

GUIDANCE NOTE

The Living Wage

Why pay it and what does it mean for our profession?

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Foreword from IWFM

Why is the development of this guidance so important for workplace and facilities managers? And why am I so proud that we have contributed to its realisation?

As we all know, workplace and facilities management (FM) is mostly about people and not simply about the built environment. Our profession is increasingly aware and focused on the difference it can make for the people who work, live and stay in buildings of all types, in a range of areas such as wellbeing, comfort, flexibility and accessibility, to name but a few. In these testing COVID-19 times, the contributions of key workers, such as cleaners and security guards, have been recognised across the world as essential - the backbone of societies and economies, even - as they have kept us and our buildings safe and healthy.

In this guidance we will, of course, be talking about pay. We know that pay is not the only driver for people who work, but that doesn't mean that it isn't a major source of concern, especially for those delivering our frontline services.

For many years, we at IWFM have been saying it is only right that people are paid a fair wage for a day's work, and we are actively promoting this as an accredited Living Wage Employer. At the same time, we know that pay increases are a challenge for some of our members who are already having to deal with many other economic and administrative challenges - a challenge not made easier by the pandemic's economic impact.

To ensure that we can have a positive impact on as many people as possible, we want to help members make the business case for fair wages by sharing the evidence showing the crucial link between higher rates of pay and improved service delivery and performance.

After all, everyone - both clients and suppliers - shares an obligation to play their part to make sure that good service delivery, the people providing it and increasing social, economic and environmental value are at the heart of responsible procurement and doing business.

Cost reductions cannot be the only driver. Treating people unfairly is bad for business and bad for society. This guidance explains what the Living Wage is, how it differs from statutory rates, and the benefits paying it has brought to many organisations. Our aim is to provide you with the tools you need to break down barriers so that more people can be paid a fair wage, one contract at a time. Let's make that difference and build back better!



Linda Hausmanis, CEO

Foreword from the Living Wage Foundation

The UK's outsourcing and FM sectors are two of the country's most important industries, employing one in ten of all UK workers, and accounting for around 7% of the UK's GDP.

However, despite the size and significant reach of these sectors, they, like many others, face real challenges, a major one being how to deliver a real Living Wage to their workers, that covers their cost of living, while maintaining the business' competitive and commercial viability. The challenges facing the FM sector and its workers have been further exacerbated by the Covid-19 crisis - as they continue to work tirelessly on the frontline to keep us safe, many Key Workers will undoubtedly see their cost of living rise.

It is for this reason that the Living Wage Foundation set up the Recognised Service Provider scheme. This scheme works by encouraging greater uptake of the real Living Wage in facilities management and the outsourcing sector, particularly in notoriously low-paid sectors such as cleaning, security and hospitality. Recognised Service Providers not only help to advocate for the real Living Wage to their clients and suppliers, but may also be changing the public perception of the service industry, and the prevailing perception that certain sectors will always be blighted by low pay. In light of the current crisis, Service Providers are uniquely well-placed to demonstrate to the public that they are responsible employers, and that the sector as a whole is moving towards fairer pay.

Since 2013, the Living Wage Foundation has worked with a number of trail-blazing Service Providers that want to take an active stance on the real Living Wage, and we're proud of the work these organisations have done in uplifting workers to real Living Wage rates. Collectively, the work of the Recognised Service Providers delivers well over 125,000 pay rises annually to workers, making a real difference to the lives of low-paid workers and their families.

The Living Wage Foundation and IWFM have joined together to create this guidance document, which outlines the crucial work that Recognised Service Providers and Living Wage Employers are doing to tackle the issue of low pay, supported by the testimonies of individual workers who have benefitted from uplifting, and evidence from organisations that are going further to champion the real Living Wage.



Katherine Chapman, Director



What is the Living Wage?

The real Living Wage is the hourly rate working people need to afford a minimum ‘decent’ standard of living. It applies to anyone aged 18 or over.

As the only minimum national wage rate calculated on the cost of living and determined by independent public consultation, the real Living Wage provides a robust benchmark for responsible employers who voluntarily choose to ensure their employees earn a wage that at least meets their basic everyday needs.

Currently, full-time workers paid the real Living Wage earn approximately £40 more a week than those on the Government’s National Living Wage (£95 a week in London); the gap is larger for those aged under 25 on the National Minimum Wage.

The London Living Wage is the only rate which recommends a higher rate for workers in London to reflect higher transport, housing and living costs. It goes beyond the Government’s statutory National Living Wage, which was introduced in 2016 for those aged 25 and above, and is based on a percentage of median earnings.

SUMMARY OF UK WAGE RATES

	National Minimum Wage	National Living Wage	Real Living Wage
Who sets it?	Government	Government	Living Wage Foundation
What is the hourly rate?	£8.36*	£8.91*	£9.90 £11.05 in London
Is it a legal requirement?	Yes	Yes	No
What age groups are covered?	21 to 22 years	23 years and older	18 years and older
How is it set?	Negotiated rate based on recommendations from businesses and trade unions	60% of national median earnings	Based on cost of essential household goods and service
Is there a different rate for London?	No	No	Yes

All rates correct as at November 2021. *From 1 April 2022: National Minimum Wage £9.18, National Living Wage £9.50.

How the Living Wage is calculated

The real Living Wage rate is calculated annually by the Resolution Foundation and is based on a basket of essential goods and services that represent the basic needs of workers and their families, such as housing, food, clothing, utilities, council tax and childcare. New rates are announced during Living Wage Week in November each year.

This basket of goods is determined by research undertaken by the Centre for Research in Social Policy, which provides an up-to-date analysis of what income level full-time workers need to reach a decent standard of living. Real Living Wage rates are then calculated by taking a weighted average that accounts for the needs of a broad and representative mix of UK family types.

The Living Wage Commission was set up by the Living Wage Foundation in 2016 to oversee the calculation and governance of the Living Wage rates. The Commission is made up of representatives from civil society, accredited Living Wage Employers and expert stakeholders. It provides an independent and transparent forum, free from political control, to make judgements on policy changes and calculation methodology, advises on how to reflect variations in living costs, and ultimately recommends the UK and London real Living Wage rates.

How other wage rates are calculated

Both the National Living Wage and the National Minimum Wage are set by the Government based on independent advice from the Low Pay Commission, whose nine Commissioners are drawn from employee, employer or academic backgrounds.

The Commission carries out research and analysis of low pay and consults widely with employers, workers and representative organisations before making its recommendations. Government has followed the Commission's advice that the National Living Wage should reach two-thirds of median earnings by 2020, while policy on the National Minimum Wage, which applies to young people, is that these rates are set as high as possible without causing unemployment effects.

In late 2019, the Government announced its plans to increase the National Living Wage - 'provided economic conditions allow' - to two-thirds of median earnings by 2024. Based on current forecasts, this will increase the hourly rate to £10.54. It lowered the age threshold to 23-year-olds in 2021 and has pledged to lower it further to 21-year-olds by 2024.

Both wage rates have increased faster than inflation and average earnings over recent years. Nearly three million workers are paid at either the National Living Wage or the National Minimum Wage. Different minimum wage rates apply to 21 to 22-year-olds, 18 to 20-year-olds, 16 to 17-year-olds, and apprentices aged under 19 or in the first year of an apprenticeship.

A brief history of the Living Wage campaign

The Living Wage movement began in 2001 when the East London Community Organisation (now part of the community organising network Citizens UK) brought together churches, mosques, schools and other local institutions to talk about the issues affecting their communities.

The issue of low pay came up again and again: some people had taken on two or three low paid jobs and were still struggling to keep their heads above water. It became clear that the Government's minimum wage was simply not enough to provide a decent standard of living and this was having a serious impact on the lives of workers and their families.

Faith leaders, trade unions and community organisations joined together to call on major employers to pay all staff - including those contracted through a third party - a wage they could live on. In 2011, Citizens UK established the Living Wage Foundation to promote the Living Wage and celebrate employers who make the commitment to protect their workers from in-work poverty. The campaign now enjoys cross-party political support and has been championed by successive Mayors of London, including Boris Johnson and Sadiq Khan.

Nearly 300,000 people have had their wages uplifted as a direct result of the Living Wage movement, helping those who struggle to afford to keep the heating on or put food on the table.





The Living Wage Foundation - Accreditation and Recognition

ACCREDITED LIVING WAGE EMPLOYERS

Businesses and organisations who voluntarily pay the real Living Wage to all their directly employed staff and regular third-party contracted staff, such as cleaners, caterers and security staff (provided they are contracted for at least two hours per week for eight or more consecutive weeks) are awarded the Living Wage Employer mark.

Since the real Living Wage rates increase annually (in November), accredited employers must uplift their minimum wage payments each year (by May the following year at the latest) to continue to qualify for this status.

There are currently over 9,000 accredited Living Wage Employers covering a wide range of sectors and workplace environments, directly employing almost two million people. They include: major global brands such as Google, HSBC and IKEA; the Scottish Government and Scottish local authorities; the NHS; further education; local government; retail and social enterprises; and many hundreds of small and medium-sized enterprises (SMEs). **Collectively, these employers have put over £1 billion of extra money into the pockets of low-paid workers across the UK since the Living Wage campaign began.**

INTERESTED IN APPLYING?

Organisations can apply to become an Accredited Living Wage Employer by visiting www.livingwage.org.uk/become-a-living-wage-employer. Approval generally takes less than 10 working days and costs are calculated on a sliding scale, starting at £60 for organisations with up to 10 employees.



RECOGNISED SERVICE PROVIDERS

Recognised Service Providers guarantee the real Living Wage to their directly employed staff and to regular third-party contracted staff who are, crucially, not tied to client contracts. Where Recognised Service Providers differ from Living Wage Employers is in relation to staff and third party contracted staff who are tied to client contracts. Recognised Service Providers pledge to always offer a real Living Wage option to prospective and current clients alongside every market rate tender bid, giving the client an opportunity to implement the real Living Wage through their contracts.

Since the real Living Wage rates increase annually (in November), Recognised Service Providers must uplift their minimum wage payments each year (by May the following year at the latest) to continue to qualify for this status.

There are currently over 170 Recognised Service Providers who collectively operate some 10,000 contracts and employ over 90,000 workers on the real Living Wage.

Recognised Service Providers:

- initiate a framework to promote and measure the impact of the real Living Wage internally
- support and actively promote the real Living Wage to clients and supply chains, contributing to ending low pay in the UK's poorest paid service sectors
- are entitled to use the Living Wage Foundation's Recognised Service Provider mark
- appear on the Living Wage Foundation's website demonstrating commitment to their customers
- appear on the Living Wage Foundation's Service Provider Business-to-Business Directory
- have the opportunity to work with the Living Wage Foundation on case studies and press coverage to promote their commitment
- receive an invitation to events during Living Wage Week, and a pack with materials and guidance on how to be part of the national celebrations
- are kept up-to-date on the Living Wage campaign and opportunities to celebrate their status.

INTERESTED IN APPLYING?

Organisations can apply to become a Recognised Service Provider by visiting www.livingwage.org.uk/become-recognised-service-provider. Approval generally takes up to 10 working days. Costs are calculated on a sliding scale, starting from £200 for organisations with a turnover of up to £1m.

ENCOURAGING CLIENTS AND EMPOWERING WORKERS

Recognised Service Providers believe in paying a decent wage to their staff who carry out vital work for many organisations.

They work with the Living Wage Foundation to promote the real Living Wage, which is a rate of pay that moves with the cost of living. For 2021/22, the UK rate is £9.90 per hour, while the London rate, adjusted for the higher cost of living, is £11.05 per hour

Championing the real Living Wage as a Recognised Service Provider takes a few simple and clear commitments:

- paying at least the real Living Wage to all directly employed staff and third-party staff members not tied to client contracts
- submitting a real Living Wage costed bid to clients and potential clients at every contract opportunity, giving them the chance to decide if the real Living Wage is right for their organisation
- promoting and challenging clients to work in partnership to pay the real Living Wage.

Recognised Service Providers are tackling low pay one contract at a time through the real Living Wage.





Why pay the real Living Wage

The workplace and facilities management profession includes many sectors where people are employed on low pay, especially on the soft services side. We are therefore in a unique position to make a significant contribution to ending in-work poverty by committing to paying a wage that truly covers the cost of living and helps people to enjoy a better future.

By taking this opportunity to drive culture change and social value we can go some way to repairing the reputational damage our industry has suffered in recent years and make ours a more attractive profession in which to work.

Not only is looking after workers by paying them the real Living Wage the ethical, desirable, socially responsible thing to do, it also makes sound business sense.

IWFM's annual sustainability surveys have shown that organisations, including clients and end-users, are increasingly focused on longer-term environmental, economic and social impacts - such as pay - as part of their commercial and contractual arrangements. Business success is now very much synonymous with sustainability and clients are looking to facilities managers to provide solutions.

We are much less likely to solve the UK's productivity puzzle if we do not address the problem of low pay. The UK Government has recognised this link and has committed to setting an ambitious target for the National Living Wage after 2020 to 'drive productivity across the income distribution'. Evidence from Nordic countries shows that boosting wages at the lower end of the scale (through centralised bargaining) has encouraged investment, modernisation and higher productivity.

19% of UK jobs pay below the real Living Wage

Part-time workers are three times more likely to be paid below the Living Wage

3.2 million women in the UK are paid less than the real Living Wage

Nearly three million children in working families are living in poverty, up 800,000 since 2010 (TUC, Child Poverty Working Households, 2019)

Half of all UK households have seen no improvement in their real disposable incomes since 2005.

The benefits of paying the real Living Wage

Studies carried out by the Living Wage Foundation in partnership with academic institutions, as well as independent research by Queen Mary University and others, all point to the wide-ranging business benefits of paying the real Living Wage across a wide range of sectors. Some of this evidence is shown in the 'Living Wage Employer Experience', 'Pay differentials' and 'Case studies' sections below.

Staff wellbeing

Pay is a powerful factor in determining good work, which, as the *Taylor Review of Modern Working Practices* highlighted, is strongly linked to better physical and mental health outcomes for individuals. We all feel happier, more valued and appreciated when we are paid fairly. For those on low pay, the knowledge that they can support their family and pay the bills, less threatened by debt, poverty and a reliance on the state, helps to reduce stress and any sense of vulnerability, enabling them to enjoy life more.

Better recruitment and retention

With ever-widening skills gaps in many parts of our profession, the ability to recruit and retain staff has never been more vital. Proposed changes to the UK's immigration policy after Brexit will only reinforce this challenge by reducing access to the low-skilled EU workers who represent a significant section of the workforce across a range of FM services.

To be an employer of choice, businesses must take active steps to attract and retain the talent of today and tomorrow. Particularly for younger workers, the total employee experience and company culture, with pay as part of the total rewards package, is of growing importance in their career choices.

Higher pay improves staff loyalty and engagement, and so employees are less likely to leave; it also potentially removes the need for them to look for second or third jobs. Better staff retention brings down recruitment, training and overall personnel costs. As a real Living Wage Employer, your recruitment power will increase, making it easier to attract new staff - at all pay levels.

Improved productivity and service levels

Paying your staff a fair wage allows them to focus on their job and raises morale, engagement and motivation; it also reduces absenteeism and sickness rates, improving employment relations. This, in turn, boosts individual and collective performance and productivity, leading to improved service levels, higher levels of customer/client satisfaction and loyalty; all of which benefit an organisation's stakeholders through increased margins and profitability.

Corporate reputation and social value

Not only does paying a fair wage make sound business sense, improving the lives of workers and their families is also the responsible thing to do. It will help you stand out from your competitors and improve your reputation within both the business and local communities.

By improving the financial status and spending power of your employees or contractors, you can create a ripple effect through the local economy, to the advantage of other sectors and businesses. This has a wider social and economic benefit by lowering government spending on benefits, reducing poverty related crime and improving social mobility.

WHY THE REAL LIVING WAGE MATTERS TO ME – A PERSONAL ACCOUNT

I used to be a front-line employee and at the time was the breadwinner in my family. My father had died when I was 21, I was the oldest of five kids and we still had little ones at home. At that time, there was no such thing as the Living Wage movement, so I ended up with multiple jobs to bring home enough money to keep it all together. My mother was also working very hard for very little pay, so I know first-hand how it can feel when you have no cushion, when you must work several jobs just to live and where you are making choices between fuel, food, or school trips.

Today, many people still live in that bleak reality, but for others the world is changing. The real Living Wage movement has made a difference to many people's lives and continues to grow year on year as the 'right thing to do'. Being able to work with other committed people from across our industry to support the Living Wage Foundation is an honour, and an opportunity to give something back - in our business, we have nothing except our people who serve our customers so well every day.

Consider the following:

- there are currently 5.19 million jobs failing to pay workers the real Living Wage
- just under one in five (19%) employees in the UK are paid less than the real Living Wage
- 56% of people in poverty are in a working family, compared to 39% 20 years ago
- in-work poverty has risen from 10% of workers 20 years ago to 13% now
- around 24% of women face in-work poverty compared to 15% of men
- 12% of full-time jobs and 38% of part-time jobs are paying less than people need to meet their living costs, according to data from KPMG's Living Wage Research Report 2019
- research from XpertHR reveals that four in 10 employers do not understand the difference between the National Living Wage and the Living Wage.



The National Living Wage has improved, but make no mistake about it, living on £8.91 per hour compared to £11.05 per hour in London, or £9.90 per hour outside the capital makes a significant difference.

Our job is to support the Living Wage Foundation to continue to challenge the market to move towards the real Living Wage. We are also interested in moving the conversation forward on other areas of work life that matter - flexibility of hours, training, development, etc. The real Living Wage is the first step, so let's work hard to get more people into the circle and give those that are already on the real Living Wage an even better quality of life and even more choices in the future.

We all rely and depend on armies of people who work tirelessly, often thanklessly, and so often invisibly, in our hospitals, schools, offices, transport systems, cafés, retail shops. Imagine what life would be like if one day they all won the lottery: our country would grind to a complete standstill.

Let's show appreciation now and continue to make a difference for this very important movement - real living wages for real life jobs!

Karen Pleva, CEO, Global Strategic Accounts, Corporate Services, Sodexo



Living Wage Employer Experience report

Published by Cardiff Business School in 2017, this extensive report is based on a survey of Accredited Living Wage Employers and Recognised Service Providers. It concluded that ‘the balance of outcomes, according to the survey results, lies very firmly on the positive side’.

The survey found that the principle motivation of accredited employers in choosing to pay the real Living Wage was to act in accordance with their values and demonstrate social responsibility, although it also brought secondary benefits. Some reported securing additional contracts as a result, despite the higher costs involved; others found they were able to attract a better quality of staff at all pay levels; while many noted improved relationships with clients, customers, funders and public bodies.

Accredited employers reported very few, if any, negative effects. Most businesses absorbed the additional expense without trying to recover costs through savings elsewhere and in most Living Wage contracts the higher costs were absorbed by the client. There was evidence of a positive impact on employee relationships with additional training or promotion opportunities and Living Wage employers also reported they had encouraged suppliers to adopt good HR practices more widely.

- 93% of respondents said they had benefited from paying the real Living Wage
- 86% said the reputation of their business as an employer and corporate entity had improved as a result
- 75% reported increased staff motivation and better employee retention rates since paying the real Living Wage
- 64% agreed that paying the real Living Wage had helped differentiate their business, giving them a competitive advantage within their market.

Pay differentials

The Living Wage Employer Experience survey highlighted that the main HR challenge presented by implementing the real Living Wage is the potential disruption to established pay structures and differentials.

The Living Wage Foundation therefore carried out research in 2019 to investigate how Recognised Service Providers across the FM spectrum had dealt with this issue and what the overall effects had been on front-line staff recruitment and staff retention. These are some of the findings:

- 84% reported a positive effect on staff recruitment and 91% reported a positive effect on staff retention since becoming a Recognised Service Provider
- nearly seven in 10 respondents agreed that pay differentials were a consideration when implementing the real Living Wage on client contracts, with cleaning (64%) being the service sector requiring the most attention
- 55% have maintained pay differentials, 10% have increased the differential, and a further 10% have reduced it
- 71% of respondents factor increases in the Living Wage rates into their differentials planning each year
- 77% of service providers' clients recognised and understood the cost of pay differentials
- when asked who takes on the cost of the differentials on a client contract which implements the real Living Wage, 61% confirmed it is the client, 36% explained it is contract dependent, and just 3% said it is their own organisation
- 32% of respondents thought the differentials on Living Wage contracts impacted the willingness of existing front-line employees to take on greater responsibility.

‘We have experience of implementing the Living Wage Foundation rates now for over three years and can show clients all of the key matrices that move positively when the new rates are implemented.

As such, we have been able to offer clients a reduced margin as staff turnover has reduced and engagement increased.

Moreover productivity has also increased in cleaning and this has allowed for us to consider off-setting increases through potential savings in weekly hours that are costed.’

Paul Evans, CEO, Carlisle Support Services

Case studies and testimonials – the benefits of paying the Living Wage

KPMG/ISS

KPMG UK is a principal partner of the Living Wage Foundation and across its 23 locations has over 700 outsourced on-site supplier staff, many of whom directly serve KPMG clients. ISS have provided facilities services to KPMG since 1999 and were the first services company to join the Living Wage supplier recognition scheme.

Fair pay is a key part of KPMG's Sustainable Procurement Programme and in 2006 they took the decision to pay the real Living Wage to their contracted staff. This entailed carrying out a strategic analysis of their services delivery to cover the additional payroll costs. The review identified opportunities for refining services practices, which, alongside paying the Living Wage, have led to a range of benefits for the business, contractors and workers, including:

- **better performance and motivation:**
KPMG's employees paid the real Living Wage feel more valued, demonstrate higher motivation and perform better
- **reduced staff turnover and absenteeism:**
KPMG's turnover of contract staff has roughly halved since it began paying the real Living Wage
- **cost neutrality:**
savings made through lower recruitment churn, reduced absenteeism and better performance mean that paying the real Living Wage will be cost-neutral or even lead to savings
- **professionalising facilities management:**
paying anything less than the real Living Wage in FM - one of the UK's fastest growing industries - is unrealistic if the brightest and most engaged employees are to be retained
- **improvements in service quality:**
there has been an increase in positive feedback from clients on the quality of customer service at head office and other KPMG buildings; the outsourced staff deal confidently with clients as they are enthusiastic about projecting the best image of KPMG; KPMG facilities helpdesk now reports far fewer user complaints.

Sodexo/Santander

Sodexo provides catering and hospitality services to 14,000 Santander employees at 11 locations across the UK. Santander's sustainable procurement policy states that it will only work with supplier partners who commit to delivering the real Living Wage rate. Sodexo has helped to pioneer the Service Provider Scheme, not only to demonstrate a commitment to its employees, but also to send a positive message to the facilities management industry.

By working in partnership, both parties were able to create a contract that would support the implementation of the real Living Wage, shifting from a traditional, control-based agreement to a more flexible one based on quality and outcomes. The benefits of the contract exceeded expectations after just a few months:

- **improved customer service:**
Sodexo staff felt treated as equals to Santander employees and, as a result, more valued and empowered; this has been reflected in improved customer satisfaction scores
- **reduced staff turnover:**
evidence shows that Sodexo's staff turnover has reduced since the real Living Wage was introduced; increased staff engagement has been a key factor in this
- **partnership development:**
both parties have observed that collaborating on implementing the real Living Wage has created a more two-way relationship based on openness and transparency.

Kingdom Cleaning

In the UK Kingdom Cleaning employs approximately 2,500 staff with its core focus on providing cleaning and security solutions. One of its clients, a significant financial company based in Canary Wharf, has written:

‘Being a London Living Wage supporter helps us attract and retain a good standard of cleaning staff. In a competitive job marketplace, being in a position to offer a fair living wage to potential new staff is a real plus.

‘It is also important for us in being able to retain good staff and make sure that our teams feel they are rewarded fairly for all their hard work.

‘We have a lot of staff who have previously worked for companies that do not pay the London Living Wage. The feedback is that it really does make a tangible difference to their sense of not only being respected for the work they do, but also in how they are able to live and enjoy life outside of work. As a result of this, we find our staff retention rates are good and almost certainly better than if we chose not to pay the London Living Wage.

‘The knock-on effect of this means better quality service for our customers as this higher retention means better trained teams that know the expectations and the requirements of the customer.’

IMPACTING LIVES

‘As a single parent there isn’t always a great deal of money left over once the bills have been paid. The real Living Wage has allowed me to regularly pay into a savings account which my son can access when he is 21. It may not be much, but it’s allowed me to help plan for his future financially.’

Jodie, Helpdesk Operator, Sodexo

‘To receive the Living Wage has meant a great deal to my family. We’re able to do more things with the extra income I receive. I am proud to work for Sodexo. Each day I feel happy to come to work and give my best. I’m motivated to go the extra mile without a moment’s hesitation.’

Akos, Food Service Assistant, Sodexo

‘The Living Wage has changed my family’s finances considerably. It has allowed us extra for food shopping and is helping to pay bills. The extra has also given me extra peace of mind at a time when I am aiming to support my son in attending university.’

Kamal, Barista, Sodexo

‘The increased payment has really contributed to the overall happiness of myself and my family. I worry less about our outgoings and can now afford to spend quality time with my family, treating them to days out and new experiences. Aside from the financial aspect, the Living Wage provides me with a sense of belonging and purpose, motivating me to complete my role to the best of my abilities.’

Vasile Borsan, Cleaning Operative and Driver, Carlisle Support Services

Final thoughts – making a difference, now!

While the Living Wage has been around for some time, there are more people that could benefit from it. Eradicating low pay is no longer seen in isolation as a single measure, but has increasingly become part of the much broader sustainability agenda which is gaining unprecedented levels of focus from businesses, organisations and governments across the world. Companies are under increasing pressure to act as good corporate citizens, to demonstrate social responsibility, behave ethically and be accountable in terms of wider sustainability targets.

Internationally, the United Nations Sustainable Development Goals – a blueprint to achieve a better and more sustainable future for all – place the ending of poverty through inclusive economic growth and sustainable jobs as their number one priority.

In the UK, the Good Business Charter – which encourages responsible capitalism – fully endorses paying the real Living Wage as one of the key components of good business practice and will publicly acknowledge and reward those companies who exhibit such behaviour.

The drivers of sustainability are changing, and the agenda is finally being recognised in its broadest sense, rather than being limited to environmental concerns. IWFM's 2019 Sustainability Survey of members highlighted the greater prominence of pay and conditions, health and wellbeing and social value issues on the business agenda.

IWFM has partnered with the National Social Value Taskforce and the Social Value Portal to create minimum reporting standards for social value in facilities management. These standards, as with the Social Value Act, pay particular attention to meeting local needs, including through providing quality, well paid jobs. As with everything in the sustainability agenda, it is a responsibility everyone shares – to work together to make our world a better place for future generations. **IWFM and the Living Wage Foundation are giving organisations the tools to make a difference – are you?**

LIVING WORK CONSULTANCY

If you are interested in being part of the Living Wage network and would like further guidance on the potential challenges and benefits, please get in touch with the Living Work Consultancy.

Bringing together learning from over 9,000 Living Wage employers, this service offers bespoke support for any type of organisation wanting to become an accredited Living Wage employer, including:

- help to identify barriers, understand the benefits and find the solutions to paying a Living Wage
- providing a framework to put the Living Wage in place
- open training for senior business leaders on building and implementing an accreditation plan
- in-house training for senior staff to map out the pathway to becoming a Living Wage Employer.

For further information on how the Living Work Consultancy could help your organisation, visit: www.livingwage.org.uk/living-work-consultancy

If you have any questions about this guide or the real Living Wage, please email the Living Wage Foundation: accreditation@livingwage.org.uk or IWFM: policy@iwfm.org.uk



The Institute of Workplace and Facilities Management (IWFM) is the body for workplace and facilities professionals.

We exist to promote excellence among a worldwide membership community of around 14,000 and to demonstrate the value and contribution of workplace and facilities management more widely.

Our Mission: We empower and enable professionals to reach their full potential and have a rewarding, impactful career. Together we create the conditions for the profession to thrive through leading edge thinking, sharing best practice and upskilling our people.

Our Vision: As the pioneering workplace and facilities management body, our vision is to drive change for the future. To be the trusted voice of a distinct profession recognised, beyond the built environment, for its ability to enable people to transform organisations and their performance.

The IWFM was established in 2018. It builds on the proud heritage of 25 years as the British Institute of Facilities Management.

Peer reviewer

Edwina Hughes, World Resources Institute (member of the Living Wage Foundation Recognised Service Providers Leadership Group 2017-19)

Acknowledgement

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