

Real Living Wage increases to £10.90 in UK and £11.95 in London as the cost-of-living rises

3 years ago



Almost 400,000 people working for over 11,000 real Living Wage Employers throughout the country are set for a vital cost-of-living pay boost, as the new Living Wage rates rise to £10.90 an hour across the UK (£1 increase), and £11.95 an hour in London (90p increase), supporting workers and families. This year's Living Wage rates have been brought forward in recognition of the sharp increase in living costs over the past year.

The real Living Wage rates remain the only wage rates independently calculated based on what people need to live on. This year the rate increased by 10.1% in the UK, more than ever in the Living Wage Foundation's 11-year history reflecting sharp increases in living costs.

New research from the [Cardiff Business School](#) shows that Living Wage workers have benefitted from more than £338m in extra wages since the start of this year alone, with one in 10 employees now working for an accredited Living Wage Employer.

The new Living Wage rates and the 'National Living Wage' – know the difference

Unlike the Government minimum wage ('National Living Wage' for over 23s – £9.50) the real Living Wage is the only wage rate independently calculated based on rising living costs. A full-time worker earning the new, real Living Wage would earn £2,730 a year more than a worker earning the current government minimum (NLW), and £1,950 more than their current pay.

In London, a full-time worker on the new real Living Wage rate would earn an additional £4,777.50 a year compared to a worker on the current NLW.

The Living Wage movement continues to grow

Over the past two years the Living Wage movement has continued to grow, with the number of Living Wage employers more than doubling. Major new Living Wage employers announced during that time include the Royal Albert Hall, Aston University, and the Excel Centre. They join half of the FTSE 100 companies, household names like Aviva, Everton FC, Ikea, Burberry and Lush as well as thousands of small businesses, who are choosing to pay the real Living Wage to provide workers and families with greater security and stability.

There are now also 39 Living Hours employers, including abrdn, Aviva, and West Brom Building Society, going beyond payment of the real Living Wage to also provide a guaranteed minimum of 16 hours work a week, a month's notice of shift patterns and a contract that reflects hours worked.

Low pay

There are 4.8m workers paid less than the real Living Wage. Research [published last week](#) by the Living Wage Foundation found that over the past 6 months more workers are skipping meals and using food banks than ever before.

Katherine Chapman, Living Wage Foundation Director, said: "With living costs rising so rapidly, millions are facing an awful "heat or eat" choice this winter- that's why a real Living Wage is more vital than ever. Today's new rates will provide hundreds of thousands of workers and their families with greater security and stability during these incredibly difficult times.

"We are facing unprecedented challenges with the cost-of-living crisis, but businesses continue to step up and support workers by signing up to the Living Wage in record numbers. We know that the Living Wage is good for employers as well as workers, that's why the real Living Wage must continue to be at the heart of solutions to tackle the cost-of-living crisis."

Archbishop of York, Stephen Cottrell, said: "As we reflect during a very sad and troubled period, we can take heart from this news which will make a vital difference to the lives of many thousands of workers across our country. With living costs rising and many families struggling, a wage that meets everyday needs is more essential than ever. These new Living Wage rates will see thousands of employers provide hundreds of thousands of workers with a wage that will help support them through the difficult times ahead. Decent pay that covers living costs should be a foundational principle for business and, as we approach a difficult winter, I hope to see more employers adopt a Living Wage."

Kristof van Beveren, General Manager, UK, Getir, said: "Getting our people a decent living wage is very important to Getir. It embodies Getir's values and is essential for attracting and retaining talent. In this way, we set the bar for q-commerce, and we fully intend to continue doing so."

Ibrahim Hassan Ali has been working for Getir since June, he said: "I'm 21 and with the current economic environment, working for a business with the living wage accreditation is very important as I feel more secure. We have guaranteed scheduled working hours alongside the real living wage and we get bonuses and tips on top. They provide everything I need – pensions, paid annual leave, sick pay, insurance, protective equipment and electric delivery vehicles. I enjoy the positive environment within the workspace with a diverse team and try to keep our customers satisfied having completed almost a thousand orders since I started."

Chris Smallwood, Owner of Anchor Removals, a Living Wage employer, said: “When I started my business, I wanted to acknowledge the importance of a wage that values people. I wanted to break this mentality that is endemic in my industry that it has to be tough. When I get up in the morning, I can look myself in the mirror knowing all the good things around me are not at the expense of other people, because I’ve paid them well. I’ve seen an employee go from gambling addiction and debt to become debt free and move into a home with his girlfriend at the age of 42. He got on the wrong track in life and just needed an opportunity and at the heart of that was a Living Wage job. Think of the benefit to individuals, but also society, by paying a wage that enables workers to stand on their own two feet.”

Gavin Ryan, a Living Wage worker at Anchor Removals, said: “When I started working for Anchor 10 years ago, the wages were poor and we were struggling. I found it really hard. Our Managing Director Chris changed us to a Living Wage Employer in 2016, as he had always said when we got through the tough times he would look after us and he has. Now, I have stability and job security, and the wages have helped me move out of my mum’s house and into a home with my partner. I can also look after my daughter and buy her the things she needs. During the pandemic, my partner Nic lost her job as a travel consultant and went to work for a supermarket. Her hours and pay were not great, but because I was earning the Living Wage with guaranteed hours, I knew I could support her. It was a life saver.”