

TEMPLATE FOR LETTERS TO THE CO-OPERATIVE MEMBER NOMINATED BOARD MEMBERS. PLEASE USE AS MUCH OR AS LITTLE OF THIS TEMPLATE AS YOU WISH AND FEEL FREE TO PERSONALISE.



Your address

Hazel Blears
Board Member
The Co-operative Group
1 Angel Square
Manchester
M60 0AG

Paul Chandler
Board Member
The Co-operative Group
1 Angel Square
Manchester
M60 0AG

Ruth Spellman
Board Member
The Co-operative Group
1 Angel Square
Manchester
M60 0AG

Dear

The Living Wage

*I write as a member of the Co-operative Society membership number: xxxx

I understand that the Co-operative Group has made a 10.5% pay offer to employees as part of a two year pay deal. I believe that this will bring the lowest paid employees up to the current mid-point of salaries in the supermarket industry and around the hourly figure that the government has proposed for the minimum wage from April 2016. It does not bring the lowest paid to the level of the Living Wage outside London which is £7.85 an hour a rate due to be revised in November 2015.

You will be aware that 6 million people ie. 23% of all employees are earning less than the Living Wage I refer to and will still do so after April 2016. The Treasury rightly believed that people could not exist on such low wages and provided top-ups in the form of Working Tax Credits. Citizen UK's research shows that in the case of some of the UK's largest retailers, businesses have been benefiting more from the Treasury in wage top-ups than they were paying in tax. Has this been the case with the Co-operative Group? Neither the changes to the minimum wage planned for this autumn and in April 2016 or *our/your pay offer will compensate for the announced reduction in working and child tax credits. The result will be that many of *our/your lowest paid staff will still not earn enough to get by.

It is well documented that some low wage employees need to be referred to food banks. I hope you agree that it is unreasonable that people in employment have to use food banks in order to feed their families. I wonder if the Co-op knows how many of its employees currently are using food banks to get by.

There are many benefits to businesses that implement the Living Wage. Both the University of Strathclyde's research and the recently published report by the Scottish Government make these clear. They include, encouraging businesses to re-evaluate approaches to staffing and payment leading to more effective and efficient working patterns in the long term; increased staff performance and job satisfaction; a significant reduction in absenteeism and greater retention leading to a reduction in recruitment costs. The University of Strathclyde's report includes working examples of how the initial costs of implementation can be mitigated.

It is interesting to note that both Lidl and Morrisons supermarkets have announced that they will be paying The Living Wage. I hope the Co-op will soon join them.

I write to ask if at Board level you will raise the business benefits that can accrue from paying the Living Wage. Payment of the Living Wage by the Co-op would make the group trail blazers in the retail sector.

I look forward to your reply.