

# Accrediting as a Living Wage Employer: Toolkit

## Doesn't every employer pay the Living Wage by default?

No! While the "[National Living Wage](#)" is the **legal minimum** set by government, the [real Living Wage](#) is the only wage rate based solely on the cost of living. It's a **voluntary standard** employers choose to pay to ensure their staff can meet their everyday needs. The real Living Wage, calculated each year by the [Resolution Foundation](#), is consequently **higher** than the National Living Wage, as it keeps pace with living costs.

## Why would our church choose to pay the real Living Wage?

In London today, it is not possible to thrive on the National Living Wage – as shown by the clear discrepancy with the real Living Wage. The Trussell Trust [reports](#) that "people who have needed to turn to a food bank have most commonly (71%) been referred because their income is insufficient, leaving them unable to afford the cost of essentials and / or driving them into unmanageable debt."

It makes sense that, as churches following the Five Marks of Mission, "respond to human need by loving service" through ministries such as Foodbanks, we should also seek to "transform unjust structures of society" by paying the wage needed to keep people from needing emergency food aid in the first place.

The [origin story](#) of the cleaning company, Clean for Good, provides a compelling case for paying the Living Wage. Its co-founder and former MD, Tim Thorlby, states: "*The widespread adoption of the Living Wage across London would be the biggest attack on poverty since the foundation of the welfare state (...) No amount of philanthropy makes up for the lack of a living wage.*"

## Our church already pays the Living Wage – why would we accredit?

If you are already paying the living wage, it does not make sense to hide your light under a bushel. There are good reasons to formalise & promote your commitment to low-paid workers through accreditation, which merit consideration by PCCs:

- Accrediting is a **public commitment to working against socially unjust structures** that see individuals paid less than the amount they need to survive. It sends a message of solidarity to low-paid congregants and models economic justice to employers in the church and community.
- Your "Living Wage Employer" plaque provided by the Living Wage Foundation will offer **witness to the church's values and commitments** to everyone who comes through the doors.
- **The accreditation process can bless the congregation** as much as church employees. It opens eyes to injustice, encouraging congregants to reflect on their values, as PCCs consider making the changes.
- Accrediting **ensures this commitment to economic justice weathers economic storms** and changes in church leadership. That is to say, the church is promising to look after those at the bottom of the economic ladder even when finances are tight, or other priorities compete for funding.



- Accreditations **contribute to a larger diocesan effort** to ensure those on lower salaries can live well in London. The [Bishop of London](#) is on a mayoral steering group to make London a [Living Wage City](#).

## What steps do we need to take to accredit?

For small organisations like churches, accrediting is a straight-forward process, which will typically be completed in less than a month. The initial [enquiry form](#) consists of **nine simple questions**, which will take no more than five minutes to answer. Once the Foundation has received your form, you will then be expected to:

1. Confirm that directly employed staff are being paid the current Living Wage rates;
2. Have a plan in place to extend the living wage to include any third-party staff;
3. Complete a Licence Agreement, which sets out your commitments as a Living Wage employer.

Prior to signing the agreement, you will want to consult your PCC. Put accreditation on their agenda and ask them to vote on becoming a Living Wage Employer, confirming they are happy with terms of the Licence Agreement and content to pay the annual accreditation fee.

This license, signed by you and the Foundation, represents the accreditation itself. Once signed and submitted, you will receive a confirmation email from the Foundation, as well as logos and materials to promote and celebrate your accreditation status. The church will also appear on the Foundation website's [list and map](#) of Living Wage Employers.

## What are the costs and commitments associated with accrediting?

**Firstly:** The real Living Wage is calculated each year by the Resolution Foundation, [based on](#) actual living costs. The new hourly rate is normally announced each year in November, during Living Wage Week. As an accredited employer, you are committing to pay the up-to-date Living Wage rate on an ongoing basis.

**Secondly:** You will be asked to pay a fee to gain and maintain your accreditation status. This starts at £69 p.a. for organisations with fewer than 10 employees. The annual fee, in addition to covering your administrative and support costs, supports the Foundation's [research](#) and [advocacy](#) work. When you renew your accreditation, you will be asked to complete a survey, providing updated contracts/ employee numbers, and reporting on organisational benefits brought by accreditation.

## Will we be able to accredit if we employ contractors?

In order to accredit, you must have an agreed plan in place to bring third party contracted staff (such as catering, cleaning, or security staff) onto the real Living Wage. Where contracted staff cannot be moved onto the Living Wage immediately, organisations can choose to roll out the Living Wage across these contracts over time, as the contracts come up for renewal (aka phased implementation). The contracts are included in the licence agreement as 'milestones,' and the Foundation will check in with you periodically to ensure the milestones are on track.

The Living Wage Foundation can provide advice and support for approaching contractors, in addition to what is already laid out in their [FAQ](#). While this element of accrediting may require more time and thought, it is possible to work constructively with contractors – as diocesan churches have already experienced. Do get in touch with the [Compassionate Communities Team](#) if you'd like to speak to a church that has been through it for a conversation.

*For more information including theological reflections, resources and videos on the Living Wage, please see the [Living Wage page](#) on the Diocese of London website.*