

Living Wage Implementation Guide

**LIVING
WAGE**
FOUNDATION



What is the real Living Wage?

The Living Wage Foundation's real Living Wage remains the only UK wage rate independently calculated based on the cost of living, rising annually based on living costs. It gives employers the confidence they are paying a wage that meets everyday needs.

The current Living Wage rates can be found on [our website here](#).

Nearly 16,000 responsible UK businesses have chosen to transform millions of people's lives by paying these rates, securing over £3.6bn of pay rises for low paid workers.

The Living Wage Foundation champions and celebrates employers who make an ongoing commitment to do the right thing by their employees and pay the real Living Wage by awarding them the Living Wage Employer accreditation, the mark of a responsible employer.

- The real Living Wage is independently calculated based on what employees and their families need to live.
- That is why it is higher than the government's legal minimum.
- Employers voluntarily choose to pay it, making a profound difference to people's lives right now.
- The real Living Wage includes a UK rate and a separate London rate that reflects the higher costs of living in the capital.
- It applies to all workers over 18.



**LIVING
WAGE
EMPLOYER**

With decent pay, employees thrive and so do businesses



94% of Living Wage Employers have benefited since accrediting.

Paying the real Living Wage isn't just the right thing to do, it also makes good business sense.

There is widespread recognition that happier and well-supported employees are more productive and motivated.

We also know paying a real Living Wage helps employers to differentiate themselves in competitive markets, retain existing staff and attract new staff.

90% of consumers are more likely to buy from a Living Wage Employer.

85% of investors state that investment in employees is an important factor in their decision-making.

66% say it helps differentiate themselves from others in their industry.

What has paying the real Living Wage done for your business?

Living Wage accreditation clearly demonstrates to your customers, clients, investors and peers that you are one of the UK's leading organisations on decent work. It can also go a long way to meeting organisational ESG or social value targets.

87% Say it has improved the reputation of the business.

64% Say it has improved relations between managers and staff.

62% Say it improved recruitment of employees into Living Wage jobs.

60% Say it has improved retention of their Living Wage employees.

How do I become a Living Wage Employer?



Pay the real Living Wage to all your directly employed staff.



Complete the application form online:



Have a plan to pay your third party contractors a Living Wage.



I've been so happy with the support we have from the Living Wage Foundation, who are able to talk through any concerns you have openly. We are so grateful to the Living Wage Foundation for doing the hard work it takes to set the wage each year - not only does it take a lot off our plate but it also builds trust between our staff and the company, and the foundation itself.

LUSH FRESH
HANDMADE
COSMETICS

Join us in leading the way and showing what good work looks like www.livingwage.org.uk

Who should receive the Living Wage?

The campaign for a real Living Wage began in East London, where cleaners and other low-paid workers were working in the offices of city firms and banks, employed through outsourced contracts. They were having to work two or three minimum wage jobs but still struggling to make ends meet.

The campaign called on businesses to recognise the important role of these 'invisible' workers within their companies and pay them a real Living Wage. Since then, not outsourcing low pay has been a key commitment when becoming an accredited Living Wage Employer.

The Living Wage applies to all directly employed staff over the age of 18 regardless of the number of hours they work. At the very minimum, we also ask you to ensure that any third party contracted staff who work for you for two or more hours a week, for

eight consecutive weeks are paid the real Living Wage, or that you have a plan in place to meet this. This generally includes your cleaners, security and long term temporary workers.

The first step is finding out from your supplier or building manager if the workers are paid the real Living Wage and explaining your commitment as a Living Wage Employer. The Living Wage Foundation has template letters and can help you with this negotiation.

If this is not possible immediately, or you need to wait for existing contracts to end, we ask you to commit to target dates for these changes called 'milestones' and these are built into your license agreement. Please contact us for further guidance.

Why the Living Wage matters

Workers on the real Living Wage tell us...

- There isn't a constant worry about bills.
- I feel valued as an employee.
- I can be the parent I want to be.
- We've got more time for ourselves and our family.

“Since I started being paid the Living Wage, I haven't had to worry about if I can pay the bills, and more importantly, I get to spend time every day with my mum and my daughter. I'm not falling asleep on the sofa as soon as I get in anymore. I eat better, I sleep better, and I'm much less stressed”

-LINDA, CARER





What are the benefits of accreditation?



Accredited employers display the Living Wage Employer Mark on their materials and in their buildings.

- We will provide you with guidance on paying the real Living Wage, including best practice on how to implement the rate increases and work with third party organisations.
- We will celebrate your accreditation and work with you on publicity and media. We will also keep you up to date with news about the Living Wage campaign, and the rates.
- You can be included in the publicly available list of Living Wage Employers, meaning that consumers, prospective employees, or grant makers can easily find you.
- You will become part of a thriving network of UK employers that support and promote the Living Wage
- You are invited to exclusive networking events and opportunities for Living Wage Employers.



Frequently asked questions

We have many FAQs, too many for one document, so for the answers to questions like the below, [please visit our FAQs webpage.](#)

- ▶ When are the rates announced and when do I have to implement?
- ▶ Where does the London Living Wage rate apply?
- ▶ How much does it cost to be accredited?
- ▶ How long does it take to become accredited?
- ▶ What is the accreditation process?
- ▶ Who does the Living Wage apply to?
- ▶ What about third party contracted staff?
- ▶ What about self-employed workers?
- ▶ What about apprentices and interns?
- ▶ What is phased implementation?

