History

- 2001 - Parents in East London, Citizens UK (TELCO) – rooted in local community
- Early successes including HSBC and hospitals
- 2005 - First London Living Wage rate calculated by the GLA
- 2011 – UK Living Wage calculated by Centre for Research and Social Policy, Living Wage Foundation established
- 2015 – Chancellor announces ‘National Living Wage’
- 2016 – Living Wage Commission

https://www.livingwage.org.uk/faq
The Living Wage Foundation recognises and celebrates the leadership shown by Living Wage Employers across the UK.

- **Accreditation** - Recognition through the Living Wage employer mark. Also run a Service Provider Recognition Scheme for those providing staff in lowest pay sectors.

- **Intelligence** – Advice and support on how to implement the Living Wage.

- **Influence** – Public forum to support the Living Wage including Living Wage Week each November.
What is the Living Wage?

- Hourly rate independently-calculated each year based on what employees and their families need to live
- Takes into account a basket of goods and services – based on Minimum Income Standards

The Living Wage

£8.45 UK rate
£9.75 London rate

The only rates calculated based on the real cost of living
## The real Living Wage

<table>
<thead>
<tr>
<th></th>
<th>The minimum wage: government minimum for under 25s</th>
<th>National Living Wage: government minimum for over 25s</th>
<th>Real Living Wage: The only wage rate based on what people need to live</th>
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<tbody>
<tr>
<td><strong>Is it the law?</strong></td>
<td>Statutory</td>
<td>Statutory</td>
<td>Voluntary</td>
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<tr>
<td><strong>What age group is covered?</strong></td>
<td>21 and older</td>
<td>25 and older</td>
<td>18 and older</td>
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<td><strong>How is it set?</strong></td>
<td>Negotiated settlement based on recommendations from businesses and trade unions</td>
<td>A % of median earnings, currently at 55% it aims to reach 60% of median earnings by 2020</td>
<td>Calculation made according to the cost of living, based on a basket of household goods and services</td>
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<tr>
<td><strong>Is there a London weighting?</strong></td>
<td>No London weighting</td>
<td>No London weighting</td>
<td>Yes - there is a separate higher rate for London</td>
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What is Living Wage accreditation?

- Mark of a responsible employer

Accredited Living Wage employers commit to:

- Pay all directly employed staff the Living Wage
- Have a plan in place to roll the Living Wage out across third party contracts as they come up for renewal, usually over 2-3 years
- The Living Wage applies to people who deliver services on the premises e.g. catering, cleaning, security
Our employers

- Big Lottery Fund
- Oliver Bonas
- Unilever
- Friends of the Earth
- Wellcome Trust
- SSE
- Lloyds Banking Group
- National Grid
- Manchester Cathedral
- The Crown Estate
- Comic Relief
- Sotheby's
- Oxfam
- TUC
- ITV
- Google
Living Wage Growth

- Over 3,300 employers
- Over 150,000 staff uplifted
- 30% FTSE 100
- Breakthroughs in low paying sectors: IKEA, Oliver Bonas, Majestic Wine
- Doubled since NLW announced
- 76 Local Authorities accredited in the UK
Why Accreditation Matters

Long term **commitment** to the rates

Accredited employers **uprate** each year, ensuring all workers will always earn the Living Wage

They get the Employer mark which gives consumers, users and clients a clear sign of their status as a **responsible employer**

It builds our movement, demonstrates **leadership** and encourages other employers to get on board and sign up
Business benefits

- 93% of employers reported they had gained as an organisation after becoming a real Living Wage employer
- 76% of large Living Wage employers reported improved retention. PwC found turnover of contractors fell by 75%
- 64% of accredited organisations felt that accreditation differentiated them from others in the same industry
- 80% of employers felt that the Living Wage had increased consumer awareness of their commitment to be an ethical employer
- 7 out of 10 of consumers said they would consciously shop in favour of a Living Wage accredited retail chain
Low pay in the charity sector

- Hourly pay £1 p/h lower
- Only 0.4% of charities (2.9% of larger charities) are LW accredited
- 2/3 charity workers are women
- Average of 8 pay rises per charity accreditation
Friendly Funders do three things...

1. Become Living Wage accredited employers

2. Fund posts at the Living Wage rate
   Funders pay the Living Wage to all posts, unless the charity does not wish to pay the Living Wage (e.g. due to differentials). This is about enabling the Living Wage; not leaving charities out in the cold!

3. Support grant-funded charities to become Living Wage accredited
   By sharing information and signposting to the Living Wage Foundation.
### The Living Wage Friendly Funders

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<th>Logo</th>
<th>Name</th>
<th>Website</th>
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<td>Tackling poverty and inequality</td>
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Celebrating two years of Living Wage #FriendlyFunders

The mission of the Coutts Foundation is to support sustainable approaches to tackle the causes and consequences of poverty, focusing on the communities where Coutts has a presence. Growing commitment for the Living Wage in all sectors is critical to tackling poverty in the UK. We are delighted to join the Living Wage Friendly Funder network.

Leslie Gent, Trustee, Coutts Foundation

It’s fantastic that there is now a growing groundswell amongst funders to recognise the importance of paying fairly in the charity and voluntary sector. I very much hope this leads to greater diversity across all teams; we will do better and achieve more if we can recruit and retain talented people, including those who cannot afford to take a wage cut to pursue a career through which they aspire to have a positive impact on the world around them.

Eugenie Teasley, CEO, The Goodall Foundation
Thank you

Please contact:

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