

# FAIR PAY MATTERS

Tuesday, 19<sup>th</sup> March 2019

Presented by:  
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Co-Founder & Chief Executive



# INTRODUCTION

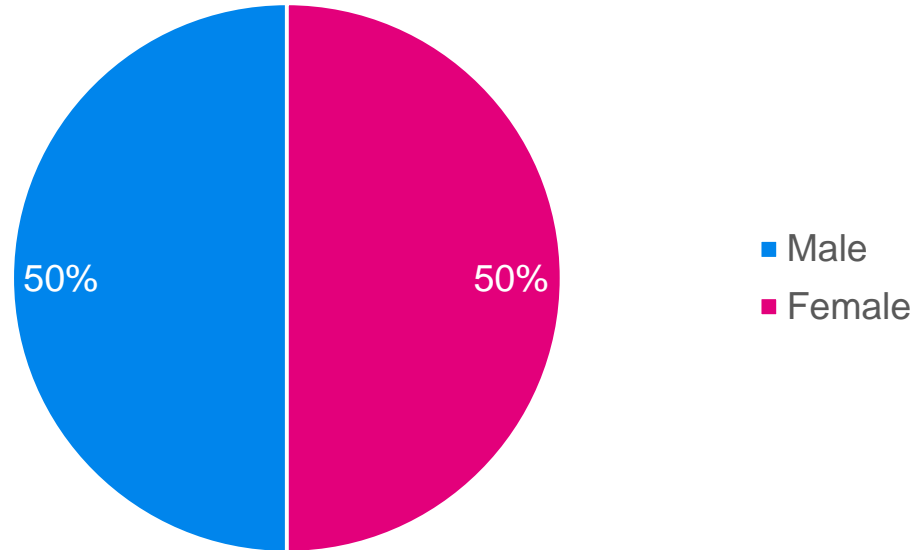


- Appeared on **Dragons' Den**
- Stood for **Parliament**
- Commercial **contract cleaning** provider
- **London** and **Manchester**
- Award-winning **family business** established 1999
- **Team of 600** from 34 countries
- **Living Wage accredited** service provider

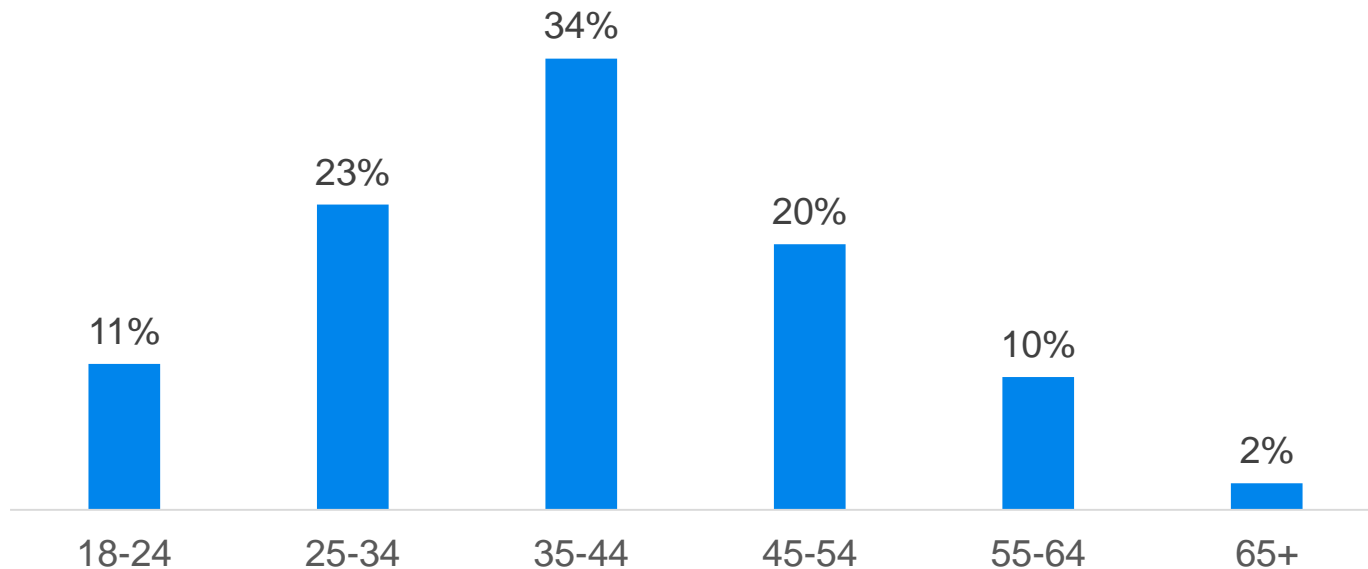
# RESEARCH

- Research was conducted in the UK among 1,056 respondents
- All interviews were conducted online during January 2019

# GENDER



# AGE



**FAIR PAY**

**MATTERS...**

**FAIR PAY  
MATTERS...  
WHY?**

**FAIR PAY MATTERS...**

**WHY?**

**TO WHO?**



# FAIR PAY MATTERS...

## TO WHO?

### STAFF



**FAIR PAY MATTERS...**  
**TO WHO?**  
**EMPLOYERS**



**FAIR PAY MATTERS...**

**TO WHO?**

**CLIENTS**



# STAFF



# EMPLOYERS



# CLIENTS



# BUILDING USERS ?



# Unethical businesses **will suffer**



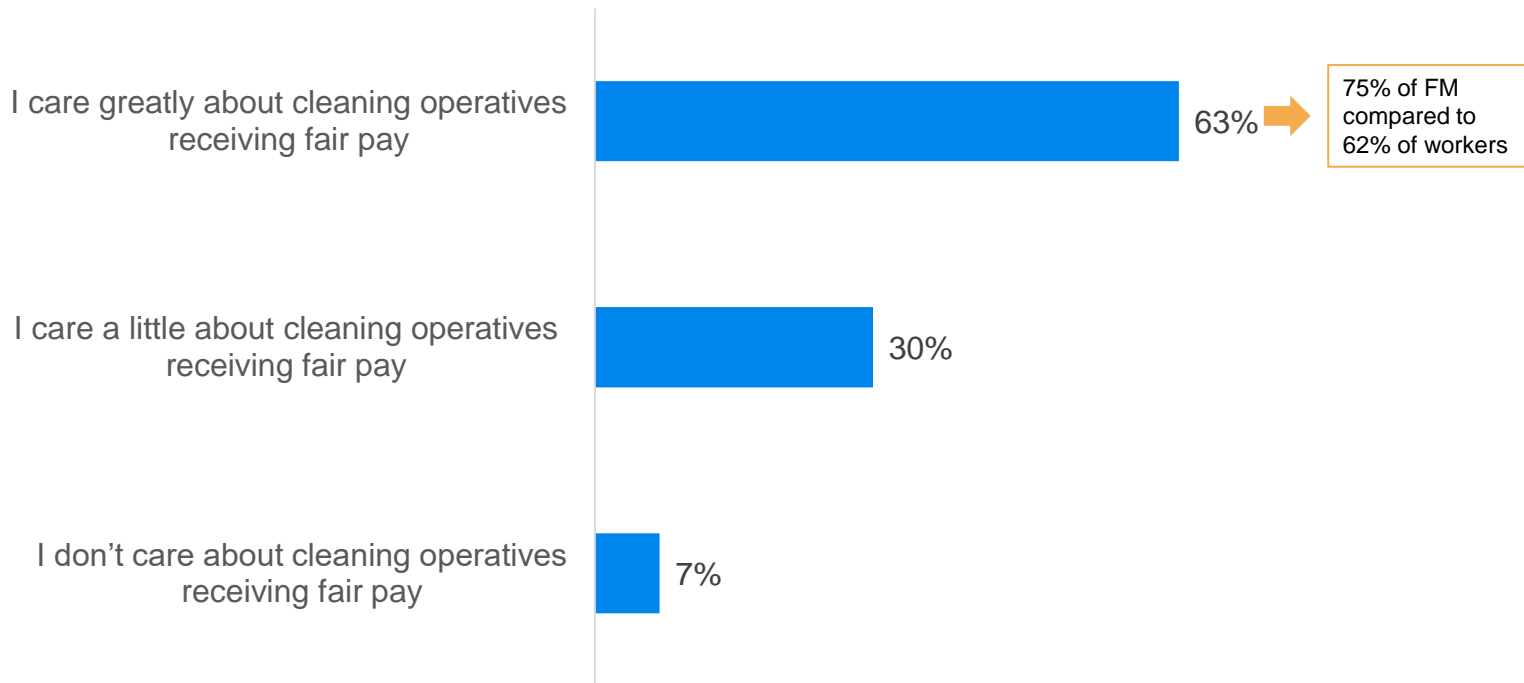
– 9 in 10 (93%) **care about cleaning operatives pay** to some extent

# Unethical businesses **will suffer**



- 9 in 10 (93%) **care about cleaning operatives pay** to some extent
- nearly half (45%) **won't work for a company** that doesn't pay cleaning operatives the real living wage

# Over 3 in 5 (63%) care greatly about what cleaning operatives are paid and a further 30% care a little about cleaning operatives pay





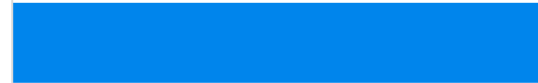
# Nearly 9 in 10 (87%) lose respect for a company that doesn't pay cleaning operatives the real living wage, of which 45% wouldn't work for such a company.



55% of those who care greatly about cleaning operatives receiving fair pay



I have no respect for such a company and would not work for them



45%



59% of 18-24 year old's

It reduces my respect for the company, but I'd still work for them



42%

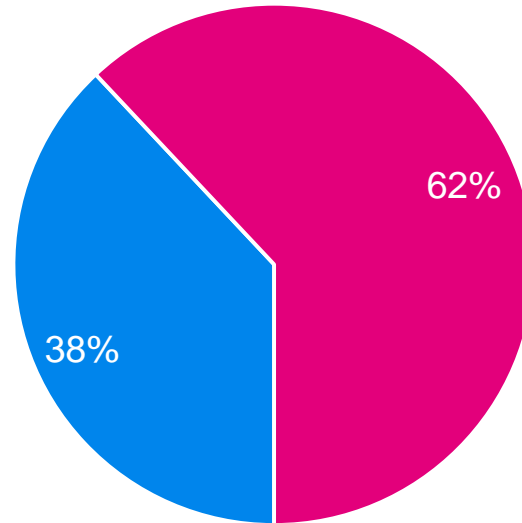
It makes no difference to me, not concerned



13%

Over 3 in 5 (63%) **care greatly** about cleaning operatives receiving fair pay, however **just 38% know** what cleaning operatives are paid.

# The majority (62%) don't know what cleaning operatives are paid.



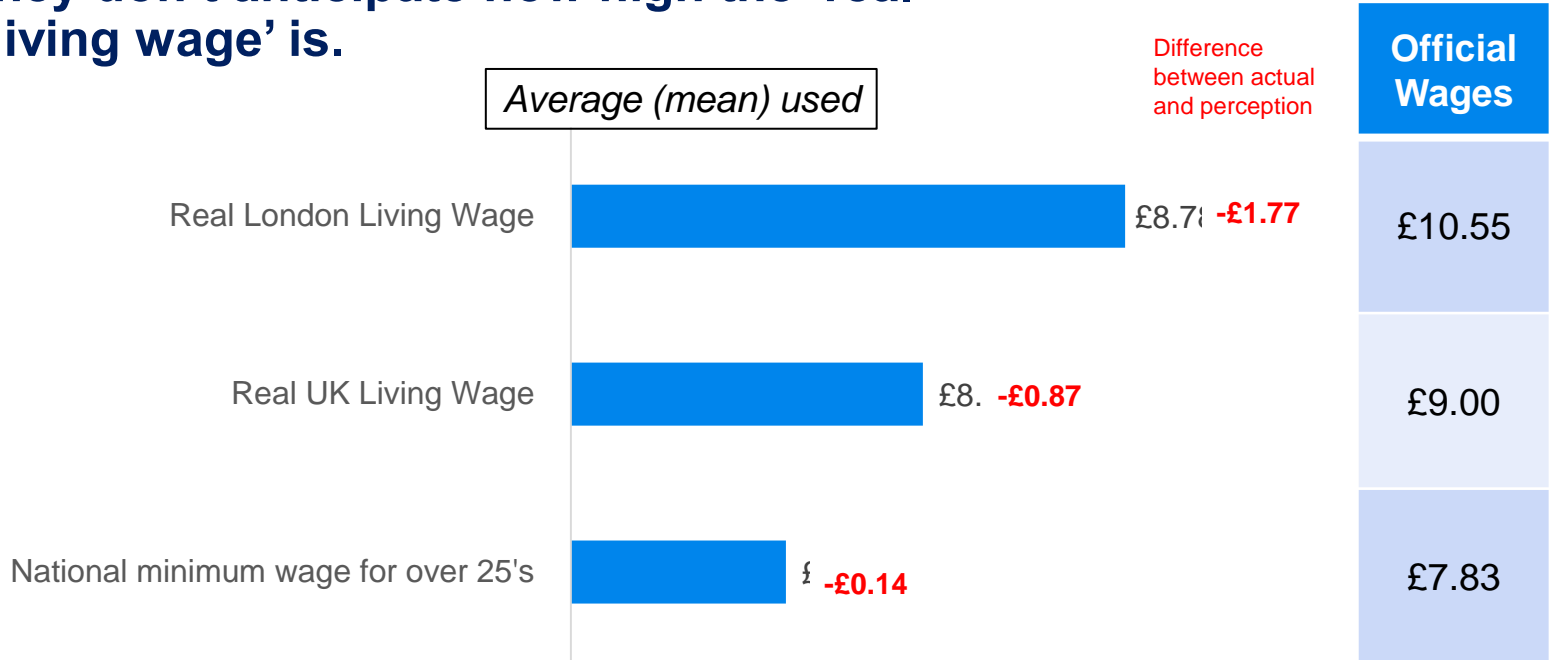
■ Yes ■ No

59% of FM workers know what cleaning operatives are paid compared to 37% of workers

# Explaining UK Wage Rates

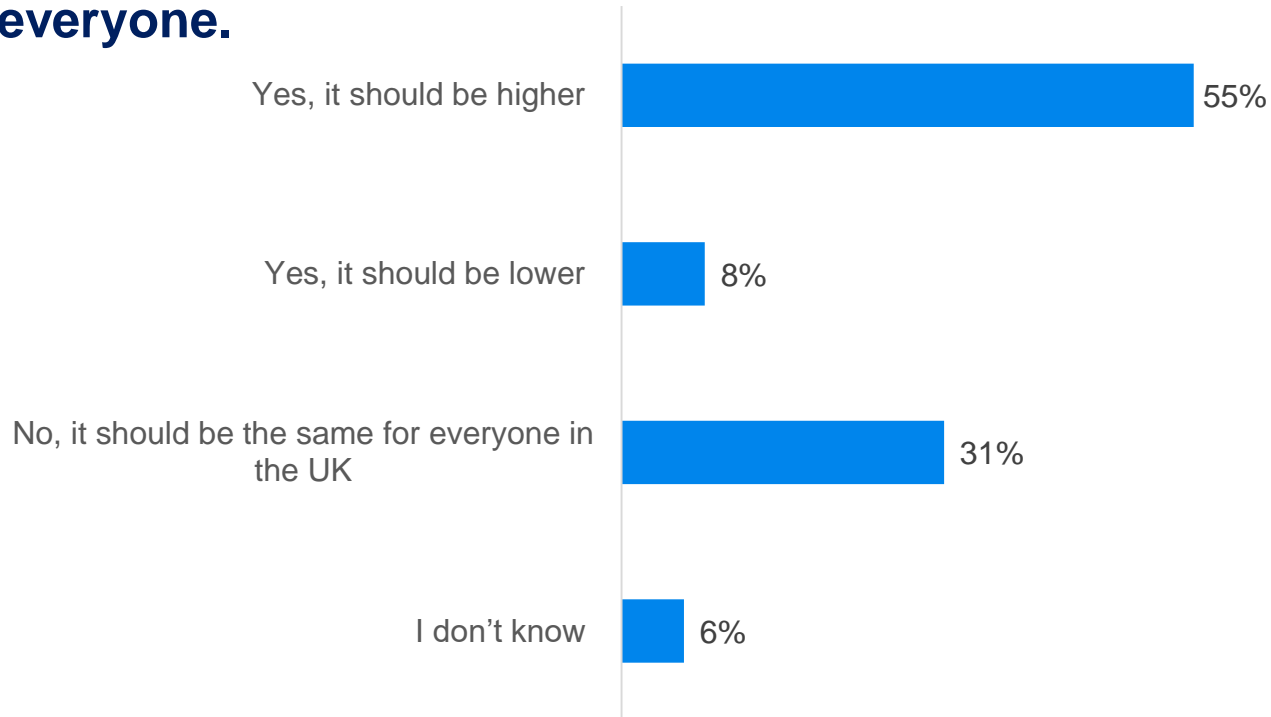
	<b>THE MINIMUM WAGE</b> <i>Government minimum for under 25s</i>	<b>NATIONAL LIVING WAGE</b> <i>Government minimum for over 25s</i>	<b>REAL LIVING WAGE</b> <i>The only wage rate based on what people need to live</i>
WHAT IS IT?	<b>£7.38</b>	<b>£7.83</b>	<b>£9.00</b> across the UK and <b>£10.55</b> in London
IS IT THE LAW?	Statutory	Statutory	Voluntary
WHAT AGE GROUP IS COVERED?	21 and older	25 and older	18 and older
HOW IS IT SET?	Negotiated settlement based on recommendations from businesses and trade unions	A % of medium earnings, currently at 55%, it aims to reach 60% of median earnings by 2020.	Calculation made according to the cost of living, based on a basket of household goods and services
IS THERE A LONDON WEIGHTING?	No London Weighting	No London Weighting	Yes - Separate higher rate for London

Though respondents are right about London wage being highest and national minimum wage being lowest, they don't anticipate how high the 'real London living wage' is.

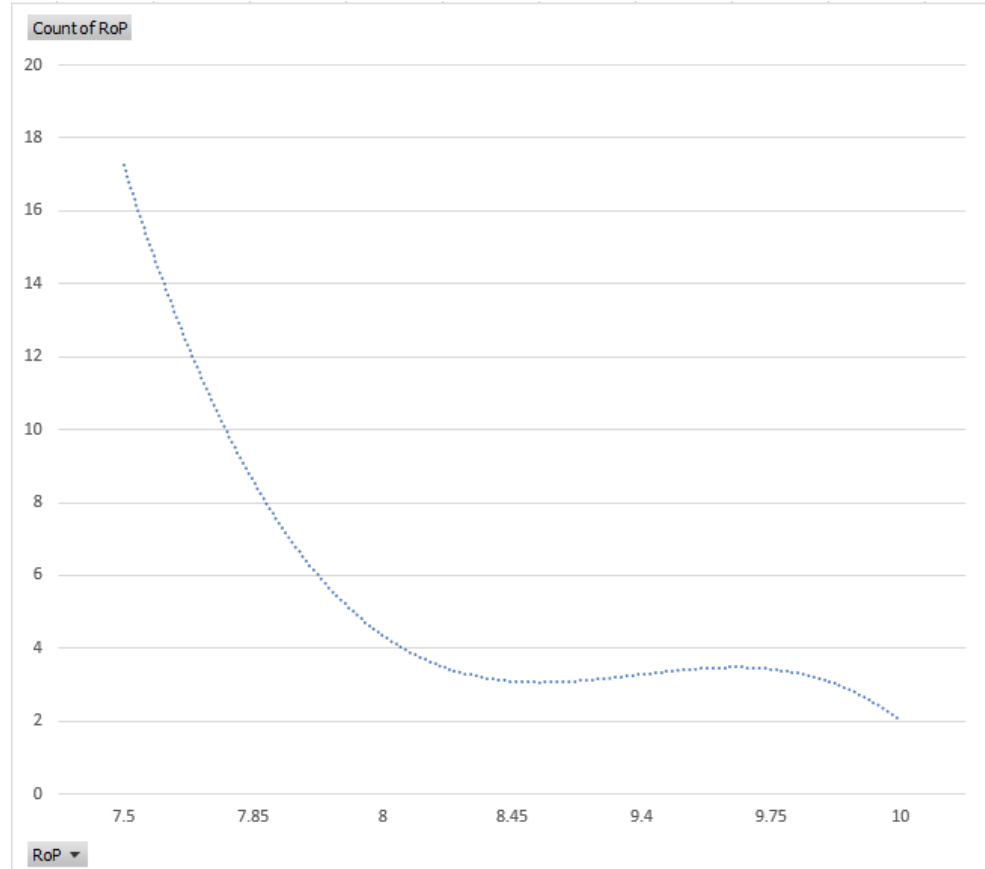


There is a great deal of **confusion** surrounding the living wage, with just a third (33%) getting the London living wage in the right price bracket and just 20% getting the price bracket correct for UK living wage.

**Over half (55%) agree that the London living wage should be higher than the national minimum wage, however, nearly a third believe it should be the same for everyone.**



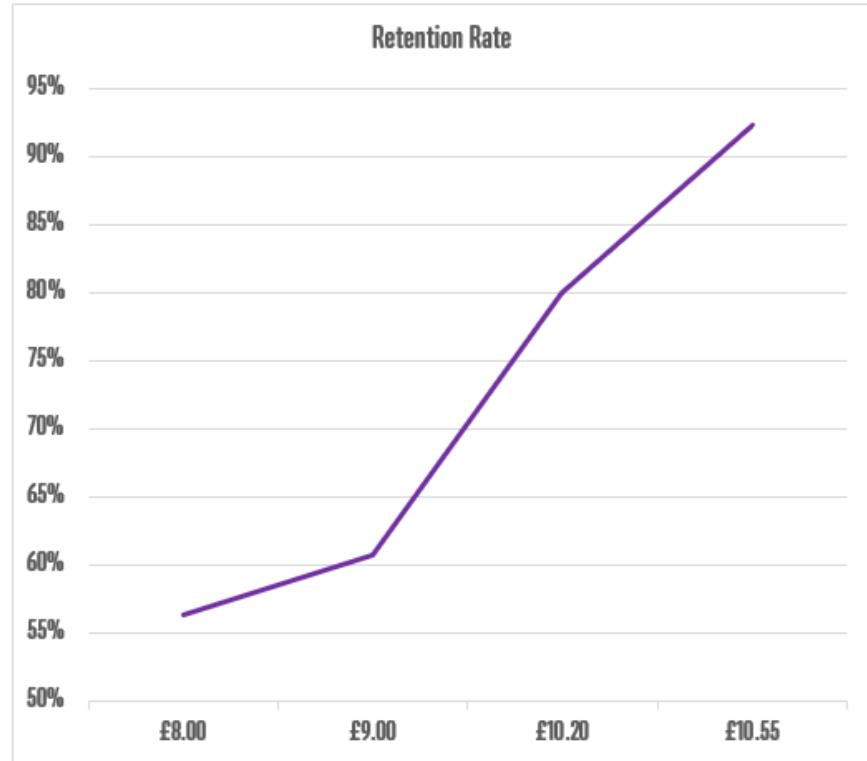
# LEAVERS -v- RATE of PAY



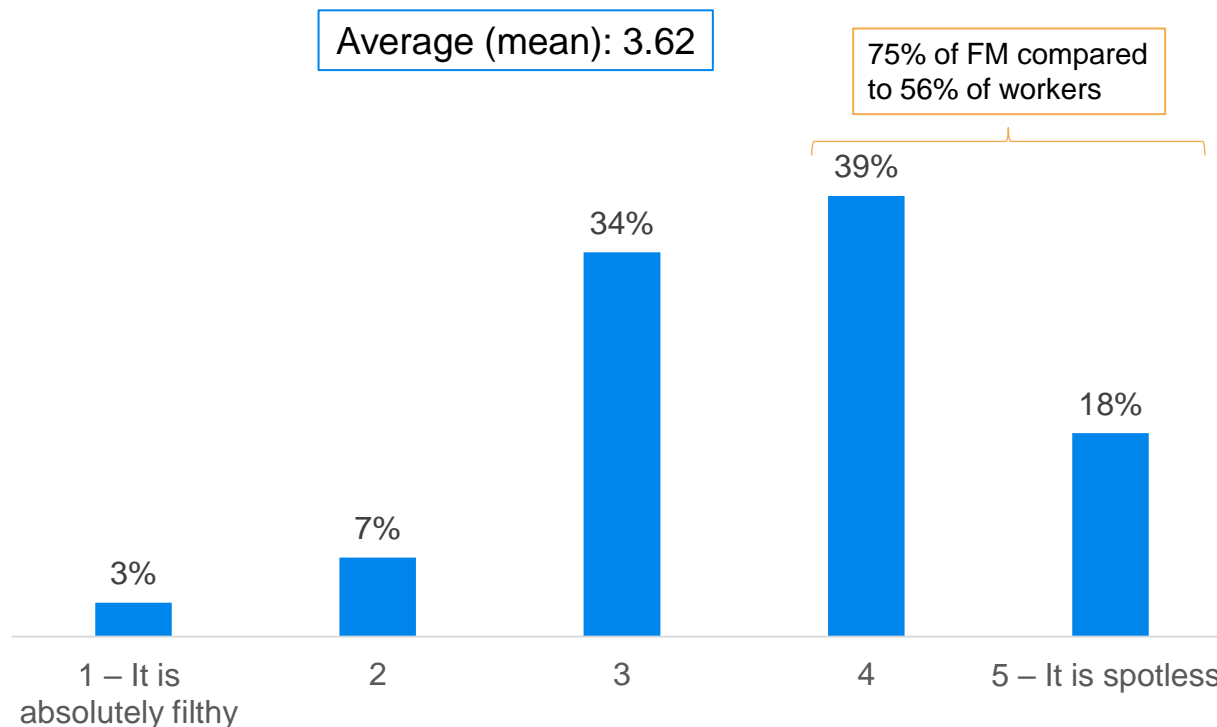


# RETENTION -v- RATE of PAY

Rate of Pay	£8.00	£9.00	£10.20	£10.55
Retention Rate	56%	61%	80%	92%

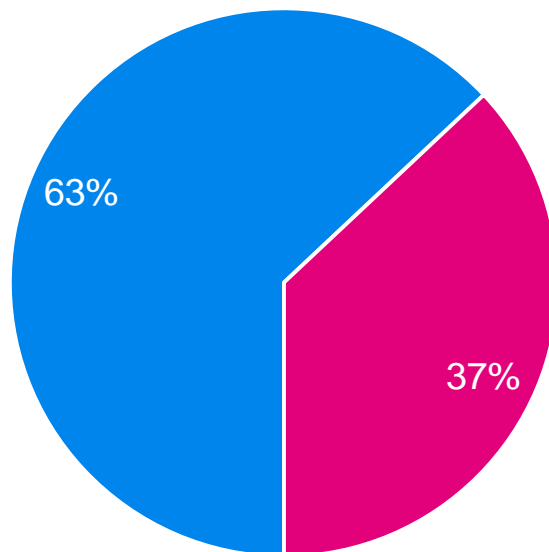


The workplace is reasonably clean for the majority, averaging closer to spotless than filthy. But 10% score workplace cleanliness 1 or 2 out of 5.



Only 62% of those who **care greatly** about cleaning operatives being paid fairly score their workplace cleanliness 4 or 5, in comparison to just 37% of those who **don't care** about cleaning operatives pay.

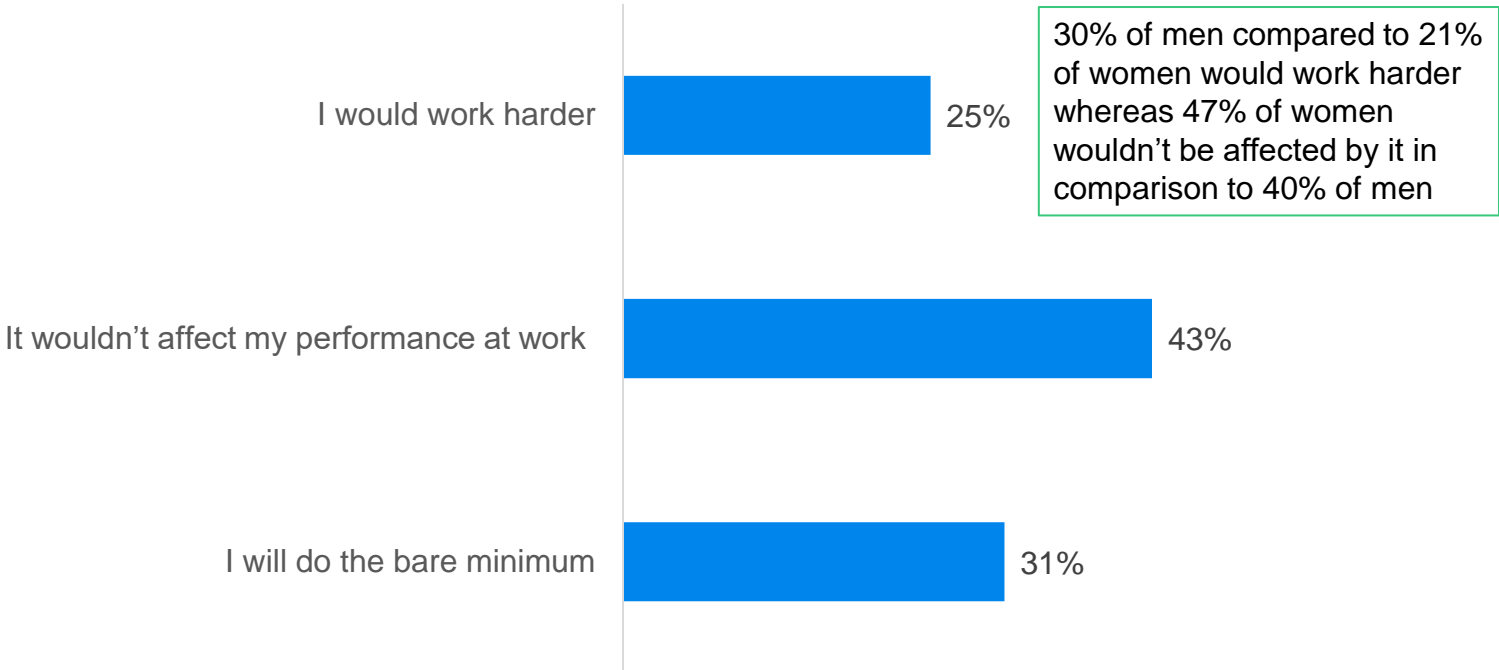
# Over 3 in 5 (63%) think a cleaning operative's quality of work reflects their pay.



■ Yes ■ No

78% of 18-24 year old's think a cleaning operative's quality of work reflects their pay

# Nearly a third (31%) would do the bare minimum if they didn't think they were being paid fairly.



Employees confess that their level of commitment reflects the perceived fairness of their pay with **31% admitting they would do the bare minimum if they weren't being payed fairly**, so why should a cleaning operative be any different to those they serve?

A red rectangular stamp with a white checkmark on the left and the words "FAIR PAY" in bold, uppercase letters on the right. The stamp is slightly tilted and has a soft shadow beneath it.



# BUILDING USERS





**BUILDING USERS**



**CLIENTS**



**BUILDING USERS**



**CLIENTS**



**EMPLOYERS**



**BUILDING USERS**



**STAFF**



**CLIENTS**



**EMPLOYERS**



**BUILDING USERS**



**STAFF**



**CLIENTS**



**EMPLOYERS**













# CONCLUSIONS

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- Massive confusion between different rates
- Real Living Wage becoming the norm

# CONCLUSIONS (cont.)

**However...**

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- Gap between minimum and Real LW is growing



# CONCLUSIONS (cont.)

## However...

- What happens when clients don't pay Real Living Wage?
- Add to that economic factors – low unemployment, Brexit
- Gap between minimum and Real LW is growing
- Current situation in London not sustainable

**FINAL THOUGHT...**

**...NEW**

**LONDON**

**MINIMUM WAGE ?**

***THANK YOU***

**- ANY QUESTIONS ?**