



Living Wage Press Release

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£850,000 to help London's lowest paid workers.

Independent charitable funder City Parochial Foundation (CPF) has pledged £850,000 to promote the living wage for London workers.

The funding aims to help nearly 40,000 of the lowest paid staff across the retail and public sectors in London with estimated benefits to workers of over £100 million over four years. The London living wage is calculated annually by the GLA and is seen as the level of wages, above the national minimum wage, needed to meet a reasonable standard of living for a worker and their dependents. It currently stands at £7.45/hour.

“The living wage initiative enables the working poor to lift themselves out of poverty. This is precisely what the Foundation is about - helping Londoners to tackle poverty and its root causes” said Bharat Mehta, Chief Executive of CPF.

Nearly 100 employers have already signed up as living wage employers. The grant of nearly £700,000 awarded to London Citizens will help the organisation to extend the campaign and will aim to get an additional 300 London employers to adopt the living wage.

“ We are delighted with the support that City Parochial Foundation has given us to continue and broaden this vital work, particularly at this difficult time for the economy,” said Neil Jameson, Lead Organiser of LONDON CITIZENS.

“At our assembly attended by 1,200 members in November, we did consider a proposal to freeze or cease our Living Wage Campaign in the light of the credit crunch. But having heard from workers at a luxury hotel with poor working conditions and paid the minimum wage, we voted to intensify our efforts to protect the jobs and conditions of the most vulnerable people in the capital.”

Employers who have already implemented the living wage believe it has positive benefits in terms of cost effectiveness, employee motivation and in helping to improve living and working conditions of workers. The Living Wage is strongly supported by Mayor Johnson who has stated: *“Paying the London Living Wage is not only morally right, but makes good business sense too”.*

As part of the initiative, the Foundation will also commission independent research on the longer-term impact and potential benefits to employers and employees of the living wage and this will help to strengthen and develop the business case.

- Ends-

For more information about the initiative and the grants made, please contact Austin Taylor-Laybourn, Field Officer on 020 7606 6145 or ataylorlaybourn@cityparochial.org.uk

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Editor's Notes

1. City Parochial Foundation (CPF) is one of the largest independent charitable foundations in London. Established in 1891 it aims to enable and empower the poor of London to tackle poverty and its root causes. Each year CPF expects to make funds of about £6 million available to voluntary and community groups meeting its aims. It operates an open grants programme and also undertakes special initiatives where it wants to make a more strategic impact and, where appropriate, influence the work of others. Detail can be found at www.cityparochial.org.uk.

2. London Citizens is a company limited by guarantee and registered charity established in 1996 as TELCO (The East London Communities Organisation). It exists to develop the capacity and skills of disadvantaged communities of London to enable people to participate more fully in society. It is a diverse community alliance with 108 institutions including churches, mosques, schools, universities, trades unions and community agencies.

3. The funding is a grant of £695,000 over four years to London Citizens to expand and promote the London Living Wage Campaign as part of a dedicated Living Wage Unit; £50,000 for an external evaluation of the unit; and £100,000 for independent research into the Living Wage.

4. It is estimated that, in London: 400,000 people are currently living below the poverty line; and 1:7 of full-time London workers and almost half of part-time workers are paid at a rate below the poverty threshold.

5. The campaign to promote a living wage in London has gathered steam since 2001 and seeks to improve wages and employment conditions for some of the most disadvantaged people in London including women, lone parents and minority ethnic communities.

6. London Citizens has been funded to set up a Living Wage Unit to establish a dedicated team which will undertake monitoring, compliance and accreditation of the Living Wage Employer scheme. In addition, the unit will specifically target employers within the public and retail sectors (CPF funding has previously helped in targeting the higher education sector and the hospitality and hotels industry). LC estimates that an additional 22,000 staff within the public and voluntary sector will benefit alongside 200 employers. Similarly, 100 employers in the private sector are expected to sign up which would benefit an estimated 15,000 additional staff. Over the four years the benefit to directly employed staff is estimated at £111 million across the various sectors.

7. No further grants will be made through this initiative.

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