

English football's richest clubs fail to pay staff a Real Living Wage

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English football's richest clubs fail to pay staff a Real Living Wage

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Stream: Professional sport: Fair game for profiteers

Eindhoven, the Netherlands, 26-30th November

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Context of Premier League wealth

- Premier League football clubs are accumulating extensive wealth, especially elite clubs in the [Deloitte Football Money League 2017](#).
- Star players, managers and executives command [lucrative wages](#).
- The biggest television deal in world football is generating a combined £10.4 billion, divided between all twenty Premier League clubs; ensuring England's leading clubs becoming even wealthier. Premier league revenues rose 12% in 2016/17 to a record £3.6 billion but wages rose 12% to £2.3billion. But not for most employees.....
- Many UK football clubs are embedded in urban communities, some classified as among the most impoverished places in Western Europe

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Explaining UK Wage Rates

| | THE MINIMUM WAGE <i>Government minimum for under 25s</i> | NATIONAL LIVING WAGE <i>Government minimum for over 25s</i> | REAL LIVING WAGE <i>The only wage rate based on what people need to live</i> |
|------------------------------|---|--|---|
| WHAT IS IT? | £7.05 | £7.50 | £8.75 across the UK and £10.20 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 |

Source: Living Wage Foundation (2017)

Categories of Staff and RLW

- No business and management research on Living Wage policy, practice and outcomes in the context of football, gap by exploring the ethical management of 'Real Living Wages' for lower-paid staff category 3 and 4 in Premier League football clubs.
 1. Professionals
 2. Full-time/part time permanents
 3. Part-time workers
 4. Sub-contractors
- 5. Issues of Corporate Social Responsibility (CSR) and Transparency.
- 6. Issues of Community links and local identity within the Club(s)



Living Wage Accredited in Premiership?

Pay all lower-paid directly employed staff, and external contractors and agency staff at least the current voluntary 'Real Living Wage' (RLW) of £10.20 an hour in London and £8.75 elsewhere.



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LWF Accreditation Means



- All directly employed staff, contractors and agency workers earn at least the RLW rate.
- **For non LWF** club staff non-permanent staff – cleaners, caterers, stewards and other match day roles – are employed indirectly by agencies or contractors and not paid the RLW.
- Football remains one of the lowest payers of the RLW with the lowest total in a single sector categorised in arts and entertainment (3% take up).
- Within this sector of sports football is the wealthiest and highest level of payment of the legal minimum wage not the RLW.

Motivations For Paying the Real Living Wage (RLW)

- Paying RLW voluntary but living wage report [significant improvements](#) in quality of work, lower staff absence and turnover – and an improved corporate reputation.
- Everton FC, located in area of Liverpool with high social deprivation, in 2016 became second Premiership Club accredited to Living Wage Foundation employer will significantly increase wages for contractors and casual, match-day staff.
- Denise Barrett-Baxendale, EFC's deputy chief executive, [has said](#): “Supporting the accredited living wage is quite simply the right thing to do; it improves our employees’ quality of life but also benefits our business and society as a whole.” Everton’s neighbours Liverpool FC made a similar commitment in November 2017.



Future issues: the Real Living Wage in Premier League clubs

- Previous campaigning by the [GMB End Foul Pay campaign](#) in August 2015 with the Trade Union Congress (TUC) to pressure Premiership clubs to pay the real living wage.
- Campaigners highlighted key issue was the Premiership clubs refused to confirm that they paid the majority of their staff match day on sub-contractors rates.
- In January 2017, London's mayor, Sadiq Khan, wrote to all London Premiership Clubs except Chelsea and London Premier League club to pay all staff the [London living wage](#). There will be forthcoming campaigns by Citizens UK at Spurs, will move towards paying a London Living Wage for all staff and future tenders for contractors.
- One future issue CSR issue is Taylor Review of Modern Workplace Practices a review on issue of low pay in (Royal Society of Arts, 2017).
- Lack of transparency and support from Premier League