



# Campaigning, organising and negotiating for a Living Wage

## A UNISON Guide

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## 1. Introduction

Over recent years, the Living Wage has become a hot topic. As a result of campaigning work by community organisations, trade unions and some politicians, the idea of a wage which enables people to afford the basics of a dignified life has gained widespread recognition. Most people, including many who are usually hostile to trade unions and higher wages, are in favour of employers paying the Living Wage.

Very few are prepared to justify forcing people to work for poverty wages. It is this basic principle of fairness which has made the Living Wage such a powerful campaigning tool.

There are two Living Wage rates: one for London and one for the rest of the UK. The Living Wage Foundation announces the new rates during Living Wage week in November. The London Living Wage is calculated by the Greater London Authority economics team. The current London Living Wage rate is £9.15 an hour. The UK rate is calculated by the Centre for Research in Social Policy at Loughborough University. The current UK rate is £7.85 an hour.

However, living wage campaigning has been complicated by the announcement in the July 2015 budget that the government is to introduce a “national living wage” from April 2016 for workers aged 25 or over. In reality this “living wage” is simply a relabelling of the national minimum wage and raising of the rate for a section of the UK workforce. Welcome though this increase in the minimum rate is, this should not deflect from living wage campaigning built around the rates announced by the Living Wage Foundation every year, which are the only genuine way of achieving the fundamental purpose of the campaign – delivering a decent standard of living for the lowest-paid workers.



## **2. UNISON's approach to the Living Wage**

UNISON, and its predecessors, were among the first organisations in the country to support the Living Wage, arguing for its implementation in national and sector-wide pay bargaining, local campaigns and as part of its submissions to the Low Pay Commission during the process of setting the National Minimum Wage.

Various UNISON service groups and regions have launched Living Wage campaigns in recent years with considerable success in boosting wages for the lowest paid staff.

There are now in excess of 1,300 employers accredited as living wage employers by the Living Wage Foundation, including some of the UK's largest private companies, such as Barclays and HSBC.

Across public services there have been considerable successes:

- The Scotland government has established the living wage within all its public sector organisations,
- Minimum rates have been raised to the living wage in the most recent pay settlements for
  - Wales NHS
  - England Further Education Colleges
  - Higher Education.
- Living wage framework agreements have been established for support staff in more than 12,000 schools across the UK
- In England and Wales, the minimum pay rate for police staff has been set above the living wage in the most recent pay settlement

Outside of the UNISON sectors where the bottom rate has been set at or above the living wage, the lowest pay points are as below.

<b>UNISON bargaining groups</b>	<b>Settlement date</b>	<b>Annual pay</b>	<b>Hourly rate*</b>
Local government (England, Wales & Northern Ireland)	01/01/2015	£13500	£7.00
NHS Agenda for Change (England)	01/04/2015	£15100	£7.72
Sixth form college support staff (England & Wales)	01/09/2014	£13136	£6.81
Probation	01/04/2013	£14609	£7.57

\* The hourly rate shown here is based on a 37.5 hour week within the NHS and a 37 hour week in all other bargaining groups. However, the number of hours worked in the average working week can vary from these figures within bargaining groups.

In addition to national agreements, a huge number of local campaigns have achieved success. Appendix 4 to this document sets out the local employers across UNISON's service groups where accreditation by the Living Wage Foundation has been achieved.

These campaigns take place against UNISON's general target of moving toward minimum pay rates of £10 an hour across the economy, as set out in motion passed at National Delegate Conference 2015.

### 3. A Living Wage campaign: step by step

Every local Living Wage campaign will be different. The way you campaign for a Living Wage in a private company which is hostile to a Living Wage might be very different from a campaign for the Living Wage in a local authority which is already looking to introduce it. However, there are some basic elements to this type of campaigning which are set out below.

If you are interested in training courses on organising a campaign of this type you can contact UNISON Learning and Organising Services at: [learningandorganising@unison.co.uk](mailto:learningandorganising@unison.co.uk).

For more general advice on organising activity you can contact your regional office or UNISON's strategic organising unit at: [strategicorganising@unison.co.uk](mailto:strategicorganising@unison.co.uk)

#### *Step 1: Which Living Wage?*

This may sound like an obvious point, but you need to start your campaign by ensuring you know what your Living Wage target is. The national rate applies to all UK employers based outside of London. The London Living Wage applies to all employers inside the Greater London Metropolitan area. The current rates are set out in section 1 of this guide.

If you are faced with an employer who argues that the government is set to introduce a “national living wage” from April 2016 for workers aged over 24 and therefore there is no need for the employer to adopt the Living Wage set out by the Living Wage Foundation, the following points set out why that argument is wrong:

- The national minimum wage that has been relabelled by the government as the “national living wage” is a figure that has not been worked out on a rigorous basis related to the actual cost of living. Over time it is set to move toward a target rate set at 60% of average earnings, which is a valuable benchmark for reducing inequality in the workplace.
- However, the reason the UK wide and the London living wages are better measures of the real wage needed to achieve a decent standard of living is that they take account of changes in prices, whereas the cost of living has no direct role in the government’s “living wage.”
- For example, the Greater London Authority works out the London living wage by calculating the wage needed to achieve a “low cost but acceptable standard of living” for a range of typical families and then it averages the result against the figure advanced by the government based on 60% of average earnings.
- Loughborough University works out the UK living wage by gathering public views of the items needed for a minimum but acceptable standard of living, costing those items and adding relevant current rates for rent, council tax and childcare. It then ensures that rises don’t act as an excessive burden on organisations by capping any increase at 2% above changes in average earnings.

In short, the government’s “living wage” acts as a welcome limit on wage inequality, but it doesn’t ensure that an organisation’s lowest paid staff can afford a decent standard of living. Only the UK and London living wages announced by the Living Wage Foundation fulfil that role.



## *Step2: Who is the focus of your campaign?*

You should decide at an early stage where to focus your Living Wage Campaign. Is it across an entire public sector employer? (such as a local authority or a hospital) Or are you targeting one single contract where lots of workers are paid below the Living Wage?



## *Step 3: Doing the research*

Once you have decided on your target employer, gather information about the pay and conditions in the relevant workplace(s). Your research might include the following:

- a. What is the lowest pay rate of directly employed staff?
- b. The lowest paid staff are often those working on contracted out services. It is essential that you find out which private or community and voluntary sector contractors are operating in your target organisation, and what they are paying staff.
- c. How is pay determined for both in-house and contracted out staff? Are they covered by a national or sector-wide set of negotiations? Are there local negotiations? Or is there no trade union recognition, so that no pay negotiations take place? This will help you determine the best way to campaign and argue for a Living Wage in your particular employer.
- d. Collecting the stories of workers affected by low pay can create a powerful narrative in support of your campaign. It is important to speak to the workers who will be affected before you launch the campaign, a survey can be a useful tool for creating a conversation with them and gathering stories and facts. It will also help you identify where they are and who they are linked to (friends, family, colleagues etc).
- e. You should check whether workers are paid correctly for all the hours they work. This should include travel time between work locations and without any other unlawful deductions. You should also check that staff receive full entitlement to holiday pay, time off and health and safety protection.
- f. And remember, timing is everything. The organising campaign starts by persuading workers that they should be paid the Living Wage – not by announcing that UNISON has just secured the Living Wage for them!
- g. Find out how decisions are made about procurement/privatisation, and by whom. You will want to know who in management is responsible for private contracts, which bodies make decisions on procurement, when they meet and how you get matters put before them.
- h. For some contractors delivering services for the public sector, employers' willingness to pay a Living Wage may be dependent on the commissioners paying enough, rather than just a matter of negotiating with the employer. It is important to find out who writes bids for contracts at the main commissioning body.
- i. It would also be useful to identify who you can put pressure on to influence the decision makers. Who are the governors, directors, trustees, or councillors who can be contacted to either support your campaign or who you can pressure? What are their links?
- j. Find out, if you can, how much senior management are being paid. This may be useful information later on in the campaign to contrast with the wages of the lowest paid. If you need help finding out this information, email UNISON Bargaining Support at [bsg@unison.co.uk](mailto:bsg@unison.co.uk) for assistance. In local government, as part of the Localism Act 2011, local authorities have to publish

an annual pay statement showing the highest and lowest paid employees. This can be found on authorities' websites.

- k. Establish the gender pay gap. It is likely to narrow after introduction of the Living Wage.
- l. Develop case studies – who will benefit from the implementation of the Living Wage? What will it mean to them and their families?

Use this information to write a 'brief' arguing for the implementation of a Living Wage. Particularly point out the ways in which the treatment of low paid workers might harm the reputation of the organisation, and that by getting rid of low pay, the employer will raise productivity and improve services.

#### *Step 4: Find and develop campaign leaders*

The conversations you had with workers when finding out who they are and where they work will be the first step in identifying people that can take a lead in the campaign. It is essential that it is led by the directly affected workers themselves.



#### *Step 5: Building a campaign team*

The leading workers you have identified should be brought together with some of the branch officers to form a campaign team that can bounce ideas off each other, develop the strategy, communicate with other members and the wider staff group and regularly review the progress of the campaign.



#### *Step 6: Develop the strategy*

Although every campaign is unique, they all draw on similar elements. They have a clear goal, information to communicate, rallying points, special events, and ways for supporters to take action.

Try to ensure your campaign includes:

- Strong, imaginative campaign materials. If appropriate, make materials available in languages other than English so that you get your message out as widely as possible.
- Talk to other groups, people, and union branches in the area about the campaign.
- A publicity strategy that develops relationships with journalists in the local press
- Actions that will build support, raise awareness of your campaign and get a reaction from the employer.
- Remember people like to be part of something positive – use social and other fun events as well.



#### *Campaigning in community, voluntary and private sector contractors*

For some contractors delivering services for the public sector, employers' willingness to pay a Living Wage may be dependent on the commissioners paying enough, rather than just a matter of negotiating with the employer.

It is important to find out who writes bids for contracts at the main commissioning body. The branch may also want to know where contracts specify the Living Wage, so they can ensure it is actually implemented in those areas.

### *Step 7: Make the request and launch your campaign*

It can be useful to launch your campaign based on the request being put to the employer. Send out a press release, launch your campaign blog or organise a demo.



### *Step 7: Build Community Support*

Many groups in the community will share your goal of maintaining high quality public services and ending poverty wages. As part of your planning you will have identified the groups and individuals that can be called on to support you, including the members themselves, trade unions and trades councils, local politicians, service users, professional bodies community organisations, student unions and local media. Where there is an existing broad-based community coalition, consider joining it.

Make sure that you engage allies directly. Don't be tempted to send them a leaflet or an email and expect them to get involved. It is worth putting in the time to meet with key people face to face. Find out as much as you can about their concerns and issues. They will be more likely to join the coalition if they feel that their issues will get support in return.

You could invite key leaders to join a working group that will campaign on this issue. Think about holding a larger community meeting that will bring all supporting groups together in a public way. Do the workers affected have their own community links? Are they in faith communities or migrant groups? Get them to think about how they could get support via these links.



### *Step 8: Recruit, recruit, recruit*

Always keep in mind that a Living Wage campaign is a great way to recruit new members to the union. Ensure your campaign includes non-members as much as possible, showing them that UNISON is on their side and fighting for their interests. Also, positive Living Wage campaigns are a good way to identify potential activists. People who are enthusiastic about a Living Wage campaign are highly likely to agree with UNISON core values and objectives.



### *Step 9: Take action*

Remember that the point of action is to get a reaction, so always be clear what it is you want to accomplish.

Well planned actions should have three elements. It should be:

- Simple – action should convey a simple, dramatic message. People are unlikely to support actions aimed at achieving something vague or overly complicated ('end poverty pay in \*\*\*organisation', works better than 'improve pay that currently falls below the median after tax credits and housing benefits have been taken into account.')
- Personalised – your action should target the person with the power to deliver the result you want.

- Within your experience – action should be fun, innovative and creative – something that will grab the attention of the media and the public. In the past, other UNISON campaigners have knitted a huge scarf with their message on, while others gave out cupcakes with little flags in with their demands. Don't be afraid to be inventive.



#### *10: Negotiate with the employer*

The aim of the campaign is to win the Living Wage for the workers involved. But this may take considerable discussion and negotiation, first to convince the employer of the justice and benefit of paying the Living Wage, and then to work out the details. The common understanding and working relationships that develop from this process can be crucial in making the new agreement stick and in promoting the Living Wage to other employers. You will also need an ongoing negotiating relationship to ensure that other terms and conditions are not cut as a 'trade-off'.

Appendix 1 and 2 of this guide set out a model letter and business case to advance the case for a living wage to an employer.

Encouraging the employer to become accredited with the Living Wage Foundation as part of the process has the advantage for employees of requiring the employer to always update the lowest pay grade to the Living Wage when it changes every November. For the employer, accreditation allows them the positive publicity that goes with licence to display the Living Wage Employer Mark.



#### *Step 11: What next?*

Once you've won, the fight is not over. Bring your campaign team together to discuss where to go next. Repeat the steps in this toolkit in order to strengthen your campaign team, build alliances and identify new issues.

Where an employer has obtained accreditation as a living wage employer from the Living Wage Foundation, it will have been required to set out a timetable for implementation of the living wage among any employees working for contractors. Therefore, checking that the employer is meeting the agreed implementation plan is key to ensuring that staff working for contractors share in the benefits of the living wage.

If there is reason to believe that the implementation plan is not being met and if no satisfactory solution can be reached through discussions with employer, the Living Wage Foundation can be contacted to investigate via <http://www.livingwage.org.uk/contact-us-non-payment>

Where new services go out to tender, appendix 3 of the guide sets out the various ways in which public sector organisations have written living wage considerations into contract notices.

When the list of organisations tendering for a contract is known, it is also worth checking whether they are among the Living Wage Foundation's listing of service providers who have committed to submitting a tender based on the living wage. That listing is available at <http://www.livingwage.org.uk/service-providers>

## **4. UNISON's general principles of campaigning and bargaining on the Living Wage**

The beauty of the Living Wage is that it is a simple idea. But as with so many other issues, there can be hidden complications. A number of frequently asked questions have emerged from branches over the years:

- “How does our campaign fit in with national pay bargaining?”
- “Should it cover both contracted out and in-house staff?”
- “What about the impact of equal pay proofed structures?”

To help answer these questions, we've put together 12 principles which should inform your Branch's Living Wage campaigning and negotiating activity

These 12 principles show you how UNISON's policies on a whole range of issues interact with a Living Wage campaign. Keep these issues in mind when your branch is campaigning and negotiating for a Living Wage.

1. *A national rate with London Weighting:* The Living Wage rate is set on a UK-wide basis with London weighting using research provided by Loughborough University and GLA Economics. UNISON branches campaigning for a Living Wage should use these official Living Wage figures (updated annually) as their negotiating target. UNISON representatives should not campaign for localised “Living Wage” figures which are not backed up with robust research.
2. *Negotiated with Trade Unions:* The implementation of a Living Wage in a particular employer will always require the agreement of certain details and principles. UNISON reps should seek to ensure these changes are negotiated with the recognised trade union(s), rather than unilaterally implemented by the employer.
3. *A Living Wage should not be funded by cuts to services or terms and conditions:* Paying a Living Wage to the lowest paid is a significant ethical statement about the value of all workers within an organisation. The additional costs of paying a Living Wage should not be funded by attacks on the quality of services or the terms of conditions of other workers. UNISON negotiators should keep this in mind when discussing the implementation of a Living Wage with employers. Any package of cuts which also contains the Living Wage should be assessed for its overall value and for equality considerations.
4. *A Living Wage should not result in job losses:* As with services and terms and conditions, a Living Wage should not be funded by job losses. The employer is making a commitment to invest in a workforce which is not subject to poverty wages. This is a positive decision which should be funded through additional investment, not reductions in the workforce.
5. *Equal Pay:* The introduction of a Living Wage must never undermine pay structures which have been designed to deliver equal pay or compromise equal pay agreements such as Single Status or Agenda for Change. UNISON believes that the introduction of a Living Wage makes a positive contribution to tackling pay inequalities, but negotiators must always be vigilant with regard to equal pay and the introduction of a Living Wage. Advice can be sought from Unison national office regarding any impact on national agreements such as Single Status and Agenda for Change.
6. *As a recruitment tool:* UNISON representatives should seek to use Living Wage campaigns as a focus for recruiting new members. Highly visible and well-organised campaigns to end poverty pay send a very strong message about UNISON's values and effectiveness as a union. The campaign should be used to recruit low paid workers and other supporters of the campaign.

7. *Interaction with benefits, tax credits and Universal Credit:* UNISON representatives should be mindful of the interaction between low pay levels and state benefits. During the campaign UNISON reps should ensure that members are aware that there may be some off-setting of benefits as a result of a rise in wages. However, UNISON firmly believes that a Living Wage will almost always lead to a net benefit for low paid workers and that state benefits are not a substitute for reasonable wages.
8. *Inclusion of contracted-out staff:* Most of the sectors in which UNISON organises and negotiates contain both staff employed directly by public sector employers and those whose jobs have been or can be contracted-out. In-keeping with the approach of the Living Wage Foundation UNISON's aim is to include all staff within a Living Wage Agreement/Policy. The union accepts that the process of including contracted-out staff may, on occasion, be slow – due to contract length and renewals. But our aspiration is that all staff are recipients of at least a Living Wage, irrespective of the status of their employer. It is important that contracts in which the majority of workers are low paid women and/or black and ethnic minority workers – such as social care – are not at the end of the 'queue' for the Living Wage.
9. *UNISON supports full Living Wage Employer accreditation:* The Living Wage Foundation has an Advisory Council which includes both employers and unions. This council oversees an accreditation process which ensures that employers claiming to be "Living Wage Employers" do indeed meet that criteria. This includes issues such as covering contracted-out staff mentioned in point 8. UNISON fully supports this process and would encourage all existing and prospective Living Wage Employers to apply for accreditation.
10. *National Agreements:* UNISON Negotiators seeking to deliver a Living Wage should be mindful of all applicable national/sector wide agreements, including those on pay. The Living Wage should be seen as a supplement to national agreements, not a replacement for them.
11. *Notifying the wider union:* Branches campaigning for and negotiating for a Living Wage should advise their Region, Service Group and/or UNISON Bargaining Support of any successful LW negotiations.
12. *Community campaigning:* UNISON representatives should use Living Wage campaigning as a way to work with groups in the broader community, which may be sympathetic to the campaign and may be able to assist in achieving a Living Wage for our members.  
It is also important to take into account bargaining arrangements covering more than one region, such as those covering large private companies. To ensure this happens, organising around the Living Wage in the private or community and voluntary sector, should be undertaken in consultation with the Head of Business, Community and Environment.

## **5. Examples of UNISON Living Wage campaigns**

UNISON surveyed all branches in 2013 to gather their views on the Living Wage and share their experiences of campaigns. Below are some quotes from UNISON Branches explaining how the Living Wage is playing out in their area.

- Birkbeck College: “Achieving the Living Wage was done in conjunction with a campaign for recognition for outsourced workers and this has had at least as much an impact as the Living Wage itself in terms of recruitment, and convincing employees that they can tackle other issues such as bad employment practices, bullying etc ... 4 years later nearly all our outsourced cleaners are in the union, and nearly all attend when we call meetings.”
- East Dunbartonshire UNISON used the Job evaluation process: “Through the Job Evaluation appeal process we managed to get the bottom graded posts above the Living Wage. There is, however, a grade on our pay scale, currently not populated, which is below the Living Wage. At the moment the council has committed to pay a supplement if that grade was to become populated. We are currently going through a further job evaluation exercise. It is our position that, when the exercise is complete, and we go through the process of equality proofing the new pay and grading scale, the bottom scale should be deleted. This would ensure that the council was indeed a Living Wage employer.”
- Newcastle Hospitals, campaigning locally for a national deal: “As a health branch with NHS T&Cs we are not asking for it to be implemented locally as an individual branch but campaigning locally as part of the campaign to have it implemented nationally as part of T&Cs.”
- SOAS increased density amongst contracted out staff: “As a consequence of the campaign for the London Living Wage led by the branch and supported by other campus trades unions and our students’ union we now have a very high density of membership amongst contracted out staff and are currently campaigning to have them all brought back in-house.”
- Norfolk County UNISON took advantage of a change in political leadership: “With Norfolk our claim to work towards the Living Wage was refused by the previous Tory led administration. We have just resubmitted it to the Labour led administration so are more optimistic. With the City College they are including the Living Wage as a requirement for tenderers as and when contracts come up for renewal.”
- University of Exeter UNISON continuing their campaign: “We’ve broached introduction of Living Wage (in conjunction with other campus unions) with management. The previous Registrar would only consider as part of Local Bargaining package in 2012. The new Director of HR has promised a review of staff remuneration & reward upon arrival and unions have pressed for LW to be part of this review. We have also raised it with the new Chief Operating Officer. We continue to push and will consider a suitable campaign around the issue in conjunction with review negotiations, as required.”
- South Tyneside Council Living Wage Commission: “The council has established a Living Wage Commission, which includes an officer of the regional TUC. It has just begun taking evidence and UNISON will make a submission. We have campaigned for the Living Wage to be introduced at the council, its contractors and at the college and their contractors. For instance our parking enforcement staff are only on the minimum wage in the third sector.”

- Environment Agency Midlands UNISON have made the initial approach for information: “We are currently seeking information as to whether the Environment Agency insists that its contractors pay the Living Wage.”
- UNISON agreement with Catholic Dioceses UNISON and the Catholic dioceses of Westminster and Southwark have agreed to work together to help nearly 400 Catholic schools across the dioceses implement the Living Wage. This follows an agreement between the union and the Catholic Education Service of England and Wales to work together to support and celebrate schools championing the Living Wage. As part of this joint work, UNISON has produced a Living Wage briefing and model implementation plan for Catholic schools.

## **6. Further information**

For the UNISON Living Wage page, including links to campaign materials, click [here](#)

For the latest news from the Living Wage Foundation, click [here](#)

For background information on calculation of the national Living Wage, click [here](#)

For background information on calculation of the London Living Wage, click [here](#)

## **Appendix 1 - Suggested letter to employer on the Living Wage**

Dear \_\_\_\_\_ [insert name of employer]

[insert name of employer] seeks to be a good, fair, equal opportunity employer. We believe that this can only be maintained if the lowest paid staff are paid a Living Wage, the expertly calculated figure which is widely accepted as the minimum someone must be paid to meet their own or their family's basic needs.

The Living Wage rate is currently [insert relevant, up to date figure].

The idea behind the Living Wage is that a person should be paid enough to live decently and adequately provide for their family. At its heart is an ethical argument for preventing in-work poverty.

In addition, there is also a clear business case for implementing the Living Wage. Living Wage employers have made significant savings by reducing absenteeism and turnover and improving productivity. These savings have both helped offset the initial cost of increasing the wage bill and led to significant improvements in services.

It is increasingly being seen as unacceptable for an organisation such as [insert name of employer] to expect staff to provide services whilst paying them poverty wages. There is clearly an ongoing risk to the organisation's reputation if this situation persists. Conversely, becoming an accredited Living Wage would be a great boost to [insert name of employer]'s image in the wider community and with service users.

The majority of low paid staff providing services have been contracted out to companies such as [insert contractor names here]. Therefore our request for workers who have been contracted out to be paid the Living Wage.

Clearly, there are a number of details regarding the implementation of this change which would need to be discussed. We are ready to enter into constructive negotiations with you over the details of making [insert name of employer] a Living Wage employer at the earliest opportunity.

Please do let me know when would be a good time for us to meet to discuss this important matter further.

Yours sincerely

[Insert name and UNISON position here]

## **Appendix 2 - The business case for the Living Wage**

Living Wage employers have made significant savings by reducing absenteeism and turnover and improving productivity. These savings have both helped offset the initial cost of increasing the wage bill and led to significant improvements in service levels.

Research by the Equality and Human Rights Commission in 2014 found that cleaning firms that have undertaken the Living Wage in the UK have reported benefits of reduced absenteeism and staff turnover (some reporting staff turnover falling to less than 1%), as well as clients indicating improved service and higher productivity rates since moving to the Living Wage.

Similarly, a 2012 examination of the impact of organisations moving to the London Living Wage found a 25% reduction in staff turnover on average, while organisations also reported positive reputational impacts.

That backed up 2009 research for Greater London Authority Economics, which found that more than 80% of employers believed that introducing the London Living Wage had enhanced the quality of the work of their staff and 70% reported reputational benefits through increased consumer awareness of their commitment to being an ethical employer.

In 2015, case studies were published of six employers that had introduced the living wage. The comments below are revealing of employers' views about its impact

Barclays Employee Relations Director Dominic Johnson: "Our UK Living Wage accreditation represents a commitment to ensure that people working on Barclays' behalf are paid enough to enjoy a decent standard of living. Having supported the Living Wage for over ten years, we know that it can improve productivity, morale and retention rates. This is not just an expression of our corporate values or an issue of social impact, but good business sense".

Penrose Care managing director Robert Stephenson-Padron: "We incorporated the London Living Wage into our business model from the very beginning. It meant we were going to have a higher cost base than our competitors but we had the firm belief, and this has been confirmed by our success to date, that there would be users of home care services willing to pay a little bit more than average to secure better care workers, with excellent training and high morale, from a provider that genuinely cares for them."

SSE Director of Sustainability Rachel McEwen,: "The business argument for going Living Wage is overwhelming. When SSE was accredited in September 2013 there were only three FTSE 100 companies accredited as Living Wage Employers. While this number is increasing, it is fair to say that the private sector has not been as quick to adopt the policy as the public sector. SSE is happy to be leading the way among publically-listed companies in introducing the Living Wage."

These examples are set out in greater deal in Living Wage Employers – evidence of UK business cases [here](#)

### **Appendix 3 - Examples of contract notices that reference living wage payments**

Public sector employers have taken a variety of approaches to inserting living wage considerations into contract notices when services are put out for tender. The table below sets out actual examples of contract notices that may provide useful models when negotiating with employers over the terms of contracts issued.

*The set of five examples below show how some employers have taken a very direct approach to specification of living wage payments.*

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**Contract:** Cambridge City Council – Security services

**Section of OJEU notice:** Section VI Complementary information / Additional information

**Statement:** “The Council pays its own staff at least the Living Wage and has adopted a policy which means that any contract let as a result of this competition will contain a contract condition which will require the appointed contractor to pay at least the Living Wage to all staff (whether directly employed or sub-contracted) that work on the Council’s premises/ land delivering services for more than 2 hours a day in any given day in a week for 8 or more consecutive weeks in a year and the contractor must ensure that a provision is included in any sub-contract to satisfy this requirement.”

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**Contract:** London Borough of Camden – Architectural, construction, engineering and inspection services

**Section of OJEU notice:** Section VI Complementary information / Additional information

**Statement:** “Bidders need to be aware that, should they be short-listed, they will be asked to propose solutions to deliver the social, economic and environmental benefits specified in the Invitation to Tender and to pay the National or London living Wage to employees including their sub-contractors working on LB Camden contracts in accordance with the criteria set by the Living Wage Foundation.”

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**Contract:** Ipswich Borough Council – Cleaning services

**Section of OJEU notice:** Section III Legal, economic, financial and technical information / Other particular conditions

**Statement:** “The performance of the contract is subject to particular conditions: yes

**Description of particular conditions:** The council considers that the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) will apply to employees of the existing contractor regarding Lot 1 and to employees of the council for Lot 2. Ipswich Borough Council requires all its contractors to pay a ‘living wage’ as defined by the Living Wage Foundation to all those employed on the contract.”

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**Contract:** City of York Council – Health services

**Section of OJEU notice:** Section VI Complementary information / Additional information

**Statement:** “City of York Council have included within the Invitation to tender documents the requirement for bidders to comply with offering the Living Wage to their employees who receive the minimum wage who would be directly employed in the delivery of the Integrated Sexual Health Service in order to be considered for this contract.”

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**Contract:** University of Huddersfield – Supply services of personnel including temporary staff

**Section of OJEU notice:** Section III: Legal, economic, financial and technical information / Economic and financial ability

**Statement:** “Bidders will be required to conform to the Universities HR policies one of which is payment of the UK living wage as a minimum to all staff employed or providing a service on campus..”

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*Where an employer may be reluctant to follow these examples, the set of four examples below may be useful as they at least set out a commitment to the general principle of a living wage or require submission of a variety of bids, one of which has to be based on payment of the living wage.*

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**Contract:** Ashfield District Council – Refurbishment work

**Section of OJEU notice:** Section VI Complementary information / Additional information

**Statement:** “The Contracting Authority and its agent, AHL, promote the concept and the ethos of the ‘Living Wage’ (or its member state equivalent where relevant), whereby all workers should, as a minimum, be paid at a level which enables them to achieve an acceptable standard of living.

Whilst this is not a prerequisite or mandatory requirement for organisations that work on the behalf of the Contracting Authority or its agent, the Contracting Authority would anticipate that tendering organisations would share its commitment to this principle, and organisations expressing interest should expect the tender documents to reflect the Contracting Authority’s aspirations in this regard.”

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**Contract:** Brighton and Hove City Council – Sports facilities operation services

**Section of OJEU notice:** Section II Object of the contract / Total quantity or scope

**Statement:** “The Council would like to invite qualified suppliers to respond to this ITT for the provision of management services for Portslade Sports Centre. Suppliers must provide 2 bids — the first being a base bid with the suppliers bid based on best price and the second bid, a mandatory variant bid (identical to the base bid) except that the bid will be based on providing Living Wage for all staff.”

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**Contract:** London Borough of Lewisham – School-meal services

**Section of OJEU notice:** Section II Object of the contract / Total quantity or scope

**Statement:** “The London Borough of Lewisham is inviting providers to tender for the School Meals Service in Lewisham. The Contract will be issued for a period of 5 years with the option to extend for up to 2 years at the Council’s discretion. Variant Bids As part of this procurement, the Council is requesting the presentation of variant elements of the bids in addition to completion of the core business proposals. 1) London Living Wage 2) Food For Life Gold Accreditation 3) Supply of Utilities Meters 4) Extension of UFSM to KS2 5) Contracting Period 6) Free Children’s Breakfast 8) Alternative Labour Structure.

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Contract: University College London – Cleaning services

Section of OJEU notice: Section II Object of the contract / Short description of the contract or purchase(s)

Statement: “UCLU will give preferential consideration to contractors paying employees the London Living Wage”

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If your employer is seeking accreditation from the Living Wage Foundation as a living wage employer, the accreditation process requires the employer to submit a written plan to the foundation which sets out how they intend to implement the living wage among their contractors. UNISON branches can request a copy of the plan and if not satisfied with the employer's progress in complying with the plan, a complaint can be sent to the Living Wage Foundation. The foundation's contact details can be found at

<http://www.livingwage.org.uk/contact>

## **Appendix 4 - Employers accredited by the Living Wage Foundation**

### **ACCREDITED COUNCILS**

Greater London Authority London  
London Borough of Brent London  
London Borough of Camden London  
London Borough of Ealing London  
London Borough of Enfield London  
London Borough of Hounslow London  
London Borough of Islington London  
London Borough of Lambeth London  
London Borough of Lewisham London  
London Borough of Southwark London  
London Borough of Tower Hamlets London  
Royal Borough of Greenwich London  
Bassetlaw District Council East Midlands  
City of Lincoln Council East Midlands  
Mansfield District Council East Midlands  
Ollerton & Boughton Town Council East Midlands  
Birmingham City Council West Midlands  
Oxford City Council West Midlands  
Cambridge City Council East of England  
Harlow Council East of England  
Ipswich Borough Council East of England  
Norwich City Council East of England  
Uttlesford District Council East of England  
Blackpool Council North West England  
Lancashire County Council North West England  
Leeds Trinity University North West England  
Preston City Council North West England  
Salford City Council North West England  
Salford Community & Voluntary Services North West England  
Salford Health Matters CIC North West England  
Newcastle Under Lyme Borough Council North  
Brighton & Hove City Council South East England  
Crawley Borough Council South East England  
Hebden Royd Town Council Yorkshire and the Humber  
Hessle Town Council Yorkshire and the Humber  
Selby Town Council Yorkshire and the Humber  
York City Council Yorkshire and the Humber  
Falkirk Council Scotland  
Caerphilly County Borough Council Wales

### **ACCREDITED NHS TRUSTS**

- Barnet, Enfield and Haringey Mental Health NHS Trust London
- Barrow Cadbury Trust London
- Barts Health NHS Trust London
- Great Ormond Street Hospital for Children NHS Foundation Trust London
- Northumberland Tyne and Wear NHS Foundation Trust North East England
- Solent NHS Trust South East England
- Sussex Community NHS Trust South East England
- Devon Air Ambulance Trust South West England
- University of Nottingham Health Service

### **ACCREDITED COLLEGES**

- St Charles Sixth Form College London
- City of Wolverhampton College West Midlands
- Newcastle-under-Lyme College West Midlands
- St Mary's College, Oscott West Midlands
- Chelmsford College East of England
- City College Norwich East of England
- Cardinal Newman College North West England
- The Manchester College North West England
- Wadham College South East England
- Plymouth College of Art South West England
- North Highland College Scotland
- Perth College UHI Scotland

#### ACCREDITED UNIVERSITIES

Birkbeck University of London London  
London Metropolitan University London  
St Mary's University London  
University of East London London  
University of Wolverhampton West Midlands  
The University of Oxford East of England  
University of Bolton North West England  
University of Salford North West England  
St Cross College, University of Oxford South East England  
The Open University South East England  
Leeds Trinity University Yorkshire and the Humber  
University of Huddersfield Yorkshire and the Humber  
Glasgow Caledonian University Scotland  
Cardiff University Wales  
St Cross College, University of Oxford South East England  
Queens' College, Cambridge East of England  
Hertford College, Oxford South East England  
Mansfield College, Oxford South East England  
London School of Economics and Political Science London  
London School of Hygiene & Tropical Medicine London

#### ACCREDITED ACADEMIES / SCHOOLS

Ark Academy (Brent) London  
Bethnal Green Academy London  
St Mary Magdalene Academy London  
The City Academy, Hackney London  
Blue Bell Hill Academy Trust East Midlands  
Pax Christi Catholic Academy Trust East Midlands  
Ninestiles Academy Trust West Midlands  
West Newcastle Academy North East England  
Reddish Vale Academy Trust North West England  
STEP Academy Trust South East England  
Ambler Primary School and Children's Centre London  
Cardinal Vaughan Memorial School London  
Christ the King Primary School London  
Compass School Southwark London  
Copenhagen School London  
Dallington School London  
Grafton Primary School London  
Hargrave Park School London  
Laycock Primary School London  
Mapledown School London  
Pakeman Primary School London  
Poole's Park Primary School London  
Prior Weston School and Children's Centre London  
Richard Cledesley School London  
Samuel Rhodes School London  
Soho Parish Primary School London  
St John's Highbury Vale C of E Primary School London  
St Ursula's Convent School London  
Winton Primary School London  
Yerbury Primary School London  
Welbeck Primary School East Midlands  
Sacred Heart Catholic Primary School North West England  
Our Lady Catholic Primary School South East England  
Ashton Park School South West England

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