

THE LIVING WAGE IN HOSPITALITY:

A toolkit for hospitality employers

Living Wage Foundation 2024

Supported by:



Foreword



23 years after the Living Wage campaign began in the UK with a meeting in Bethnal Green in East London, **more than 15,000 employers across the country** voluntarily choose to go beyond the government minimum and pay their workers a real Living Wage. This commitment to tackle in-work poverty has resulted in nearly £3.5 billion going back into the pockets of low paid workers.



However, there are **still 3.7 million employees in the UK earning less than the real Living Wage¹**. Hospitality is the third largest employer in the UK and accounts for **1 in 10 jobs across the country²**, in businesses ranging from coffee shops to night clubs, wedding venues and holiday accommodation.



The sector plays a significant role in our local economies. But, it has, for the last 12 years, remained the sector with the **highest levels of jobs paying below the Living Wage**.



Hospitality has faced many challenges but a record number of employers are joining the Living Wage movement and reaping the benefits. There are now over 600 Living Wage Employers in the hospitality sector, benefiting more than 17,000 workers.



This toolkit draws on independent research from Middlesex University, which included interviews with hospitality workers and Living Wage Employers. It celebrates the work of Living Wage Places action groups across the UK, including Making London a Living Wage City, who are engaging hospitality employers in their localities.



We are incredibly grateful to those who have joined the movement and are working tirelessly to drive up standards. These employers are changing the industry for the better.



Katherine Chapman,
Director
Living Wage Foundation



Foreword (continued)

The hospitality sector is a major part of London's economy – it provides employment, particularly during the evening and night, and ensures that London remains an attractive and vibrant destination for visitors and Londoners alike.

It is resilient and has recovered strongly from the challenges of recent years.

While there has been growth in the number of hospitality employers accrediting as Living Wage Employers, there is still work to be done. Hospitality is the sector with the **highest proportion of low paid jobs across the capital – at 49%³**.

We understand the challenges this sector faces and continue to support the capital's hospitality employers to thrive and provide good jobs for Londoners.

The Mayor's Good Work Standard includes London Living Wage accreditation, and for 3 years we have partnered with the Living Wage Foundation and Citizens UK on the Making London a Living Wage City project.

The vision is simple – for everyone in the capital, whether they work during the day or at night, to earn at least the real Living Wage. London now has more than 4000 London Living Wage Employers, with over 200 of those in hospitality.

London Mayor Sadiq Khan has committed to delivering a new London Growth Plan setting out how we can boost jobs and growth including in sectors like tourism and hospitality. He has set a target helping to create more than 150,000 good jobs – across all sectors - by 2028.

We endorse this toolkit and the practical tips it shares to support hospitality businesses to accredit as Living Wage Employers. We celebrate Living Wage Employers in the hospitality sector and look forward to many more joining this growing movement.



Howard Dawber
*Deputy Mayor of London for
Business and Growth*

GREATER
LONDON
AUTHORITY



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INTRODUCTION TO THE REAL LIVING WAGE

What is the real Living Wage?

The real Living Wage* is the only UK wage rate based on the cost of living. It is **voluntarily paid by over 15,000 UK businesses** who believe their staff deserve a wage which meets everyday need.

The **Living Wage rates** are updated in Autumn each year. The rates are calculated by the **Resolution Foundation** and have a separate rate for London to reflect the higher cost of living in the capital. Accredited employers then have 6 months to implement the new rates.

The calculation is overseen by the **Living Wage Commission**, an independent body drawn from leading Living Wage Employers, trade unions, civil society and academics.

The methodology is based on the '**Minimum Income Standard**', which is determined by what the public think is needed for an acceptable standard of living in the UK. In April 2016 the government introduced a higher minimum wage rate for all staff over 25 years of age inspired by the Living Wage campaign calling it the '**National Living Wage (NLW)**'.

In 2021 the NLW was adjusted to include those over 23 years old³. And in 2023 it was adjusted further to include those aged 21 and over.

However, this wage is not calculated according to what employees and their families need to live.

The Employment Rights Bill, introduced by the Labour government in October 2024, states that the Low Pay Commission (the body that advises the government on the rate to set the National Minimum Wage and the NLW) must take the cost of living into account in their calculations.

The remit of the Low Pay Commission also requires them to ensure that the NLW doesn't fall below two-thirds of median earnings.

The real Living Wage rates are higher because they are independently-calculated based on what people need to get by. That's why we encourage all employers that can afford to, to ensure their employees earn a wage that meets the costs of living, not just the government minimum.



THE REAL LIVING WAGE IS THE
ONLY RATE INDEPENDENTLY
CALCULATED ANNUALLY,
BASED ON THE REAL
COST OF LIVING

*For the purpose of clarity, where the phrase 'Living Wage' is used in the remainder of this toolkit, it refers to the voluntary Living Wage in the UK, set by the Living Wage Foundation, whilst quotes may still refer to the real Living Wage

History of the Living Wage Campaign



The **Living Wage movement began in 2001**, after **Citizens UK** brought together churches, mosques, synagogues, schools and other local institutions in East London to discuss issues that affect their communities. The same issues came up time and time again - poverty and low pay.

The movement is a unique example of businesses, civil

society institutions and citizens coming together around the belief that all workers deserve a wage that **meets their everyday needs**.

It became clear that the government's minimum wage was simply not enough. The gap between the legal minimum and the amount needed for families to live on was having a big impact on people and their family lives.

The campaign grew in momentum and soon required a mechanism to recognise employers who wanted to join the movement, which saw the establishment of the Living Wage Foundation in 2011.

Living Wage Employers **pay all their directly employed** and

regular third-party contracted staff the Living Wage. It is a voluntary scheme, providing an ethical benchmark for responsible pay.

Still part of Citizens UK today, the Living Wage Foundation continues to work with community organisations to make sure the **voices of both workers and businesses** are part of the Living Wage movement.

Since the campaign started, we have seen cross-party support and **475,000 people have had their wages uplifted** as a direct result of the movement. For each of these people, the increase to the Living Wage means the difference between struggling to keep the

heating on and being able to afford to put food on the table.

There are now **over 15,000 accredited Living Wage Employers**, including **50% of the FTSE 100** and big household names including Nationwide, Google, Everton FC, and Lush.

Thousands of accredited small-to-medium size enterprises are also part of the network. All accredited Living Wage Employers uplift their employees to the new Living Wage rates every year.

Collectively, these employers have put **almost £3.5 billion** back into the pockets of low-paid workers.

The background is a solid teal color. In the upper right, there is a large, light beige circle. To its right, there are several overlapping geometric shapes, including a light beige triangle and a teal triangle. In the lower right, there is a large, light beige triangle pointing upwards. The text is positioned on the left side of the image, in a light beige, sans-serif font.

WHY IS A REAL LIVING
WAGE NEEDED IN
HOSPITALITY?

Economic Landscape

Hospitality is a diverse sector represented by the following businesses⁴;

- Coffee shops
- Hotels
- Serviced apartments
- Pubs
- Wedding Venues
- Entertainment
- Restaurants
- Leisure Parks
- Nightclubs
- Contract caterers
- Visitor attractions
- Holiday Accommodation

Hospitality is the third biggest employer in the UK, equating to **3.5 million workers**⁵. The sector accounts for 1 in 10 jobs across the country, contributes **£93 billion annually** to the economy and represents **4% of UK GDP**⁶.

The sector has shown **faster economic growth** than any other sector. In 2022, hospitality generated **£20 billion in exports** and attracted **£7 billion in business investments**⁷.

Pre-pandemic, in 2019, the hospitality sector's economic output was £59.3 billion and had only accounted for 3% of the UK's economy⁸. The pandemic has highlighted the importance of this sector and the effect of it on the UK's economy and social impact.

Despite this growth, hospitality businesses have faced significant challenges and changes linked to Brexit, reduced operations during lockdowns, as well as changes in national law around tipping and holiday pay for employees working irregular hours.

High inflation resulting in increasing costs of food, beverages and energy prices, have squeezed budgets and forced increases in consumer pricing⁹.

As well as financial costs, the impact of Brexit and Covid have resulted in labour shortages in the sector: businesses can no longer rely on workers from mainland Europe and many workers that moved out of the sector during furlough have not returned.

Consequently, the sector has seen a significant number of businesses closing their doors for good. 1 in 40 venues shut down in the 12 months to March 2024¹⁰.

Despite this, across the UK, hospitality employers are joining the Living Wage movement at record breaking levels. There are now more than **6 times** the number of accredited hospitality employers compared to pre-pandemic, directly impacting over **17,000 workers**.



#LivingWage

Low Pay and Job Insecurity

Hospitality has remained the sector with the **highest proportion of jobs that pay below the real Living Wage for 12 consecutive years**¹¹.

The issue of low pay is an issue of equality as **low pay disproportionately affects migrants and racialised communities**¹², **women**¹³ and **young workers**¹⁴.

Hospitality is the **main driver of the night-time economy** with 42% of consumer spending after 6pm taking place in nightclubs, bars, restaurants and cafes¹⁵.

Evidence shows that workers in night-time industries are more likely on average to be paid less than the real Living Wage than those in other industries¹⁶.

Night workers are **more likely to face negative health impacts** as well as facing **increased risk of safety**.

Hospitality remains one of the sectors most at risk of insecure employment, alongside agriculture and entertainment¹⁷, with the sector's heavy reliance on zero-hour contracts, prevalence of low pay and increasing space within the gig economy.

Between 2022-2023, the number of "secure" workers in the sector declined by 95,000 and the number in **severely insecure work rose by 76,000**¹⁸.

"Secure" workers refers to those experiencing no forms of insecure work while "severe insecurity" refers to those experiencing involuntary part-time and/or temporary, or multiple forms of insecurity.

3 in 5 people entering insecure work are **women**

Insecure work grew more rapidly among Indian, Black African and Black Caribbean workers than White British workers and other groups in 2022-23

Insecure work is a diversity issue

Young workers (16 – 24) are 2.2 times more likely to be in severely insecure work than older workers (50-65)

Record numbers of **disabled workers** are now in severely insecure work in 2024

Figures are for all sectors. Source: Florisson, R. (2024) [The UK Insecure Work Index 2024](#).

Comment: The Case for Diversity, Equity, Inclusion and Belonging in Hospitality

The real Living Wage plays a crucial role within hospitality in Diversity, Equity, Inclusion, and Belonging (DEIB) strategies, particularly where there is a diverse workforce and historically lower wages. Integrating the Living Wage into DEIB strategies helps hospitality employers create a fairer and more inclusive environment.

The hospitality industry has seen pay disparities across different demographics, and although it has taken proactive steps, implementing a real Living Wage ensures all employees, regardless of background, are paid fairly for their work. This helps address systemic inequalities, particularly for frontline staff.

When employees earn a Living Wage, they are better able to support themselves and their families, contributing positively to their communities. This creates a ripple effect that promotes equity within the company and in society at large.

Employees are more likely to stay with a company long enough to advance in their careers, important for underrepresented groups who may otherwise face barriers to promotion.

When employees feel recognised and financially secure, they participate in company activities and training, fostering a more inclusive workplace culture and securing succession and representation within senior roles.

Incorporating a Living Wage into DEIB strategies is a practical and powerful way to foster inclusion, boost morale, and create a sense of belonging. It increases service performance, translating into financial results and profitability.

The hospitality industry thrives because of our diverse workforce. Fair and equal pay through the Living Wage is a piece of the puzzle towards offering sustainable and inclusive workplaces for all.



*Written by Stella Amor,
HR & DEIB Consultant,
Reignite Purpose Limited in
partnership with the Institute
of Hospitality*



Workers' Perspective

To help us create this toolkit, Middlesex University undertook research, including interviews with hospitality workers. Here and on the next two pages are some of the findings.

Hospitality workers reported **financial and psychological benefits** when receiving the real Living Wage as opposed to the National Minimum Wage.

Workers feel the full benefits of this when **offered sufficient and guaranteed hours** (see [pg.32](#) for information on Living Hours) along with other elements such as a good work environment, development opportunities and other benefits (e.g. sick pay, holiday, meals, taxis for late-night workers).

Workers reported a positive effect on their **intention to stay** with an employer where they felt more **valued**, hence a greater **ownership** of their work.

[the benefits and incentives] give me a sense of ownership. I feel like this is my hotel. Is that my guest? I need to make them happy. (Hotel worker)

I can breathe a little more. I can save for something else, something bigger, something for a rainy day. (Hotel worker)



The Difference the Living Wage makes to Workers

Hospitality workers were interviewed on the benefits of receiving a real Living Wage. Here's what they said...



Financial security

"It allows me to take care of myself and my expenses. It allows me to help my family out."

Events logistics worker

Recruitment and retention

"The London Living Wage aided in persuading me to stick to here compared to other places, so it does make a difference."

Events logistics worker

Improved mental health and wellbeing

"I can actually come to work and enjoy what I'm doing rather than worrying about being able to make ends meet"

Hospitality venue worker

Enjoying a higher level of base pay

"I couldn't afford to take time off when I earned minimum wage. I couldn't afford to pay my bills. Because you don't get service charge when you are on holiday."

Hospitality venue worker

Beyond a Living Wage

Hospitality workers identified other factors that are important for their wellbeing including **sufficient and guaranteed hours**, good **development opportunities** and **safe ways to travel home** when working at night. There is more information about the Living Hours scheme [here](#).

Transport for night workers

"When we finish late there are no trains running and very few buses. You can feel unsafe travelling at that hour. Sometimes the bus home takes two and a half hours."

Hotel worker

Guaranteed Hours

"I'd prefer guaranteed hours. There aren't always shifts throughout the year so there are long periods when you're not getting paid unless you have another job. That inconsistency hurts a lot."

Events venue worker

Stability of a contract

"At the stage I'm at I would 100% prefer a contract. Sometimes you don't know when you're working, when you'll next get an income."

Hospitality venue worker

Gaps between shifts

"There should be a certain number of hours between shifts. Sometimes we finish at 11pm and have to be back in for 8am. Because it's zero hours we don't have the privilege of a contract setting that out."

Events venue worker





IMPLEMENTING THE REAL LIVING WAGE IN HOSPITALITY

The Accreditation Process

STEP 1

Ensure **all directly employed staff** are paid the Living Wage.

All staff over the age of 18 are in scope, excluding apprentices.

There is an hourly rate for the UK and a higher hourly rate for London to account for the higher cost of living.

See the [Living Wage Foundation website](#) for the current rates.

STEP 2

Have a plan to pay **all third-party contracted** staff such as cleaning and security staff, the Living Wage:

- **Identify** all third-party contracts where staff are frequently providing a service: for 2 or more hours a week for 8 consecutive weeks or more.
 - Find out if the Living Wage is paid on these contracts.
- Have a **plan in place** to move contracts to the Living Wage at the first legal opportunity, usually within 3 years (each of these contracts will be included as a milestone in your licence agreement).
- Build the Living Wage into **all future contractual agreements** and into third-party communications.

STEP 3

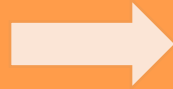
Check Hospitality policy ([pg.18](#))

Review [FAQs](#).

The Accreditation Process (continued)

STEP 4

Submit your signed licence agreement form online with your list of milestones which have been agreed with the Living Wage Foundation.



STEP 5

Accredit as a Living Wage Employer!

Celebrate your accreditation.



STEP 6

Living Wage rates are updated annually every Autumn: implement the rise as soon as possible. All employees should be receiving the new rates by 1st May each year.

Ensure the uplift has been implemented across third party staff.

Report milestone progress to the Living Wage Foundation at the anniversary of your accreditation.



Sunborn London Yacht Hotel receive their Living Wage accreditation plaque from Cllr Caroline Adaja

Policy Areas to Consider in Hospitality

Here you will find key details of the accreditation policies that relate to the Hospitality sector. These policies mimic National Minimum Wage law and have been written in consultation with the [Advisory Council](#), including the TUC. As some policy areas can be complex, we would encourage you to get in touch with the Living Wage Foundation to discuss implementing the Living Wage in your organisation.

Housing Allowance

An offset of the [national minimum wage](#) is allowed, per week when an employer provides accommodation for a member of staff.

We do not allow an accommodation offset to the Living Wage amount.

Service Charges

Hospitality employers must ensure baseline pay is set at the real Living Wage, with **tips/service charges added on top.**

Food and other staff benefits

All benefits must be explicitly **opt-in** and cannot make up part of the real Living Wage payment.

Franchises

In certain circumstances, we can accredit individual franchisees. For franchised brands and parent companies, we generally expect all subsidiaries and/or franchised operations to be compliant with the Living Wage.

We know this can be a complex area, and so we recommend you speak to the Living Wage Foundation to understand the best route forward for your organisation.

Implementing the Living Wage in Hospitality: Tipping

Hospitality businesses wishing to become accredited Living Wage Employers must pay the real Living Wage as an hourly base rate and any tips or service charges are to be paid on top of the hourly rate of pay. Tips and service charges are very much part of Hospitality culture and staff can earn substantial additional income from them. However, income from tips and service charges is not guaranteed and makes it hard for workers to budget and get a rental contract or mortgage. The Tipping Act is now in force, requiring employers to fully pass on tips and service charges to staff in a fair and transparent way.

How employers implement the real Living Wage alongside tips and service charges

- Living Wage Foundation guidance mirrors National Minimum Wage guidance in not allowing tips to be used to 'top up' wages
- Most employers raise the base rate and keep service charges in place
- Employers design tips and service charge policies that are as fair as possible, often based on hours worked and length of service

"I couldn't afford to take time off when I earned minimum wage. I couldn't afford to pay my bills. Because you don't get service charge when you are on holiday."

Hospitality venue worker

Implementing the Living Wage in Hospitality: Pay Differentials

Maintaining pay differentials across a business can be challenging for employers. With sufficient planning and communication with staff, employers have been able to successfully implement the real Living Wage with appropriate pay scales. Below and overleaf, two hotel chains talk about their experiences:

A mid-sized hotel chain restructured its lower pay tiers to implement the Living Wage across its workforce.

“The only challenge we had [to implementing the Living Wage] was to create layers within the team. Taking the kitchen as an example because it was the most problematic for us. In the kitchen there are five roles: porter, commis, demi chef de partie, sous chef, and head chef. The entry level ones were more problematic because there should be a gap between the porter, commis and demi chef de partie.”

“But we couldn't do that because if we raised pay from the commis onwards we would have an escalation of a high payroll. So, we went the other way around it. We don't recruit commis anymore. We developed our kitchen porters into kitchen assistants. It was a good investment for their growth. And they like that because it's something different to their usual tasks.”



Photo by Richard Melick, Unsplash

Implementing the Living Wage in Hospitality: Pay Differentials

An international hotel chain has a lean management concept and adjusted pay across all pay tiers.

“The beauty is we have only three roles in the hotels: frontline staff, assistant hotel manager and hotel manager. That's it. And what I basically did is increase everybody's salary. I kept the percentile difference between the roles and made sure that everybody got the increase.

“Because, in the end, if you have those percentile differences, you weren't only paying your frontline stuff too little. But you also didn't pay the best enough. So, it was pretty easy for us to do. And that's the advantage of our lean business model.”



Photo by Crew, Unsplash

“We only have three roles in our hotels and basically increased everybody's salary”

Regional manager,
International hotel chain

Implementing the Living Wage in Hospitality: Annual Budget Planning

Curzon has been in the cinema industry since 1934. It has 16 venues across the UK and also buys and distributes films. It releases its own films simultaneously in cinemas and on its streaming service Curzon Home Cinema. Curzon is a brand that has stood the test of time, evolving to meet the demands of audiences and the fast changes of a dynamic film industry. In 2015 Curzon became the first independent cinema group in the UK to pay the Living Wage. Head of Operational HR at Curzon, Ally Clow, spoke about how it was incorporated into annual budget planning.

“The real Living Wage is a great foundation upon which to build a fantastic culture”

Ally Clow
Head of Operational HR,
Curzon

CURZON

“When you implement something like Living Wage, those lines in the sand that you draw as an employer are non-negotiables. There are certain costs you accept, and that's labour, rent, rates, stock costs. A lot of exercises in an operations business are about reducing those costs. If you sign up to the Living Wage you can't do that. You have a fixed cost for a year. And not only that, it's going to go up every single year and by different increments. And we accept that, embrace and understand it.”

“Knowing that helps us build budgets and forecasts. We factor it in every single year. It doesn't only affect those people directly on that wage. We also pay our Duty Managers £1 higher than the Living Wage. Then our Assistant Managers are paid higher than the Duty Managers and the General Managers higher again. Living Wage is a baseline upon which we can start to understand and factor in a budget and forecast all our labour costs. The Living Wage in and of itself doesn't solve all the problems, but it's a great foundation upon which to build a fantastic culture. It helps us contribute to an overall atmosphere of caring about our staff.”

The background is a solid teal color. It features several abstract geometric shapes in a light beige or off-white color. These include a large circle in the upper center, a large triangle in the lower right, and various smaller triangles and curved shapes scattered in the upper right and lower right areas.

BENEFITS OF PAYING THE REAL LIVING WAGE

Why Accredit?

When interviewed, hospitality employers reported a number of benefits and opportunities that come with accreditation.

Assurance for Employees

"It's an assurance for our employees, knowing that when the [new Living Wage rate is announced], they're going to get a raise so they will manage in the future."

Andrea Barnabe,
HR Manager,
Sunborn London Yacht Hotel

Boosting Recruitment

"We get a higher grade of applicants for General Assistant vacancies. And we can attract candidates looking for something a bit more stable. Our brand aligns with the Living Wage. I've had testimony from many candidates over the years that they have partly applied to [our company] because we're a Living Wage Employer."

Ally Clow,
Head of Operational HR,
Curzon

Recognition and Reputation

"Recognition is crucial. Our primary motivation has always been to pay our staff fairly and gain acknowledgment from councils, government, and residents. The hospitality industry can struggle with its image, so improving this perception among customers, as well as staff, is important. Achieving Living Wage accreditation significantly enhances the reputation of the industry and individual businesses. The local authority highly values this accreditation and frequently mentions it in our interactions."

Kerry Maisey, Owner/Director,
Ridley Road Market Bar

Why Accredited?

When interviewed, hospitality employers reported a number of benefits and opportunities that come with accreditation.

Becoming an employer of choice

“Especially after Covid, we really wanted to become an employer of choice. We wanted to look after people and make sure they were in a healthy environment, which is connected to the culture, ethos, and core value of the company.

And to tackle that it’s also very important to make sure individuals have the correct financial income to sustain themselves and their family.”

**Operations Director,
Hotel**

Improving Staff Retention

“Turnover of staff has been 20% less compared to last year. It’s related to many factors, but the London Living Wage has influenced it as well.”

**Andrea Barnabe,
HR Manager,
Sunborn London Yacht Hotel**

Increased productivity

“There might be situations where an additional person on the rota would be feasible if everyone were paid a minimum wage rather than a Living Wage. But this raises the question of the quality of the workforce. A higher wage leads to better quality workers who stay for longer and require less training, potentially eliminating the need for an additional person.”

**Kelly Davis,
Head of People,
Sessions Art Club**

Why do consumers think?

Polling undertaken by Survation on behalf of the Living Wage Foundation showed that customers care about hospitality staff being paid a Living Wage and would be willing to pay more if it meant hospitality businesses increasing wages. Full report [here](#).

84% of people who visit restaurants and bars at least once a month believe that all staff should be paid the real Living Wage

66% said they were more likely to choose a hospitality venue if businesses paid their staff the real Living Wage

60% would be more willing to pay an additional amount if the businesses paid their staff the real Living Wage

Case Study: Box-E in Bristol

BOX-E is a 14-cover restaurant in a pair of shipping containers in Bristol. Tessa Lidstone, restaurant manager, talked about the importance of their Living Wage accreditation:

“Getting Living Wage accreditation isn’t a sticker for your door. It’s about joining a social movement for change; standing together to advocate for better pay and job security for all, not just those higher up the earning ranks.”

“This is more important in industries with a reputation of poor pay. If we can demonstrate that it’s possible to run a restaurant where people are paid above the industry standard, and, importantly, don’t have to work a damaging number of hours to be awarded that pay, then it may engender a more widespread shift. This is hugely important to me.”

“We can’t grumble that young people don’t want to join our industry if their pay prospects, even as experienced chefs and waiting staff, are barely enough to live on.”



“For our skilled team we know that our Living Wage accreditation offers a security which encourages them to stay with us for many years, and not come into work worrying about being able to afford energy bills.”

“I cannot over-emphasise the benefits to a business that happy, long-term members of staff bring. Positivity breeds positivity. Happiness is infectious. Hospitality is nothing without humans.”

Case Study: Human One Global

Human One Global is a leading supplier of temporary, permanent and outsourced staffing solutions across all departments of the hospitality, leisure, retail and commercial sectors. Managing director **Amber Blount** talks about how being an accredited Living Wage employer helps her business stand out.

“In recent years, we have seen a sharp rise in individuals opening recruitment agencies for the hospitality sector, often in their back rooms and paying cash in hand. Such payments are not adequately monitored and frequently fall below the Living Wage. Often these practices go hand in hand with other gross failures in statutory compliance. Having our Living Wage accreditation on our letterhead and website reassures our existing team and new staff that we are a reputable employer, and one that can be trusted.”

“Paramount to us is that we look after both candidates and clients - without our excellent candidates we don't have clients and vice versa. With so many agencies and partners to choose from and with the legislative face of our industry constantly evolving, our clients want to know that the partner they have chosen is trustworthy and compliant. Our Living Wage accreditation goes a long way towards reassuring our clients that we treat our staff fairly.”

“Our Living Wage accreditation goes a long way towards reassuring our clients that we treat our staff fairly”

Amber Blount,
Managing Director,
Human One Global



NEXT STEPS

Going Further

Paying the Living Wage to staff in hospitality should be seen as part of a wider package of benefits offered to staff. On the following pages are examples of how Living Wage Employers in the sector go above and beyond. There is also information about Living Wage Foundation schemes including **Living Hours**, **Living Pensions** and **Living Wage Places**.

Training & development

Alongside pay, training and development opportunities are important.
What are your progression pathways?

"We believe in empowerment. We want an environment in which people can be themselves. We don't look at your background, but at who you are as an individual and we built a whole framework around that such as training to develop self-confidence. We're trying to teach you to listen to yourself and make your own decisions. And that's unheard of in hospitality."

**Regional Manager,
International Hotel Chain**

"In terms of expanding the business, we are looking at getting longer term staff to run events, so that they take a share of the profit as well. We want to let them be part of the business as opposed to just being employees."

**Founder/Owner,
Pizza Bakery**

Staff voice

How far do you communicate with and listen to staff?

"When we have to adapt contracts we always hold a meeting first, so that they understand. They don't all speak English. Some speak Spanish or Romanian. So we translate. I'd rather do it verbally so that everybody can ask questions in their own language, and I always have a mother tongue person present."

**Operations director,
Hotel**

Going Further (continued)

Developing a 'good work' culture

"Signing up to the London Living Wage makes you committed to noticing all the things you want to benefit your employees with. It's not saying, 'oh, we're doing the Living Wage and can't take you on a staff trip'. It's thinking about how much we need to factor in people's enjoyment beyond a wage?"

**Co-Director,
The Dusty Knuckle Bakery**

"The people, the atmosphere, and the pay are good. I enjoy my job. The people are great. I feel like they value us more, maybe because they accommodate us with good pay. They care about us. I had a bad situation a few months ago, and they really helped me with that."

**Receptionist,
Events venue**

Going beyond statutory requirements

"We will make it mandatory for night staff to work a maximum of 4 nights on the same salary as those working 5 days. Employees working nights increasingly suffer from mental health issues and the longer you work nights the more negative the impact is. In some countries it's mandatory. In the UK that protection isn't there, and we need to protect people."

**Regional Manager,
International Hotel chain**

"Usually, we just pay full sick pay. If you're sick for a week we just give them the whole thing. And we know that they're sick. That's why they're not working. So we're showing that we trust them."

**Manager,
Bar**



The **Living Hours programme** is open to all accredited Living Wage Employers. To become an accredited Living Hours Employer, organisations must provide all directly employed staff who earn less than the real Living Wage x 1.25 and regular, third-party contracted staff within scope of existing Living Wage accreditation with:

- Decent notice periods for shifts of at least 4 weeks
- A contract that reflects the hours they regularly work
- A guaranteed minimum of 16 hours a week (unless workers request fewer)

As with Living Wage accreditation, relevant directly employed staff must be receiving these measures at the point of accreditation and third-party contracted staff can be moved to the measures on a rolling basis.

For more information, please contact living.hours@livingwage.org.uk or fill out the form [here](#).



5. NEXT STEPS

Providing workers with security and stability in retirement

The Living Pensions standard builds on the work of the real Living Wage by providing stability and security for workers now and in the future.

This is a voluntary savings target for employers, to help workers build up a pension pot that will provide enough income to meet basic everyday needs in retirement.

If you are interested in becoming a Living Pension employer, please **register your interest**.



Hospitality in Living Wage Places

Hospitality venues play a significant role in towns and cities. Living Wage Places action groups are now active in 17 UK places; local mayors, business leaders and civil society work together with the aim of making payment of the Living Wage the norm in their area. Andrea Rasca and Lou Cordwell talk about their work supporting hospitality employers in London and Greater Manchester.



Andrea Rasca,
CEO of Mercato
Metropolitano and
member of the
Making London a
Living Wage City
Steering Group,
representing the
Hospitality sector

*“Life in our capital can be tough. As employers, we must empower our workforce to navigate this landscape with confidence – supporting them and their families to live securely, healthily, and happily. What is our financial responsibility as London employers? What kind of culture do we want to nurture? And what kind of future do we want to build? **Committing to being a London Living Wage Employer is synonymous with committing to people, community, and prosperity for all** – so we hope more businesses will join us in this mission to ensure everyone across our capital receives the fair pay they need and deserve.”*

*“The Living Wage City-Region Action Group in Greater Manchester has engaged hospitality employers **to share our vision for a thriving and dynamic sector that compensates all staff fairly**. Businesses of all sizes have demonstrated that they can incorporate the real Living Wage into a successful business model – from café and caterers Open Kitchen to new music arena Co-op Live. For these operators and many others, adopting the real Living Wage has improved recruitment and retention, enhanced staff engagement and wellbeing, and increased overall productivity.”*



Lou Cordwell,
Chair, Greater
Manchester Living
Wage City-Region
Action Group

Case Study: Borough Market

Borough Market is an iconic market that has operated from the south bank of the Thames since 1756. It is an accredited Living Wage and Living Hours employer.

It is run by a charitable trust, which leases market space to c.120 traders, who themselves employ over 600 people. Its mission is to show that food can be made and sold in ways that are better for people, the planet and the pleasure of eating.

All new traders are required to pay the London Living Wage to their staff and secure Living Wage accreditation as a condition of obtaining their licence or lease. Borough Market created a buddy system with existing traders and celebrated accredited employers at its recent trader conference. A third of traders have now accredited as Living Wage Employers.

Head of Development at Borough Market, Shaun Johnson, said: **“Our traders are feeling the benefit of the accreditation through increased staff retention and team motivation. Staff across the Market are feeling more secure and valued in their job. It's given people a lift in more ways than one.”** Living Wage accreditation has encouraged traders to invest more in training new staff and getting them up to speed more quickly.

The Market's aspiration is that everyone who works there will enjoy the sense of security provided by this meaningful commitment.

“Though it may feel challenging, each small step forward builds understanding and opens up new opportunities for us to help more businesses overcome their obstacles.”



Borough Market is part of the Southwark Living Wage Places action group, which supports local businesses to become accredited Living Wage employers.

GET IN TOUCH

We hope that you have found this toolkit useful in learning more about accrediting as a Living Wage Employer.

Contact the Living Wage Foundation and begin your journey to become an accredited Living Wage Employer

Get in touch with the Living Wage Foundation to discuss any questions or challenges your organisation has regarding the accreditation process.

The role of the Foundation is to support you in your journey towards accreditation and we can put you in touch with other hospitality employers who have already taken the steps to accredit to share best practice on implementing the real Living Wage.

www.livingwage.org.uk/become-a-living-wage-employer

www.livingwage.org.uk/contact-us

accreditation@livingwage.org.uk

Scotland:
Scottishlivingwage.org

Wales:
livingwage.wales



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