can’t provide a service unless you have well motivated and you know happy employees; so, I think we would we would put that quite high on our priority list.*  (LA2).

*I mean I think the whole core structure of what we have for employees is bound by decency. Built around decent work.*  (LA10).

*I’d like to think, as a council, it’s at the forefront of everything we do, is embedded, as I mentioned before…I would say there’s always the balance to get between the business need and the individual’s need and the resource needs to actually fulfil these functions…But I would say it was very high up on the list.*  (LA16).

However, there were a few indicating that, due to current economic circumstances, they could not give such high priority to fair and decent, and, in particular, the pay aspect:

*Not a top priority as we are constantly firefighting, budgets are tight and our focus is kinda on customer focused service. If everything was constant we could develop this concept.*  (LA18).

Interviewees were asked if SLAs had considered the advancement of the FDW agenda via their procurement processes; in particular, whether they viewed fair and decent as something they would like to see being promoted by other stakeholders with whom they did business, including companies to which they outsourced work.
Interviewees reiterated the formal policy that they expected contractors to either meet certain minimum criteria in terms of work quality, or at least to show evidence that they took it seriously. Interviewees also stressed, however, that they felt there was ‘only so much they could do’: they were not responsible for the employment status of those to whom work was sub-contracted’ but did work with the contractors to emphasise the standards they would expect for workers engaged in delivering work for the local authority:

... it is important and although we don’t insist yet that everyone who has a council contract actually pays the living wage... However, at this stage it’s more encouragement rather than compulsion for contractors.... (LA5).

We have a procurement team. It’s actually part of our legal team ... that subcontractors and contractors are treating their staff in the way that we would want them to. At the moment we can’t enforce that, but you know we do build into our contracts certain standards that need to be met. (LA7).

...as you’re probably aware, increasingly we’re able to add things on to the tender document for example, are you a living wage employer? So, stuff like that has definitely come in the last two or three years... As far as the private sector is concerned we can’t dictate it. We say that we would encourage this and that to happen. (LA12).

These perceptions of HR/OD staff may be interpreted to simply reflect compliance with the law as it is, or to indicate a reluctance to go beyond statutory obligations to forthright advocacy of FDW in the context of their supply chains.

Perceptions; Responsibilities

The majority of interviewees perceived a joint responsibility involving all stakeholders in the employment relationship, rather than the employer or the HR/OD function within the organization:

I don’t think it’s just the employer. I think that it’s the employer, employee, the trade union, customers, clients, it’s everyone in that employment relationship is important because if, if any of those fall down or the relationship breaks that impacts on what you’re looking upon as fair and decent then. (LA15).
I think it’s a kinda joint partnership. I don’t think it’s one person’s responsibility. I think it has to be done, you know, kind of collaboratively. (LA18).

However, a number felt that the onus was primarily on the employer to ensure that FDW was being progressed within their workplace.

I think because we are a political organization our administration has a responsibility. (LA10).

I would say that the employer has the responsibility to set the framework of every post and job, because obviously it needs to … deliver on the outcomes. (LA16).

Well it isn’t just down to us quite clearly in the local government world. There’s an organization called COSLA who feed into the Scottish Government and they provide the 32 Scottish local authorities with a basic set of terms and conditions of employment which you can’t reduce, but you can increase, and that’s what we do. (LA12).

For some LAs the challenge appears to be having and managing a shared ‘ownership’ of a broad definition of FDW within COSLA, while for others who have become detached in practice from COSLA have had greater scope for, following their own course, for better or worse. The opportunity is there for a co-ordinating champion of FDW standards, and for ‘bottom up’ innovation (Nahlinder & Eriksson 2019) at the local level going beyond baseline standards and expectations.

**FDW Practices**

Those who were less certain about the extent to which their organization as providing FDW indicated a number of concerns around them remaining FDW employers:

our budget’s ever shrinking so we’re having to do more with less all the time and that then also brings a level of uncertainty, whereas previously perhaps working for a council was always seen as a job for life, it’s no longer that way. (LA1).

The key pressure is always going to be financial. It is … more with less. How do you continue to provide decent work, satisfying and engaging work, when you’re asking more and more of your people and in turn, you know, the less amount you can give them as rewards so for example, things like changes to employee benefits legislation means that a lot of our employee benefits will be lost soon. (LA1).
We’re at the point where there is a danger that some of those services may not be as neutral in their effective withdrawal...How else do you save £37m’? (LA9).

All SLAs, without exception, acknowledge the pressure on resources, in particular the strain on financial resources (COSLA, 2017b), as the chief context for practices relating to FDW.

We are trying to hold on to a very positive set of terms and conditions of employment under very challenging economic circumstances, and we’re trying to hold onto it because of the public sector ethos. (LA12).

I would say the current financial climate is probably the, the main thing at the moment. As I say, we’ve got to ensure that we maintain the sort of high standards for all our employees... to manage change as well. (LA16).

budgets are ever decreasing ...we are trying to work with less but still provide services, so very real things like closing some of our more rural schools and the like which clearly has an impact on communities but also has a very big impact on the employment that we ... provide there. (LA17).

SLAs identify multiple ways in which they felt their organizations were implementing FDW. The strategies in use included, engagement with employees: Consultation with other stakeholders, in particular trade unions and elected members: Ensuring that employment legislation was being adhered to

I think for us it would be important to engage with people throughout the organization and get their feedback on what it [fair and decent] would look like to them and then I suppose the next important thing is getting management buy-in at all levels... (LA1).

I mean, I think it’s probably engaging politicians in it, you know. I think that’s probably the, you know, if you get politicians on board with it, get it on the political agenda, like the living wage, then it’s something that will be taken forward. (LA3).

Well in terms of employment policies, they would fall within the remit of HR, so we would ensure obviously that our employment policies are in accordance with legislation in the first instance and also look at best practice and benchmarking with other local authorities. And we would introduce or revise any policies, as I said earlier, in consultation with the trade unions so they have an input into policies. (LA6).
In terms of engagement with employees, almost all used employee surveys as a mechanism for monitoring work quality. There was also evidence of significant consultation with trade unions, whose strong presence in the majority of SLAs was evident from the testimony of interviewees. Interviewees from around 12 of the participating authorities made specific reference to trade union involvement in the implementation of working practices consistent with FDW.

**Discussion**

The strategic position or role of FDW perceptions and practices in SLAs can be clearly identified, based on the views of HR/OD staff. Perceptions of FDW in SLAs are focussed on pay first and foremost. Pay still matters most as the single most prominent factor. Yet for many this did not go beyond statutory obligations to provide the National Minimum/Living Wage. The research shows varying perceptions of FDW, though for all the aspect of pay came first and foremost with other factors in the mix. Many were adamant that they had practices in line with the meaning of FDW by providing the living wage foundation level or higher, receiving awards and accreditations, with some authorities engaged in leading ‘good practice’ initiatives. According to HR/OD staff SLAs still embrace FDW strategically, because the commitment to and investment in FDW is associated with a positive impact on service delivery.

The practices for FDW in SLAs are also positive, even with acknowledged and significant challenges. Central to these challenges are the economic climate which limits aspirations for promoting FDW by the need to prioritise delivery of front-line services on the basis of fewer resources, both financial and in terms of staffing. There is legal support for sustaining FDW embedded in procurement requirements and guidelines (Scottish Government, 2016c). These were largely centred on pay, and not
about FDW as a whole, although the Scottish Government updated Fair Work Framework may remedy this to an extent. Interviewees highlighted the limited powers SLAs currently have to compel companies they contract with to offer FDW to their employees, as a whole. Therefore, greater use of Alternative Service Delivery Models (ASDMs) and other forms of network governance also pose a potential threat to the levels of FDW that currently exist in SLAs. The interpretation of FDW with respect to complying with employment law is less of a ‘role model’ than many might expect of SLAs.

More significantly, some might feel this perception among HR/OD staff is at odds with much secondary data which show a significant decline in factors including levels of employment and relative pay in the SLA sector. Whether this contrast between group perceptions and data represents denial and complacency on the part of HR/OD professionals or an ongoing resilience and abiding commitment to FDW is open to further discussion and debate. Most evidently identifying and engaging with other groups perceptions and sense of practices for FDW would help here.

We provided a way of mapping perceptions and practices in FDW at the outset of this article, and can based on the evidence here now locate SLAs on this (see Figure 3). This mapping is intended to show that, based on the evidence we have including HR/OD views, there are ‘grey areas’ at present, though the predominant view would be of FDW perceptions still being positive while evidence on practice is more mixed. Subsequently many SLAs are in the domain of FDW perceptions and practice representing rhetoric not reality. A few SLAs as a whole, or parts of some SLAs, may, with more evidence, be located in other domains; some good getting better, some bad getting worse, and a few bad getting better. The overall management challenge for the
sector is to remove the grey areas, through having evidence, and to aim to target positive perceptions with positive practice from that starting point.

Figure 3; Positioning of SLAs; From Pre Study to Post Study ‘Grey Areas’ and Management Challenges
Two significant forces impact on this mapping of FDW practices in the immediate future and challenge the maintenance of FDW rhetoric while realities require managerial attention and action. These are organizational change and the promotion of ‘localism’. Organizational change is driven by various factors. All 32 SLAs are expected to make further savings and these are driving organizational change, and innovation in organizational form has become evident, mainly in the adoption of Alternative Service Delivery Models (ASDMs) (Audit Scotland, 2018). The use of these can be very sensitive, especially as they effect the terms and conditions of employment of those delivering services. Partnership or shared service arrangements are the most common, approximately 50.4% of all models (Improvement Service, 2017). Difficult decisions and innovative thinking by councillors and senior management working together will be required more in the future (Audit Commission, 2018) as funding from the Scottish Government, councils’ main source of funding, reduces in real terms with the forecast being for further reductions in funding from the Scottish Government in the medium term. Pressure therefore remains on councils to make further savings and find ways to meet service demand more efficiently and effectively.

The second source of potential change in practices is ‘localism’. Localism refers to the policy and intention of including people in the design and delivery of public services. In Scotland the approach to community empowerment and localism has been found to place a greater emphasis on the tackling of social inequalities but there remain challenges around providing support and investment to those communities (Elliott, Fejszes & Tàrrega, 2018). Yet despite attempts to limit financial savings to back-office functions the ongoing cuts to local government budgets have been found to have a particularly detrimental impact on poor communities. It remains unclear how further community empowerment and localism will affect the status and working conditions of
local government employees in future. The majority of local government services are, and likely will continue, to be provided on the basis of need and consequently local government work disproportionately with the poorer and more vulnerable sections of the community.

Conclusions

FDW is a global challenge which is being engaged with in diverse contexts, which includes SLAs in dual roles as significant advocates of FDW and on the ground providers of FDW. In that latter role, as employers, going by the views of HR and OD personnel as they have been found in this study, there are at least some SLAs that display a reluctance to commit to FDW beyond statutory obligations, including the National Living Wage and Equalities acts obligations. If SLAs are indeed an anchor employer in many communities, across contexts ranging from the most to the least affluent and from cities to remote and rural areas then this is what they are role modelling in practice.

Where internal HR/OD perceptions are more positive overall about FDW in principle the view of practices is still more mixed. In the context of experiencing years of austerity and employment reductions that is not surprising. The most common view is that the responsibility for good practices with FDW in SLAs rests on many shoulders, and that a coordinated multi-stakeholder approach is the environment in which FDW will be sustainable. Employee voice mechanisms, such as consultation and working in partnership at both individual and collective levels, can be brought more into play through considering FDW as a whole. In advancing FDW employers do not want to take sole ownership, and believe that current concerns and the future are best approached through communication and collaboration with employees and their trade
unions. Indeed, interviewees suggested that SLAs should continue to work in partnership with employees and unions. That may be testing if the core, and narrow, concerns on pay continue to present sources of employee relations conflicts. The broader FDW agenda may be neglected while those conflicts are resolved, even though much common ground exists.

This paper makes a significant contribution to our understanding of contemporary management in local government in three ways. It provides a model and mapping that can be used to characterise the terrain of FDW and inform management evaluation of the state of play for SLAs individually and as a whole; secondly, it provides evidence to position SLAs at present as FDW employers; and thirdly it reveals that the evidence on FDW at present is incomplete and could be much enhanced.

The first contribution is providing an engaging and valid model of FDW at the intermediate level which helps position SLAs on a map of FDW perceptions and practice. There are expectations that in this context, with aspirations to be a fair work nation, mean that managers in SLAs become key stakeholders through advocating and delivering FDW in their own organizations.

On the matter of evidence, some SLAs and managers do seem well engaged with innovation in employment and organization, albeit in the context of accumulating pressures from spending cuts. Of course in context neither the Scottish Government nor these innovating SLAs hold or control the ultimate purse-strings or policy levers on employment. Engagement and innovation around FDW from either a strong or weak advocacy of FDW is more likely to be significant where managers are connecting that with goals and visions of localism, to re-shape the organization of services. Managers need to be sharing and learning any connected experimentation in and across SLAs, closely and continuously.
The third contribution is in revealing how evidence on FDW perceptions and practices is partial and incomplete. Even the HR/OD voice, which might be expected to be the best informed, struggles with provision of evidence. Greater dialogue among stakeholders, managers, employees, unions, professional bodies and users of services, on FDW might help to triangulate on a stronger and more valid mapping of perceptions and practices. And that evidence then allows all to know what the challenges are more clearly and coherently.

In conclusion, the position and picture appears mixed, as while some SLAs clearly espouse aim and claim to be providing and sustaining FDW most show a reluctance to go beyond commitments to statutory obligations, to leading advocacy of FDW in changing times. If SLAs, and other public sector employers, are going to contribute to and lead FDW they need to be able to do so from a position of greater self-engagement in FDW as role models and leaders themselves.

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