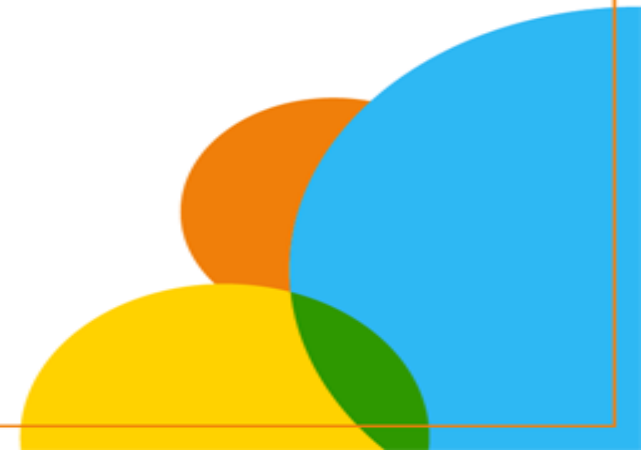




Living Wage Accreditation Achrediad Cyflog Byw



The real Living Wage



Explaining UK Wage Rates

	THE MINIMUM WAGE <i>Government minimum for under 25s</i>	NATIONAL LIVING WAGE <i>Government minimum for over 25s</i>	REAL LIVING WAGE <i>The only wage rate based on what people need to live</i>
WHAT IS IT?	£8.20	£8.72	£9.50 across the UK and £10.85 in London
IS IT THE LAW?	Statutory	Statutory	Voluntary
WHAT AGE GROUP IS COVERED?	21 and older	25 and older	18 and older
HOW IS IT SET?	Negotiated settlement based on recommendations from businesses and trade unions	A % of medium earnings, it aims to reach 66% of median earnings by 2024.	Calculation made according to the cost of living, based on a basket of household goods and services
IS THERE A LONDON WEIGHTING?	No London Weighting	No London Weighting	Yes - Separate higher rate for London

How is it calculated?



Why it matters?



Safeguarding workers from in-work poverty

Investing in the local economy

Demonstrating Leadership



2018 Smith Institute report – uplifting a quarter of low-income workers to RLW in 10 major city regions could see returns of £560m in the local economies



The case is not just economic...

- 86% said it had enhanced the organisation's corporate reputation
- 84% said it had enhanced the organisation's reputation as an employer
- 77% said it had improved relations with public bodies or politicians
- 74% said it had increased the motivation of employees
- 67% said it had improved employee retention
- 67% said it had improved recruitment into Living Wage jobs



The Process

1. SMT buy-in
2. Nominate an individual to be Primary Contact for the accreditation
3. Ensure all directly employed staff are paid at least the real Living Wage
4. Work with Cynnal Cymru to ensure that all third-party contracted staff are also on RLW or can be brought up to this rate within three years of accreditation



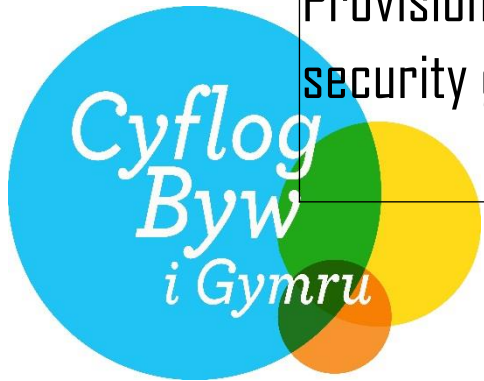
Making a plan for procurement

- Identify all relevant contracts that cover 'regular' third-party contracted staff – those who deliver services to or on the organisation's behalf for 2 or more hours a week for 8 consecutive weeks in a year
- Budget for the real Living Wage in all new and renewed such contracts
- Work with Cynnal Cymru to set target dates for when the people on these contracts can be uplifted
- Include the RLW in procurement policy and as part of standard T&Cs
- Record overall percentage of relevant contracts (by financial value) which require that the RLW be paid
- Record the number of workers that are uplifted



Example - milestones

Cleaning Company at HQ	5/11/2018	5/10/2021	Contact the company to ask if they are paying (or accredited) the rLW. If not ask if they would be willing to pay (would you top up?). If not then go to LW tender process when contract is up.
Provision of static and mobile security guards	4/20/2015	4/19/2020	This contract has now been awarded and all staff are being paid the Real Living Wage or more





Support available

- Examples of best practice
- Helping to identify opportunities for negotiation on contracts
- 'buddying' arrangements
- Communications templates and advice

Accreditation is the first significant step in your Living Wage journey – not the destination itself