

Low pay in the charity sector and the importance of the real Living Wage

First published on Living Wage Foundation's website [here](#) under their 'News and Blogs' section on 30 June 2022

Written by: Sufina Ahmad, Director

This blog was written in response to the Living Wage Foundation's ['All work and low pay'](#) report, which I contributed to as an interviewee.

In trying times like these, we must hold onto stories of triumph. One such triumph was that shared by the Living Wage Foundation in May 2022 that 10,000 employers were now Living Wage accredited. Such news buoys and bolsters us in the face of a myriad of intersectional and intractable economic, societal and environmental issues and challenges facing civil society and the communities we work with.

These accredited employers operate throughout the UK and across a wide range of sectors as a community that is committed to paying their staff – including contracted workers – a Living Wage. We are in a period of high economic uncertainty and instability, epitomised right now by the highest levels of inflation seen in some time in the UK and beyond, and significant increases in the cost of living, with everything from food to fuel costing more. The Living Wage Foundation offers a vital antidote to the worst impacts of these for workers, by calculating the Living Wage annually and independently, and taking in to account the cost of food, bills and rent in their calculations.

With one in 13 UK workers now working for a Living Wage Employer, it is important to reflect on what makes the Living Wage campaign successful. I first came across the Living Wage campaign in 2014/15 – well over a decade since it was set up in 2001. What struck me then, just as much as it does now, is that this is a campaign rooted in the principles of community organising and driven by the lived experience of communities and activists experiencing low pay and unable to meet their living costs. It is this potent combination of expertise and authenticity that gives the campaign such credibility, and enables it to enjoy cross party political support and ensures it remains an enduring presence within public and political discourse.

The campaign also has a remarkable ability to adapt and evolve – thanks to the leadership and strategic acuity shown by the Living Wage Foundation. Since 2014, I have seen the campaign prototype and develop Living Wage Cities and Boroughs, tackle low pay for those on zero hours contracts or similar through the Living Hours initiative, and start to explore what it would take to develop a Global Living Wage. These are complex ideas that the Living Wage Foundation nurtures and grows in genuine partnership with others. Another way in which the campaign has grown is through the Living Wage Funders initiative. In recognition of the fact that low pay is endemic within the charity sector, there are now 56 Living Wage Funders tackling low pay by encouraging organisations to pay the real Living Wage through their grants and support.

John Ellerman Foundation became a Living Wage Employer and Living Wage Funder in summer 2021. As a charitable funder committed to advancing wellbeing, we recognise that addressing low pay is an essential way in which we can do this. Furthermore as a grantmaker offering grants for core costs in the arts, social action and environment, we see first-hand the prevalence of low pay in these sectors.

Becoming an accredited Living Wage Employer was remarkably straightforward, and has resulted in us liaising with our suppliers at least annually to check if they are paying the real Living Wage and if they are Living Wage accredited. We encourage those that aren't to become accredited, and

in the coming years we may make it a condition of their contract with us to be accredited. Becoming a Living Wage Funder was also uncomplicated. We have updated our funding guidelines to ensure that it is clear that we are a Living Wage Funder, and when assessing applications we make sure to raise any concerns we might have that the real Living Wage isn't being paid. We also publicise our accreditation, including through our initial grant offer letters.

As a small team of six staff, giving away around £6m in grants each year, it can be daunting to take on accreditations for fear that they will become onerous and all-consuming. Fortunately, this has not been our experience of the Living Wage Employer and Living Wage Funder accreditations. Instead they have empowered and enabled us to be more engaged with our suppliers, applicants and grant-holders.

As we look ahead, I hope that all charitable funders in the UK, especially those featured in the Association of Charitable Foundation's [Foundation Giving Trends reports](#), become accredited as a Living Wage Employer and a Living Wage Funder. Some may feel they haven't the time to become accredited, or that they're already ensuring a real Living Wage is being paid through their grantmaking. However, accreditation matters, as it spreads the Living Wage message further. It is only by continuing to share the Living Wage message consistently and persistently that we will ensure the 12 out of 13 UK employees in the UK not currently working for a Living Wage employer can access a level of pay that supports them to live and thrive.