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## The Ties That Bind The rise of insecure and lone working and the search for mutual bonds

Tim Thorlby





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Report

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## Foreword

### In 1942 the novelist Dorothy Sayers delivered a lecture 'Why Work?' This lecture, later essay, is a classic in Christian economic thought.

She was answering a question, however, that for most of the last 80 years, most people haven't been asking. Work was necessary and dignifying. Being in work meant that you had a chance of providing a home, giving children a decent life, taking a slice of growing national prosperity. It should come as no surprise that, as these promises have become mirages, people have started to ask again, "why work?"

The question is at least partly rhetorical. Why work... if I'm fake self-employed in the platform economy and earning less than the minimum wage? Why work... if a huge slice (or even all) of my salary immediately evaporates in childcare costs? Why work... if my notional working hours hide many more in unpaid overtime? Why work... if my wage stagnates while the price of virtually everything rises? Very many people in the UK feel that they are being asked, to use a biblical allegory, to make bricks without straw. While work in the UK has changed in some positive ways, it is not satisfying the needs of many.

Sayers would answer that work is a good in itself. It is a human thing that we shouldn't think to merely escape from if at all possible: "Work is not, primarily, a thing one does to live, but the thing one lives to do. It is, or it should be, the full expression of the worker's faculties, the thing in which he finds spiritual, mental and bodily satisfaction, and the medium in which he offers himself to God." If she was right, then work should not be rejected but reclaimed. Work should 'work better' for ordinary people, precisely because it is so important – more important than the money we make from it. There is a growing appetite not just for more work but for more good work; for work that feeds the body but also satisfies our needs for community and meaning. Our threepart series, *Work Shift: How Love Could Change Work*, is aimed at speaking into this debate. Readers will find it differs from much existing commentary on work. While the reports and essays in this series don't ignore the economic dynamic, they go beyond it. Each adopts a relational lens. In other words, they show how thinking about work from the point of view of the relationships it forms and sustains can help us see what good work might be.

In *The Ties That Bind*, Tim Thorlby argues for a new covenant for work, which balances the interests of employers and employees. His focus is the incredibly rapid rise in lone working and insecure work. It is a forthright critique of work which treats people as means rather than ends, but it is not merely moralising. He points to tangible examples of better practice. Tim has himself led a business – *Clean for Good* – which demonstrates that, even in sectors which seem to be engaged in a race to the bottom, things can be done differently.

Even as work changes rapidly around us we always have the opportunity to form workplaces that value people and operate justly. This series will contribute to that conversation.

Chine McDonald Director, Theos March 2024

## **Executive Summary**

Work is fundamental to human society. Not only is it the main way in which most people provide financially for themselves and their dependents; it is also the main way in which many of us interact with others outside our immediate household. It brings community, meaning, and identity. Our society – political thinking, policy making, and media commentary – focuses almost exclusively on the financial and economic dimension of work. We don't pay enough attention to work's broader significance to human life.

*The Ties That Bind* is the first of three Theos reports looking at how we can create better work for us all by paying attention to the social dynamics – the love, even – in our workplaces. It draws together existing evidence around the social and health impacts of two particular trends in the UK labour market – the rise in lone working and the rise in insecure work – to argue that a loss of 'mutuality' is making millions of us poorer and ill. Taking inspiration from key principles of Christian economic thinking, it suggests that recovering this sense of mutuality in our workplaces would create a happier, healthier workforce.

### Section one: The rise of lone working

Lone workers are those who spend most of their working time with little or no meaningful face to face contact with other work colleagues. The COVID-19 pandemic turbo-charged the lone workforce, increasing the proportion of home and hybrid workers.

We estimate that before the pandemic, 27% of workers worked alone for a substantial proportion of the time.

## Now, 59% of the workforce works alone for at least some of the week.

Lone working can provide real benefits to workers who enjoy a flexibility premium, but it carries risks. These risks are highest where little attention is paid to the quality and dignity of working relationships, and where employees are treated as 'out of sight, out of mind'. To prevent the loss of connection between workers and protect the health of those working in these environments, employers need to be intentional about building strong worker relationships and robust management processes. Evidence suggests that:

- Home and hybrid work rates are higher for those who are older and wealthier, the self-employed, and London workers. Black workers are the ethnic group most likely to have no choice about having to travel to work in their job.
- Loneliness at work is a significant issue for many workers. Younger workers, senior managers, disabled workers, and workers from ethnic minorities are far more likely to feel lonely or isolated at work. However, 'lone' workers are not necessarily 'lonely' workers. Home workers are not more likely to feel lonely than those who work on-site, and workers who work mainly within teams are actually *more* likely to report feeling lonely at work than those who work mostly alone. This suggests that the factors that really cause loneliness are workplace culture, how much control we have over our work, and how secure our work is.
- Home working is popular with many workers partly because it allows us to honour other relationships in our

lives. The reasons most often cited in support of home working include: a better work-life balance, reducing commuting time, saving money, enabling the pursuit of other activities outside of work, and childcare or other family caring responsibilities.

 Where home working is not managed well, it can lead to less connection and creativity in the workplace, blurred boundaries between life and work, and the greater prevalence of physical health issues (e.g. musculoskeletal problems like back pain or headaches, poor diet, and less exercise).

### Section two: The rise of insecure work

The UK has one of the most flexible labour markets in the developed world. As with lone working, this can deliver benefits, both to individual workers and to the wider economy through higher rates of employment and economic growth. However, there are downsides to this flexibility too.

In the UK today, the Living Wage Foundation estimate that nearly one in five workers – 6.1 million people (19% of all workers) – are in insecure work. Within this, they calculate that over half (3.4 million, 11% of all workers) are in work that is both insecure and low paid.

There is growing evidence about the impact of insecure work on those engaged in it. This section reviews existing evidence, taking three forms of insecure work in turn: gig economy (digital platform) jobs, self-employment, and zero hours contracts.

 In 2021, Fairwork found that the majority of gig economy platforms 'failed to evidence that basic standards of fairness are met' and not a single platform could guarantee that their workers would earn the living wage after costs. Similarly a 2022 study in the British Medical Journal found that gig economy workers had significantly worse mental health and wellbeing than those with part-time or full-time employed jobs. The key drivers of this lower mental health were financial precarity and loneliness.

- A 2023 Work Foundation report found that the majority of insecure workers wanted more predictable hours and income (57%) and over half said that their mental wellbeing was affected by sudden changes to their work schedule and hours.
- Nearly one in three (31%) of the UK's self-employed report 'moderate' to 'severe' mental health issues, with younger workers more likely to be affected. This is twice as high as the national average. A study by the International Labour Organisation found that zero hours contracts were often highly damaging to work-life balance and undermined family life. These contracts were most prevalent amongst the young (under 25), including students, and also older adults with few qualifications.
- Insecure work, with its unpredictable hours and its unreliable (and often inadequate) income, is making millions of workers ill. It can bring anxiety and even depression. The principal benefits of insecure work accrue to employers, not workers (whether they are selfemployed, on zero hours contracts or working in the gig economy).

The strong association between insecurity and low pay, together with a workforce which is disproportionately young or from an ethnic minority, strengthens the impression that it frequently goes hand in hand with unfairness and even exploitation.

### Section three: In search of mutuality

We urgently need a new and fuller conception of what work means in the modern world. This conception must begin from a deep account of how human beings are most likely to flourish. Theological thinking offers some of the most developed thinking on human flourishing, and is a rich source of wisdom when thinking about the purpose and nature of work.

Section three of the report draws on a range of principles from Christian economic thinking to set out a fuller conception of 'good work'.

- **Dignity: people are people, not units** Every person has equal value, whatever their position within society or their role within an organisation. This basic equality of dignity is undermined when workers are exploited, or treated simply as a means to an end. For Christians, this idea is rooted in the idea of human beings as made in the 'image of God'.
- Agency: flourishing within work and outside it
   If people are to flourish at work, then they must have
   some freedom and agency. Agency is not only about what
   happens within a job, but about enabling physical, social,
   economic and even political capacity for life outside of
   work. This implies the need for boundaries around the
   time and energy that paid work takes up.

Limit: boundaries in an environment of limitless work

In the Judeo-Christian tradition there is a consistent command to practice rest. We argue believe that this

principle should be reappropriated. While working hours are lower, many workers (particularly hybrid/lone workers) have experienced new challenges in boundaryless work. This heightened flexibility is to the benefit of secure and established workers, but threatens those in a weaker position.

### Fair rewards

A fundamental theological idea of justice also demands that work is rewarded fairly and proportionately. This both ensures that workers receive a fair and living wage but also precludes excessive rewards where it is not earned but essentially a windfall.

### Beyond contract to covenant

The usual basis for relating to each other in economic life is contractual: a formal agreement to exchange goods or services for payment. However, if work interactions are always and only conceived as contractual, it implies that there is no deeper relationship between the two parties. Human work is always relational; it is experienced in relation to family, local community, nation and world. We should think not only of contracts but of covenants, which imply an underlying commitment not just to fair exchange but to the flourishing of both parties.

### The importance of ethical leadership

Good leadership must take responsibility for outcomes for all stakeholders, including workers. Increasingly, this is precisely what customers and investors expect, even if it involves some compromises at the bottom line.

Underlying all these principles is the basic idea that workers and their employers have a moral commitment to each other that extends beyond any immediate transactions or written contracts. 'Good work' is ultimately built upon a strong relationship of mutual dependence between worker and employer and sees the rewards of work shared fairly. The common challenge today is that current trends in the labour market are weakening these strong mutual bonds.

We suggest there are four essential features to strong mutual relationships for every worker: **fair hourly pay** at or above a real living wage; **predictable hours and income** which are changed only with fair notice; **connection for workers**, who should be well managed and supported and feel 'part of the team'; and **healthy work**, where working supports good physical and mental health, from the provision of appropriate equipment to decent sick pay. Some employers already follow these principles. The challenge is to make these cases the norm.

### **Conclusion and recommendations**

Our report closes with two sets of practical suggestions, to Government and to employers.

### For the Government:

Firstly, if we really believe that all workers deserve the same respect then the time has come to give them all the same rights, whether employed or self-employed. An aspiring and confident nation could have a **Statutory Decent Work Standard** that applies to all paid work for all workers of all ages and which delivers fair pay, fair terms and conditions and fair working conditions for all.

More specific measures might include:

 Banning zero-hours contracts, except in a small number of precise exempt circumstances or for those earning hourly wages over a moderately high threshold;

- Expanding statutory sick pay to all employed workers and increasing it to match the real living wage;
- Making unionisation of workers in the gig economy easier to organise;
- Mandating the monitoring and reporting of lone working by larger employers (over 250 employees) to the Health and Safety Executive to improve understanding of this area and raise awareness amongst both employers and the HSE.

Central and local government could also drive labour market improvements through **public procurement processes**, requiring better standards from those supplying goods and services to the public sector. And given the growing health issues arising from both some types of lone working as well as insecure work, this should be recognised as a **public health issue**, with an expanded remit and funding provided to the HSE to address this more pro-actively.

### For employers:

As the Taylor Review of Modern Working noted, the best way to achieve good work across the economy is 'responsible corporate governance'. Several **voluntary accreditations** are already available today – the Good Business Charter, B-Corp status, and various locally led accreditations like the Mayor of London's Good Work Standard or the Greater Manchester Good Employment Standard. Employer organisations like the British Chambers of Commerce, the CBI and others could be more positive in highlighting and encouraging the adoption of higher employment standards, exerting the power of peer pressure within the boardroom.

# This report in sixty seconds

This report is one of a series of three published by Theos exploring how work is changing. We look at work through a particular, and usually ignored, lens: how are changes in the UK labour market affecting, and affected by, human relationships?

This report investigates two significant, and overlapping, trends within the UK's labour market since the financial crash of 2008 which are having profound changes on how we relate to each other at work.

Firstly, lone working has expanded rapidly since the pandemic and, although it is not new, it has now reached a scale not seen since the dawn of the industrial age. We estimate that more than half of the UK workforce work alone for all or part of the week, and nearly one third work alone most of the time. Around a quarter of the workforce who worked together now find themselves working alone for at least part of the week. This is an unprecedented shift.

Secondly, the UK has witnessed the rise of insecure work such that it is now a major feature of our work landscape. We have estimated that nearly one in five workers – 6.1 million people – are now in insecure work. Over half of these are in work that is both insecure and low paid. This includes many people working in the gig economy, who are self-employed, and a record number of workers on zero hours contracts.

Our report draws together the evidence on how these significant changes in work security and flexibility are impacting on the nation's workers, exploring the social, organisational and health implications. The findings are sometimes surprising and often stark. The UK has pioneered a labour market so flexible that it is making millions of us both poor and ill. The report concludes with a consideration of the nature of 'good work' and how this is built upon a strong relationship of mutual dependence between worker and employer. What we have seen in the labour market in the UK in recent years is a loss of mutuality and a weakening of the ties that bind us together. A Christian view emphasises that at the heart of every good and fair working relationship between employer and worker there should be a strong mutual bond. This has practical implications. Could the UK one day pioneer a labour market with strong mutual bonds at the heart of it that would be the envy of Europe?

# Acknowledgements

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## Introduction

### Work is fundamental to human society.

Most obviously, it is the main way in which most people provide financially for themselves and their dependents, and the biggest stake that most people have in the wider economy. It is typically described in terms of hours and wages, contracts and pensions, productivity and GDP. These are the metrics we use for understanding the labour market and the nation's broader economic health.

But work is far more than this. Beyond financial compensation for our labour, work is also the main way in which many of us interact with other people outside our immediate household; it often brings community. Work also delivers purpose for many of us: Theos polling in 2021 showed that only 33% of UK adults think of their work as "just a way of earning to provide life's necessities". So too, studies show that the loss of a job can reduce feelings of social integration and life satisfaction; unemployment can reduce a sense of social worth.<sup>1</sup> Work even frames how we relate to others at the level of our identity ("...and what do *you* do?") and the groups we are part of, from perceptions of social class to the union movement. In short, work (paid or unpaid) is a central and important means of engaging with the world around us.

More deeply, we might say that work is a "response" to the world around us.<sup>2</sup> In the words of previous Theos report, *Just Work: Humanising the Labour Market in a Changing World*, work "connects us to prosperity, to community, and gives meaning". When we focus on (and measure) only one aspect of work – the financial and economic dimension – we miss something crucial about its broader significance to human life and society, as well as what good work looks like and how it can be achieved.<sup>3</sup> Work "connects us to prosperity, to community, and gives meaning". 66

We have changed how we think about work, and this has come to change how we actually work with each other. Yet, this is what is happening in the UK today. Our definition of work has narrowed in recent years and this changing mindset has in turn been reshaping our labour market and the way that we work with each other. We have changed how we think about work, and this has come to change how we actually work with each other.

### What are these changes?

Since the 2008 financial crash, the UK has developed a labour market which appears healthy on the surface but which is not actually working well for millions of workers within it. Not only has it been failing to deliver good economic outcomes for a growing number of households, but there are important social changes unfolding which remain under-explored.

At the time of writing, the UK had a population of 67 million people – of which, 32.9 million adults were working. This is three quarters of all adults of working age (age 16-64). Most of these worked as employees (although one in four of these work part-time or on temporary contracts). A further 13% of the workforce were self-employed (4.2 million people).

Those working age adults who were not working were either unemployed (1.5 million people, a rate of 4.3%) or sitting outside of the labour market ("economically inactive") as students, stay at home parents, or those with ill health (8.8 million people, 21%).<sup>4</sup>

Overall, these figures reflect a growth in employment since the 2008 crash,<sup>5</sup> and in the context of the last fifty years (since 1970) the UK currently has a high overall employment rate, a low unemployment rate, and a relatively low economic inactivity rate. However, this broadly positive overview disguises some important issues. Whilst real household incomes have, by and large, been rising since the Second World War, this progress stalled after 2008: they have, overall and in real terms, been largely stagnant since then. This has been driven by *underemployment* within the workforce (i.e. people may have work, but not enough of it to earn a decent income) as well as stagnating productivity across many sectors of our economy, partly due to low investment.

Within this overall set of changes, we can also detect two particular phenomena which are ostensibly economic, but may also have a significant relational element – either as a causal factor or consequence of such profound changes to our working lives. These trends are distinct, but overlapping:

- The rise in lone working: Lone workers are those who spend most of their working time with little or no meaningful face to face contact with other work colleagues. They may have contact with other people but they are spending little, if any, time with work colleagues. The COVID-19 pandemic brought seismic changes to the world of work including an unprecedented shift to home and hybrid working in particular, turbo-charging the lone workforce in a very short period of time. Lone working has, for many years, accounted for a surprisingly large part of the workforce. Yet since the pandemic it now looks as though more than half of the UK workforce work alone for all or part of the week, and nearly one third work alone most of the time. This is a big shift.
- The rise of insecure work: Insecure jobs are those which are in some way more precarious in nature, generating unpredictable income and often associated with low

More than half of the UK workforce work alone for all or part of the week; nearly one third work alone most of the time.

#### The Ties That Bind

Nearly one in five workers – 6.1 million people – are now in insecure work. hourly pay and fewer employment rights. They include many jobs in the gig economy, zero hours contracts, low paid self-employment and other forms of temporary or casual labour. Insecurity is not a new phenomenon but it has grown significantly since the financial crash and has become a noticeable feature of the UK's work landscape in the 21st Century. In the UK today, it is estimated that nearly one in five workers – 6.1 million people – are now in insecure work. Over half of these – 3.4 million workers – are in work that is both insecure and low paid. This includes many people working in the gig economy, those who are self-employed, and a record number of workers on zero hours contracts.

This is uncharted territory for the UK, certainly since the dawn of the industrial age. And while the economic implications of these shifts have been well-documented elsewhere, comparatively little attention has been paid to the social and relational consequences of such fundamental changes in the world of work.<sup>6</sup>

This report explores these historic changes in the UK labour market through the lens of relationships in the workplace. In particular, it highlights profound shifts in the very nature of the employer-worker relationship.

This is uncharted territory for the UK, certainly since the dawn of the industrial age. Section one explores the nature and extent of changes to lone working in the UK, while section two considers the rise of insecure work in the UK. Section three reflects on these changes to suggest how greater attention to the relational aspects of work can be positive for both employees and employers alike. In doing so, it draws on theological thinking to suggest principles that highlight key elements of a better labour market.

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In this way, the report brings a Christian perspective to bear on this key relationship and ultimately identifies a simple idea that may help us navigate the future better: that of *mutuality*. A worker and their employer share a relationship with each other which goes beyond just a contract; it should be one of mutual respect and mutual responsibilities. What we have seen in the UK's labour market in recent years is a loss of mutuality. We have been witnessing a loosening of the ties that bind. What kind of response is called for?

This research builds on the findings of an earlier Theos report, *Just Work: Humanising the Labour Market in a Changing World,* authored by Paul Bickley and Barbara Ridpath, and is the first of a new series of reflections on the relational aspects of human labour.<sup>7</sup>

- 1 See for example: Laura Pohlan, "Unemployment and social exclusion", *Journal of Economic Behaviour and Organisation*, 164 (2019), pp. 272-299; and Loring Jones, "Unemployment and social integration: a review", *The Journal of Sociology & Social Welfare*, 15, 4 (1988), pp. 161-176.
- 2 Paul Bickley and Barbara Ridpath, *Just Work: Humanising the Labour Market in a Changing World* (London: Theos, 2021), p. 39.
- 3 Ibid, p. 7.
- 4 Statistics for this section are drawn from various sources, including: ONS time series employment data sets from the ONS website; Brigid Francis-Devine, Isabel Buchanan, Andrew Powell, *UK Labour Market Statistics*, (London: House of Commons, 2023); and data from the Resolution Foundation, available at www.resolutionfoundation.org/press-releases/ british-workers-are-living-through-a-two-decade-wage-stagnation-costing-15000/
- 5 29.4m in January-March 2009 to 32.9m May-July 2023. Data from: https://www.ons.gov.uk/ employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/mgrz/lms
- 6 The economic changes of the last 15 years have been well documented by many organisations. For a substantial recent review, see for example *The Economy 2030 Inquiry* led by the Resolution Foundation, including its 2022 economic review *Stagnation Nation*. PDF available at: https://economy2030. resolutionfoundation.org/reports/stagnation-nation/.
- 7 Bickley and Ridpath, Just Work: Humanising the Labour Market in a Changing World (London: Theos, 2021). PDF available at: Just Work: Humanising the Labour Market in a Changing World' – Theos Think Tank – Understanding faith. Enriching society.

# 1 The rise of lone working

A courier delivering parcels all day, a district nurse visiting young mothers, an engineer repairing damaged infrastructure, a freelancer working from home, the night watchman security guard in a city office building, or a supervisor in a distribution warehouse.

These are all lone workers, providing a wide range of essential services, and they make up a surprisingly large number of people in the UK today. Lone working is not new, but it is changing. In this section we explore what it is, how it is changing, and the implications of increased lone working in particular.

Lone workers are defined by the Health and Safety Executive (HSE) as those "who work by themselves without close or direct supervision". This means that the worker has neither peers nor managers in meaningful or close contact most of the time. Such workers are often identified as carrying particular risks to their health and safety which arise from working away from others. However, there are now other groups that may work away from colleagues or workplaces. From our review of the literature, we have identified four broad categories of lone worker:

- Home workers: These are people who work by themselves at home for all of the time that they work.
- Hybrid workers: These are people who work at home some of the time and in a place of work some of the time each week (so arguably 'part-time' lone workers).
- Nomadic workers: These lone workers operate on the go and their work is remote and mobile, like delivery drivers, sales representative or social care workers making home

visits (including some out of hours workers). Typical sectors with many nomadic workers include:

- Construction, installation, maintenance and repair;
- Cleaning;
- Agricultural and forestry;
- Health, medical and social care (including nurses and care workers who visit people's homes);
- Service workers, such as postal staff, engineers, sales or service representatives;
- Delivery drivers, including HGV and local couriers.
- Lone workers in the workplace: Lone workers who work in a fixed place of work (also including some out of hours workers). Typical jobs like this include:
  - People working alone in a small shop, petrol station or kiosk;
  - People working alone for long periods, such as in factories, warehouses, leisure centres or fairgrounds;
  - People working on their own outside of normal hours, such as cleaners, security, maintenance or repair staff.

Across these groups, lone working has, for many years, accounted for a surprisingly large part of the workforce. Yet since the pandemic, and even after recent reductions in home working, it now looks as though **more than half of the UK workforce work alone for all or part of the week, and nearly one third work alone most of the time**. This is a big shift, summarised in figure 1:

| Type of lone<br>worker   | Pre-pandemic<br>(2019)                       | Post-pandemic<br>(2022)                         | Change   |
|--|--|---|--|
| Home workers   | 1.7 million                                  | 5.3 million                                     | + 3.6 million                                    |
| Hybrid workers   | 2.3 million                                  | 9.2 million                                     | + 6.9 million                                    |
| Other lone workers<br>(nomads & those in<br>a fixed workplace) | Over<br>5 million                            | Over<br>5 million                               | Not known  |
| Total  | 9 million +<br>(6.7m<br>excluding<br>hybrid) | 19.5 million+<br>(10.3m<br>excluding<br>hybrid) | + 7.5 million<br>(+3.6 m<br>excluding<br>hybrid) |
| Total % of UK<br>workforce of<br>32.9 million                  | 27%<br>(20%<br>excluding<br>hybrid)          | 59%<br>(31%<br>excluding<br>hybrid)             | +23%<br>(+11%<br>excluding<br>hybrid)            |

Figure 1: Summary of lone workers data

It is important to note that lone workers may have contact with other people whilst they are at work – in their families for example, if they work at home, or perhaps with customers through their work – but they are spending little, if any, time with other work colleagues from the same organisation. They work alone but not necessarily without other kinds of social contact. A 'lone worker' therefore is not necessarily the same as a 'lonely worker' and this difference is an important part of what we explore below. In the analysis that follows, we unpack these shifts and their implications in greater detail.

### 'Home workers' and 'hybrid workers'

Lone working at home for some or all of the week has seen a seismic change in the UK in the last few years, but it is worth delving into the nature of this change.

The Office for National Statistics (ONS) now tracks both home working and hybrid working. The ONS defines a 'homeworker' as a working adult who has *only* worked from home in the last week. They define a 'hybrid worker' as any working adult who has worked from home for at least one day and also travelled to work for at least one day in the last week.

In 2019, some 12% of working adults in Great Britain worked from home for all or part of their week. During the pandemic this rose dramatically. The latest data shows that, whilst home working and hybrid working vary from month to month, together they accounted for an average of 44% of British working adults – more than treble the pre-pandemic picture and nearly half of the national workforce.<sup>1</sup>

Home working and hybrid working look like they are here to stay. Whereas some trends seen in the pandemic have now reverted to pre-pandemic norms (levels of online shopping for example), the level of home working has remained significantly higher than it was before the pandemic and shows little sign of returning to the previous normal, demonstrating a fairly steady trendline through 2022 and into 2023 despite monthly fluctuations.

### Home working vs hybrid working

In 2019, before the pandemic, 5% of UK workers worked "mainly from home" (1.7 million workers) and 7% worked from home for part of the week (2.3 million). This was a total of 4 million workers.<sup>2</sup>

The latest ONS data shows that, by early 2023, both these figures had risen substantially. Those working mainly from home now account for 16% of all working adults (5.3 million workers) and 28% were hybrid workers, working partly at home (9.2 million workers).<sup>3</sup> Even if the numbers begin to fall over time, a substantial shift has clearly taken place.

Notwithstanding the significant scale of change, it is perhaps important to highlight that even now some 56% of UK workers do not work at home at all. The vast majority of these workers report that they have no choice in this, usually due to the nature of their work. So, for just over half of the UK workforce, home working plays no part in their experience of work and is unlikely to do so in the foreseeable future. Even at the peak of home and hybrid working in the first national lockdown for Covid-19 in the UK in June 2020, the majority of workers (51%) did not work from home at all.<sup>4</sup>

### Who is experiencing change?

The most recent ONS survey provides insights into which groups are most involved in home and hybrid working.<sup>5</sup>

## Home and hybrid working rates are higher for those who are older and wealthier

Younger workers are the least likely to work at home and the least likely to have any choice about this. In the 16-24 age group, only 21% were home or hybrid workers (compared to the average for all workers of 44%). Two thirds reported that they could not work at home at all. This is likely to be both a reflection of the type of work that some younger undertake (e.g. working in hospitality) but also their more junior position in the workplace and more precarious living arrangements.

There is a strong and striking correlation between income and working at home – both the option to do it and the practice of doing so. For workers earning £50,000 or more per year, some 90% had the option to work at home at least part of the week, and 80% chose to do so at least one day per week. By contrast, workers at the other end of the income scale earning £10,000 per year or less were rarely able to work from home (only 25% reported this as a possibility) and only half of these ever did so (13%). This reflects the different kinds of jobs people undertake; managers and professionals are far more likely to work at home than hospitality workers or carers.

### Black workers are less likely to have the choice to work from home

Data in the ONS survey on ethnicity is not fine-grained enough to say much, but it is clear that those who identified as "Black or Black British" were the ethnic group most likely to have no choice about having to travel to work in their job; 60% compared to 46% of White British/Irish workers. This is most likely to be a reflection of the types of work being undertaken.

### Self-employed workers are more likely to work at home

Perhaps unsurprisingly, nearly one third of self-employed workers (32%) only ever worked from home and 57% in all worked from home all or part of the time (compared to 44% on average).

### London is the capital of hybrid working

Of all the regions across the country, London shows by far the highest incidence of hybrid working, with 40% working from home at least one day per week, compared to 28% as the national average.

### Lone workers outside of the home

The remaining two categories of lone workers are the nomadic workers and those who work alone in a fixed place of work.

Evidence for this is hard to find. The best estimate we found is that lone workers in 2018 in the UK were estimated at approximately 7 million in total. So, excluding the 1.7m mainly working at home at the time, we could estimate that in 2018 there were perhaps over 5 million lone workers who were working alone and outside of the home.<sup>6</sup>

By way of example, the NHS alone may account for over 350,000 lone workers, just in England. This includes paramedics, nurses or community health workers making house visits, technicians working out-of-hours, receptionists working alone in reception areas, security staff, cleaning and porter staff, etc.<sup>7</sup>

## The impact of lone working on relationships and health

So far it is clear that different groups within society have very different experiences of work, and that the changes underway at the moment are also being experienced in very different ways. However, jobs differ greatly in their nature and even where people work physically alone they may be in touch with colleagues via phone and computer, so we cannot draw simple conclusions about the impact of this change. This section explores the impact of the changes to lone working upon the relationships of those workers and those around them. What is the emerging evidence around the significance of this shift and what it might mean for us?

#### Lone worker or lonely workers?

An obvious question to begin with is whether there is a correlation between lone working and loneliness, and therefore whether the growth of lone working poses a growing challenge in this respect. Are we becoming a nation of lonely workers, as well as lone workers?

The evidence on this may surprise you.

Recent research on the links between loneliness and work has identified three different dimensions to the links between loneliness and work.<sup>8</sup> Firstly, general feelings of loneliness, unrelated to work, may impact upon someone's work. Secondly, work may negatively impact upon someone's relationships out of work, through long hours or stress for example. Thirdly, the very nature of someone's work may drive feelings of loneliness. It is this latter phenomenon that we wish to focus upon, as it raises the question as to whether working alone is more likely to lead to loneliness.

A major review of the evidence on loneliness at work was recently undertaken on behalf of the British Red Cross and it provides a helpful overview for us, although it covered a much broader scope than just lone working. The study's international evidence review and fieldwork were undertaken in 2022 and found that one in ten of the UK workforce "often or always" experience loneliness whilst at work.<sup>9</sup> The review found that organisational culture is a significant factor in driving feelings of loneliness at work. An organisation typified by a highly competitive and individualised culture, for example, or one including conflict or bullying, can undermine a sense of belonging amongst workers which can in turn drive feelings of loneliness. Our social experience of work is influenced less by how many people sit around us and more by how we are actually treated by those colleagues and managers.

The same review also found other factors that may drive a sense of loneliness at work, although acknowledged that the available evidence on this topic is often partial at best so is not

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Loneliness at work is indeed an issue for a significant minority of workers. but it is not closely related to whether someone works alone.The intentionality and quality of our relationship with our employer is a fundamental factor.

necessarily conclusive. Factors influencing loneliness in the workplace often include:

- The extent to which someone feels that they have control over their work;
- Working on a temporary contract rather than a permanent one;
- The quality and depth of work relationships, not just the number of them or the fact of contact alone;
- The nature of the working relationship with managers;
- The nature and quality of organisational leadership;
- The personal characteristics of the individual worker.

New fieldwork explored the risk factors for loneliness at work and identified specific groups of people who are more likely to be affected:

- Younger workers are far more likely to feel lonely than older workers. Of those aged 18-29, 15% reported "feeling left out", compared to only 4% of those aged 55 or over.
- Perhaps unsurprisingly, senior managers are far more likely to report feeling "isolated from others" than junior managers or non-managers (19% vs. 9% feel this way "often or always").
- Disabled workers or those with a long-term health condition are much more likely to "feel isolated from others" at work (20% vs. 8% feel this way "often or always").
- Workers from ethnic minorities are no more likely to feel lonely in life generally than other ethnic groups, but

they are a little more likely to feel lonely at work; for example, 13% "often or always" feel that they have noone to talk to, compared to 9% of white workers.

Interestingly, the research also found no correlations between experiences of loneliness and some types of work. Loneliness at work does not seem to be significantly affected by the size of organisation or the nature of contracts being worked on (whether they are full-time or part-time, freelance or not). Low income workers were no more likely to feel lonely in general or lonely at work than any other workers.

Most relevant to this study, the research also found that home workers were no more likely to feel lonely than those who work on-site. Their experience of work is clearly different, with those working on-site more likely to build close relationships with colleagues than those working at home, but this does not translate into significant differences in terms of experiences of loneliness at work. In fact, many of those who had shifted to doing more home working since the pandemic actually felt positive about this and its impact upon their relationships inside and outside of work.

More surprisingly perhaps, the research suggested that workers who work mainly within teams are in fact more *likely* to report feeling lonely at work than those who work mostly alone, strongly suggesting that feelings of loneliness at work are not primarily driven by whether or not someone actually works alone, or simplistically by the number of contacts with people that they have, but more by the culture of the organisation and how someone is managed and treated, and also whether someone is in the kind of job role which suits them. 66

Loneliness at work is indeed an issue for a significant minority of workers. but it is not closely related to whether someone works alone. The intentionality and quality of our relationship with our employer is a fundamental factor.

Our conclusion from reviewing this significant study is that loneliness at work is indeed an issue for a significant minority of workers, but it is not closely related to whether someone works alone, or the size of organisation or the nature of their contract. Rather, it is more driven by the culture of the organisation and how this interacts with the individual and their expectations. So the intentionality and quality of our relationship with our employer is a fundamental factor in how we experience, and feel about, our work.

For groups who are most likely to feel alone – disabled people, younger people, senior managers, some in ethnic minorities – these are also not new problems; these groups have been consistently under-supported for years. The great expansion of home working does not, therefore, at first sight, seem to have led to a significant rise in loneliness amongst those workers. It does however, raise important questions about how employers treat those workers through their policies, practices and working culture. Out of sight, out of mind?

#### The impact of home and hybrid working on worker relationships and health

The rise of home and hybrid working has the potential to create many different kinds of impacts, from changing relational dynamics with colleagues to the environmental benefits of lower levels of commuting and no doubt other unintended consequences. Our interest here is to understand the emerging evidence on how it impacts upon relationships at work.

Home and hybrid working are now prevalent across the voluntary, public and private sectors and in many different kinds and sizes of organisation. As noted above, we are defining home working as that undertaken by workers who spend most or all of their time working from home, whereas hybrid working is a more of a mix; hybrid working usually means a worker spending more time in the workplace than at home, typically with three or more days per week in a workplace for a full-time worker.<sup>10</sup> Most research includes consideration of both types of experience.

A recent international review of pre-pandemic evidence about the impact of home working on health found limited coverage of these issues and emphasised the need for more research now that it has become a widespread practice.<sup>11</sup> One of the conclusions it was able to draw (in line with findings noted above) was that the employer's approach to managing working from home seemed to be a key factor affecting whether it was as a positive or a negative experience.

So far, working from home seems to be broadly popular with workers and the reasons which they cite most often for supporting it include: a better work-life balance, reducing commuting time, saving money, enabling the pursuit of other activities outside of work, and helping with childcare or other family caring responsibilities. Most surveys suggest there is little appetite from most workers to return to full-time in the office.<sup>12</sup> Parents in particular seem to appreciate having some home working within the mix, with evidence that many able to avail themselves of hybrid working find it beneficial to their overall mental health.<sup>13</sup> This underlines how work touches on many aspects of our lives and how much many people value the integration of 'work' into 'life' when it can be done in mutually reinforcing ways.

However, there are important issues to be aware of. Experiences clearly vary significantly between workers. A study undertaken by the Royal Society of Public Health found that although nearly half of those working from home felt that it was good for their health and wellbeing, a sizeable minority, nearly one third (29%), felt it was worse for their health.<sup>14</sup> Their key findings provide a good overview of the issues.

Specific groups were much more likely to fall into this unhappier category. In particular, younger workers (aged 18-34) who were house sharing were much more likely to find home working difficult for practical reasons and worse for their health (41%).

The study also found a number of other issues arising from home working, each also echoed by findings from similar surveys:

- Less connection Many workers (67%) felt "less connected" to their work colleagues. This does not mean that they are lonely, but they are reporting a degradation of the number and quality of working relationships.
- Blurred boundaries A majority of workers found it more difficult to "switch off" at the end of the working day, or even take breaks during the day.
- Physical pain Many workers have found themselves working regularly with a chair/computer set up that is impacting upon their physical health, especially musculoskeletal problems like back pain or headaches. Nearly two in five (39%) of workers reported these kinds of problems. Unsurprisingly, those who have to work from a sofa, due to lack of better options, are almost twice as likely to report physical health issues than those fortunate enough to have a home office with more appropriate desk/chair equipment (56% vs. 27%). These

patterns were also duplicated in the ability to sleep, with those using their main living spaces for work (whether living room or bedroom) more likely to have disturbed sleep.

 Worse diet, less exercise – Although people's experiences of working from home varies significantly, more workers reported eating less healthy diets and getting less physical exercise as a result of doing less commuting. Those slipping into less healthy habits clearly outnumbered those taking up healthy habits.

The research suggested that most employers have been slow to support workers in finding healthy ways to work at home – from the physical set up of a desk/computer to mental and emotional support for this new style of working.

#### **Employer perspective**

A traditional reaction by some employers to the prospect of their colleagues *working* from home was the assumption that this is really an excuse for *shirking* from home.

From an employer's perspective, the impact of home and hybrid working also needs to be understood in terms of the work itself: what difference does it make to the organisation's activities? Evidence from various studies undertaken during the pandemic itself suggested, interestingly, that working from home actually led to increases in worker productivity overall.<sup>15</sup> A recent survey of employers provided a largely positive view of hybrid working, with approximately half of them reporting no difference in worker productivity, 38% reporting enhanced productivity, and only 13% concerned about lower productivity.<sup>16</sup> This seems, overall then, a significant net gain for employers. Research suggests that home working can lead to a significant reduction in communication and collaboration.

Recent empirical studies suggest that more caution may be required. A large study of over 61,000 Microsoft workers in the USA compared their communication behaviours before and after March 2020 when the firm shifted entirely to home working from its previous arrangements where it had only included 18% of the workforce.<sup>17</sup> Crucially, the study observed a significant reduction in communication and collaboration between different business units and departments, as work became more siloed. Workers were also more likely to exchange information via email, so some communication became less 'rich' with a loss of complexity and depth. The study authors flagged a long-term potential negative impact on innovation and productivity within the firm as a result.

#### The impact of lone working out of the home

Assessing the impact of lone working on those working outside of the home – alone in the workplace or nomadic workers – is much more difficult as the issues affecting their health, wellbeing and safety vary greatly between sectors and roles and evidence is highly fragmented. From what evidence is available, there is little to suggest that there are substantial new trends in this area of work over the last decade or so and therefore in our review of changes to the working landscape, there is less to consider.

Nevertheless some important issues are clearly present in this area of work.

One of the most comprehensive studies was an evidence review published in 2009 which assessed the psychosocial and physical health issues arising from remote and mobile working (i.e. the impact of lone working on the UK's nomadic workers).<sup>18</sup> It found, on average, no obvious differences between these workers and their counterparts in offices in terms of overall levels of welfare and health. Many of these workers enjoy what they do and value the flexibility afforded. Many of our nation's drivers appear to value the 'open road' and also the time they spend with customers.

The most significant and common issues arising in this workforce were twofold.

Firstly, musculoskeletal issues (like back pain) are common amongst workers who spend a lot of time behind the wheel, which many remote workers do.

Secondly, frustrations and stress can arise from work that is not well managed. In practice this seems to be largely driven either by lack of communication causing confusion or a lack of clarity about the nature of the work, or by overly strict supervision where the worker is left with little autonomy or room for decision-making, typical of workers with busy workloads on tight timescales and essentially 'managed' by an app or tablet. Both of these situations are associated with worse mental health outcomes and are products of an approach to management.

#### Conclusion

We have become a nation of lone workers, almost overnight. It was not planned this way and there is no strategy for it, but now in any given week, over half of the UK workforce may be working alone for some or all of the week. Working life has not looked anything like this since the dying days of cottage industries in the 19th century.

The sudden rise of home and hybrid working has driven this expansion, but such workers also complement the millions of other lone workers whose roles have long taken them out of the home or onto the road and whose work experiences have perhaps been overlooked for many years.

It seems that, when managed well, lone working may actually suit many people and enjoy broad support. As we have seen, its impacts are not straightforward or amenable to simple assumptions. For example, lone working does not actually make most people feel lonely. But the remoteness that lone working implies clearly does impact in fundamental ways on the worker and their relationship with their employer.

It also offers significant challenges for the future. Our workforce is in uncharted territory and we should pay close attention to what is emerging. On the expansion of home working in particular, we cannot afford to be complacent as it is very early days for this sudden scaling up. As the years unfold, experiences and attitudes may yet change.

From our review of the evidence and recent trends, we believe that there are two issues of most significance for the worker-employer relationship:

#### Weakening connections between co-workers

The evidence suggests that much rests on the role of good management in the shift to lone working. The risk of damaging impacts is higher where lone working is poorly managed: this alone is a reason to take relationships seriously when thinking about the nature of 'good work'. Employers need to be more pro-active in helping workers build good working relationships with coworkers, whether nomadic workers or home workers. It is very difficult to get to know people well and to build corporate culture on zoom alone or via a phone or tablet. This is not about 'socialising in the pub' but a more basic

The risk of damaging impacts is higher where lone working is poorly managed.

requirement to know our co-workers and what they are doing and how it relates to our work. The very ties that bind organisations together may be under strain. Moreover, the loosening of these ties can have significant consequences for both mental and physical health. Employers may need to become much more intentional about building good worker relationships.

This is a particular issue for some groups:

- New recruits may need more face-to-face time to get to know people and learn culture.
- Any organisation with workers who are mainly at home or mainly remote needs to consider how to support their mental health and how to balance management with support.
- All employees will experience a diminution of working relationships over time without some periodic face-toface time.

#### Home working should be healthy working

- We need to learn how to do home working well. A worker being off-site or out of sight should not diminish the need for care. This is a shared responsibility and it includes:
- Different groups in the workforce may want different things so universal approaches/one size fits all policies may not be effective. For example, younger workers in their 20s vs older workers with childcare responsibilities, but also within this, people will have different preferences. Ask, don't generalise, is the motto.

Employers may need to become much more intentional about building good worker relationships.

- More thought needs to be given to the boundaries of work/home life and how to manage these so that work does not dominate.
- Although not new, the day to day musculoskeletal pain arising from inappropriate posture and inadequate equipment may well become a more significant problem in future years. This is an ongoing issue for many nomadic workers and now impacts on many home and hybrid workers. This must be taken seriously as a growing public health issue.
- Many people may need to learn new healthier habits of diet and exercise if they were relying on the commute to keep them fit.

- 1 The proportion of working adults in Britain who worked at home for all or part of the week was 44% for the period September 2022 January 2023. Source: ONS, *Characteristics of homeworkers*, *Great Britain: September 2022 to January 2023* (2023).
- 2 ONS, Coronavirus and homeworking in the UK labour market: 2019 (2020). www.ons.gov.uk/ employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/ coronavirusandhomeworkingintheuklabourmarket/2019
- <sup>3</sup> To calculate these numbers, we have applied the breakdown of workers from the previously cited ONS *Characteristics of homeworkers survey* of GB to the total workforce of the UK, as consistent data for NI was not available. It is a close approximation however and we are confident that it provides a good estimate for the whole of the UK. The number of adults employed full-time or part-time or self-employed in the UK from May July 2023 was 32.9 million. This is the most recent data at the time of writing. Source: ONS, *Employment in the UK: September 2023* (2023).
- 4 Natasha Mutebi & Abbi Hobbs, *The impact of remote and hybrid working on workers and organisations*, POSTbrief 49 (London: UK Parliament POST, 2023), p. 15. Available at: post.parliament.uk/ research-briefings/post-pb-0049/
- 5 ONS, Characteristics of homeworkers.
- 6 Matthew Napier, "Lone but safe on the job", British Safety Council website (accessed 21 September 2023) www.britsafe.org/publications/safety-management-magazine/safety-management-magazine/2018/ lone-but-safe-on-the-job/
- 7 A study from 2015 estimated that 30% of NHS staff could be lone workers. Current NHS employment in England is 1.26 million at the time of writing, implying an estimated 378,000 workers, which we have rounded. The study was: NHS Protect, *Lone Worker* estate mapping exercise.
- 8 Kate Jopling, Heather McClelland & Elena Proffitt, Loneliness at work: Report for the All-Party Parliamentary Group on Tackling Loneliness and Connected Communities, (British Red Cross, 2023)
- 9 Ibid.
- 10 Chartered Institute of Personnel and Development, Flexible and hybrid working practices in 2023: Employer and employee perspectives (2023) www.cipd.org/uk/knowledge/reports/ flexible-hybrid-working-2023/
- 11 Jodi Oakman, Natasha Kinsman, Rwth Stuckey, et al., "A rapid review of mental and physical health effects of working at home: how do we optimise health?", *BMC Public Health* 20 (2020).
- 12 This is borne out by numerous studies, including, for example: Royal Society for Public Health, *Disparity Begins at Home: How home working is impacting the public's health* (2021) www.rsph.org.uk/ourwork/policy/wellbeing/disparity-begins-at-home.html
- 13 "Hybrid working model best for mental health", Practice Management 32:2.
- 14 RSPH, Disparity.
- 15 For example: Sumit S Deole, Max Deter and Yue Huang, "Home sweet home: Working from home and employee performance during the COVID-19 pandemic in the UK", *Labour Econ* 80 (2023).

#### The Ties That Bind

16 CIPD, Flexible and hybrid working practices.

- 17 Longqi Yang, David Holtz, Sonia Jaffe et al., "The effects of remote work on collaboration among information workers", *Nature Human Behaviour* 6 (2022), pp. 43–54.
- 18 Joanne O Crawford, Laura MacCalman, Craig A Jackson, *The Health and Wellbeing of Remote and Mobile Workers: Final Report* (Institute of Occupational Medicine, 2009).

# 2 The rise of insecure work

Changes which were originally designed to bring benefits - to employers in particular - have had negative consequences. The UK has one of the most flexible labour markets in the developed world. This can deliver benefits, not only to the individuals who enjoy that flexibility, but also to the wider economy through higher rates of employment and economic growth. However, there is now robust evidence to show that there are downsides to this flexibility too – at a macroeconomic level in terms of lower real wage growth and lower productivity, and at an individual level too. Changes which were originally designed to bring benefits – to employers in particular – have had negative consequences, particularly for workers, and have eroded fundamental employer-worker relationships.

So, what is the real impact of this flexibility? In particular, how does it affect those workers whose job flexibility is experienced as work insecurity?

Whilst there is no single settled definition of insecure work, as it includes an array of different kinds of work, it usually refers to jobs which are in some way more precarious in nature because of the type of contract, generating unpredictable income and often associated with low hourly pay and fewer employment rights.

In the UK today, the Living Wage Foundation estimate that nearly one in five workers – 6.1 million people (19% of all workers) – are in insecure work. Within this, they believe that over half (3.4 million, 11% of all workers) are in work that is both insecure and low paid.<sup>1</sup>

This type of work has grown significantly since the financial crash of 2008, accounting for much of the growth in employment since then, over the last 15 years.<sup>2</sup>

The Living Wage Foundation define "insecure work" to include a number of different kinds of work:

- Gig economy/digital platform work with hours/pay volatility;
- Self-employment which is low paid;
- Temporary work;
- Zero hours contracts;
- Underemployment.

The Work Foundation recently devised their own Insecure Work Index, which produced an estimate very close to that of the Living Wage Foundation, estimating that there are 6.2 million "severely insecure" workers in the UK (19.8% of the workforce).<sup>3</sup> Their definition assesses jobs against a mix of factors including contractual insecurity, financial insecurity and access to workers' rights.

#### Insecure work is changing the UK labour market

This section looks at how insecure work has been changing. Insecure work is not new, but it has grown in recent years and evolved in its nature. The growth of insecure work over the last 15 years has been driven in particular by the growth of three different types of work, which we will explore in turn: gig economy (digital platform) jobs, self-employment, and zero hours contracts.

#### The gig economy

Definitions and estimates of the gig economy vary, but it has clearly grown substantially and rapidly over the last decade. It is important to distinguish between people for whom this kind of work is their main source of income and those for whom it is a 'side hustle' or just an occasional way of earning money, like selling unwanted goods online.

One major national study estimated that that were nearly half a million workers (464,000 workers) in the gig economy in late 2021, which is 1.4% of the UK workforce.<sup>4</sup> This is perhaps less than some might have expected.

The research focused on people who used at least one platform regularly, rather than occasional users who were just selling or renting something out on an *ad hoc* basis. In fact, the media stereotype of the gig economy being a Deliveroo rider or an Uber driver is highly unrepresentative; they only represent a minority of jobs but are just more visible. More than half of these people undertake desk-based services at home or in the office, with one in five delivering personal services like cleaning or plumbing and about two in five 'on the road' as private hire drivers, couriers or delivering goods (some do more than one job, hence these proportions overlap). Perhaps surprisingly, only one in five of these gig economy workers consider it their main source of income: for most it is a top-up to their main work. That implies that perhaps only 100,000 workers rely upon gig economy work for most of their income.

More recent research published in 2023 suggested that this growing sector is actually somewhat larger than this, suggesting that 1.4% of UK adults work in the gig economy (so, about 750,000 workers).<sup>5</sup> Their definition was relatively narrow, limited to the buying and selling of labour via digital platforms in both local (out of home) and remote work (deskbased), so not including buying and selling via eBay, etc. In their research, 50% of workers earned 60% or more of their income from this type of work. To conclude this brief review, a much broader survey by the TUC suggested that 4.4 million people (some 14% of the adult workforce in England and Wales) operated in the gig economy at least once per week.<sup>6</sup> Their research suggested that only 30% of the workers earned 50% or more of their income from it, which is about 1.3 million people, so this research included a lot of people for whom it was a secondary source of income – a side hustle or 'top up'.

Importantly, the TUC also estimate that the gig economy workforce trebled from 2016 to 2021, in just five years, which may also help to explain why some of the surveys give differing estimates of the scale of the sector; it appears to be a rapidly moving target.

Without wishing to get lost in the thickets of detailed statistics, what we can safely discern from this research is that the gig economy has been growing rapidly in recent years, that millions of people in the UK engage with it regularly in a range of ways, either as a primary job or to top up income, and that for a minority of these people – perhaps 750,000 workers, to take a middling estimate – it delivers more than half of their income. Most people in the gig economy are self-employed, but some are employees or legally classed as 'workers', so we should note that there is some overlap with the next two categories.

#### Self-employment

Self-employment in the UK has been rising steadily since the early 1980s, from 2.1 million to 4.2 million workers in 2023.<sup>7</sup> It actually peaked at 5 million just before the pandemic, fell during the turbulence of the pandemic and is currently rising again. The pandemic-related changes reflect a number of complex trends and the unusual nature of that time, but the longer term trend has clearly been one of consistent increase.<sup>8</sup>

The vast majority of the self-employed are counted as "solo self-employed" (84%) meaning that they largely work alone. Self-employed workers operate across many sectors and at home as well as in workplaces and remotely (on the road). Approximately 40% are low paid and one in five (21%, 825,000 people) are "insecure" in their incomes.<sup>9</sup>

#### Zero hours contracts

A zero hours contract is an employment contract between a worker and an employer which does not guarantee any particular amount of work, and for which the worker is therefore only paid for the work that is undertaken. It differs from self-employment where no such contract exists. A common misunderstanding is that 'zero hours' also means 'zero obligations' but in law the employer does indeed still have obligations, some of which have been hotly contested in the courts in recent years. Very few European countries allow such flexible, and arguably one-sided, employment contracts without specified hours.<sup>10</sup>

The latest available data, for Spring 2023, shows 3.6% of the UK's workers on zero hours contracts, a new UK record, accounting for 1.18 million workers.<sup>11</sup> This compares with only 0.6% of the workforce (168,000 workers) in 2010. This is a significant increase of over 1 million workers in just over a decade and reflects some significant changes in employment practices.

Survey evidence suggests that workers on zero hours contracts are mostly part-time and that, compared to workers on other types of contracts, they are more likely to have no

A common misunderstanding is that 'zero hours' also means 'zero obligations'.

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work at all some weeks and more likely to want more work/ hours.<sup>12</sup> Most strikingly, one third of zero hours contracts are with young people aged 16-24. Larger businesses are also much more likely to use these kinds of contracts. They are found in the greatest numbers in the hospitality sector and the administrative and support services sector.

## The impact of insecure work on relationships and health

There is growing evidence about the impact of insecure work on those engaged in it. This section explores what we know about this impact. There is clearly some overlap between these categories – many gig workers are also self-employed – but the distinction here reflects the differing perspectives taken by researchers and allows us to explore the differences between these styles of working. Given their differences, this section explores each main type of insecure work separately before drawing together the findings.

#### **Gig economy impacts**

Although more research has been conducted in recent years, the gig economy is still not particularly well understood due to the informality of much of it, making it somewhat more resistant to formal research approaches. Nevertheless, the emergent research gives us a flavour of who is involved in it and how they are affected by it.

One argument offered in support of the gig economy, not least those businesses benefiting from it, is that gig economy workers enjoy the flexibility and can benefit financially; in particular, it can suit those with caring responsibilities or studying. It has also proved attractive to new migrants to the UK due to its lower onboarding thresholds and the ability to Most strikingly, one third of zero hours contracts are with young people aged 16-24. work in different languages via the various apps. However, the engagement of workers in a sector is not in itself a sign that all is well, not least if those workers do not feel they may not have much choice about what work they do. Most published studies on the gig economy highlight problems and issues with the nature of the work and its impact on those delivering the services.

In 2021, Fairwork published its independent assessment of eleven of the largest gig economy digital platforms in the UK, including ride-hailing, food delivery, couriers and domestic services.<sup>13</sup> They scored each business against five "fair work" criteria, relating to pay, conditions, contracts, management and worker representation. They found that "the majority of the platforms we evaluated failed to evidence that basic standards of fairness are met". For example, not a single platform could guarantee that their workers would earn the living wage after costs and only two could guarantee that workers would even earn above the statutory minimum wage. It was also common for workers to lack decent terms and conditions (such as little or no sick pay) or a 'voice' within the organisation, and they had generally fewer actionable employment rights.

Gig economy workers had significantly worse mental health and wellbeing than those with parttime or full-time employed jobs. Only unemployed people had worse mental health and wellbeing.

The first major national study on the impact of the gig economy on workers' health was published in the British Medical Journal in 2022 drawing on a large survey. In line with findings from other countries, it found that gig economy workers had significantly worse mental health and wellbeing than those with part-time or full-time employed jobs. Only unemployed people had worse mental health and wellbeing.<sup>14</sup> The key drivers of this lower mental health were financial precarity and loneliness. Only those who were unemployed were in a worse situation. Other studies echo these findings. For example, a 2023 report by the Work Foundation found that the majority of insecure workers wanted more predictable hours and income (57%) and over half said that their mental wellbeing was affected by sudden changes to their work schedule and hours.<sup>15</sup>

Another recent survey by Bristol University of over 500 gig economy workers found that over half of their respondents earned below the statutory minimum wage, 40% were concerned that they might lose this job in the next year, over one quarter felt that they were risking their health and safety as they did their work, some 40% of local gig workers (i.e. those in a workplace) reported physical pain whilst at work and, perhaps even more strikingly, over three quarters of all gig economy workers reported anxiety over the unpredictable nature of their work – whether pay or hours or the type of task.<sup>16</sup> All of these findings are significantly higher than for employed workers. The nature of the gig work clearly affects workers' income, and their physical and mental health.

Even a study of Uber drivers in London, funded by Uber itself, acknowledged that anxiety levels amongst their drivers was higher than average for workers in London, with half of Uber drivers reporting high or very high anxiety levels.<sup>17</sup> This is almost certainly not helped by the fact that, despite their hopes and expectations, their average income remained amongst the lowest in London.

The gig economy is much more significant in certain sectors and regions of the UK than others, and the workforce is also not typical. One quarter of all UK gig economy jobs are in London.<sup>18</sup> We will return to the characteristics of all of these workers later in this section. The nature of the gig work clearly affects workers' income, and their physical and mental health. Nearly one in three of the UK's self-employed reported "moderate" to "severe" mental health issues.

#### Self-employment impacts

Although there is overlap between gig economy workers and the self-employed they are not the same group, as some of the self-employed workforce have quite different contractual arrangements in place for their work and income. This is a large group of workers, currently over 4 million people.

A recent 2023 national survey by the LSE and  $CEP^{19}$  highlighted some real challenges facing this sector:

- Nearly one in three (31%) of the UK's self-employed reported "moderate" to "severe" mental health issues, with younger workers more likely to be affected. This is twice as high as the national average. Insufficient income and financial insecurity are cited by the researchers as the main drivers of this.
- Some 40% of the self-employed would now prefer to move into employment instead, with a higher proportion of the solo employed reporting this, and they would prefer to do so even if their wages reduced.

This new research potentially reveals a turning point for this group of workers who have, on average and over the longer term, tended to be more satisfied with their work than the employed. The traditional view of self-employment may well now be out of date after the shocks and turbulence experienced over the last decade, with a sluggish economy, austerity and the pandemic increasing their financial insecurity and undermining confidence and satisfaction.<sup>20</sup>

#### The impact of zero hours contracts

A study by the International Labour Organisation found that zero hours contracts were often highly damaging to work-life balance and undermined family life.<sup>21</sup> They were most prevalent amongst the young (under 25), including students, and also older adults with few qualifications.

The core issue is that whilst offering great flexibility these kinds of working arrangements tend, in practice, to deliver that flexibility largely to the employer rather than the employee due to the asymmetrical nature of the power relationship. The short notice and unpredictable nature of the work means that income can vary significantly from week to week.

#### Cross-cutting studies on insecurity

Taking a step back, a number of cross-cutting studies looking at work insecurity more generally have reported very similar findings. These larger studies also shed further light on which groups are more affected by the issues.

Sectors most affected by work insecurity include agriculture, services and hospitality.

The Living Wage Foundation's 2023 report on insecure work found that:

- Low paid workers were five times more likely to be in insecure work than those on higher incomes. This tends to confirm the theory that most people with financially insecure incomes do not choose this situation out of preference, but from necessity.
- Groups more likely to be in insecure work include those from ethnic minorities, young workers and older workers. With respect to ethnicity, white workers are the least likely to experience insecurity in work. Insecure work also varies around the UK from a high of nearly one in four jobs in the North East to the lowest (17%) in Scotland.

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Insecure work, with its unpredictable hours and its unreliable (and often inadequate) income, is making millions of workers ill.  The short notice cancellation of shifts gives an "insecurity premium" often resulting in higher costs, like travel or childcare.

Research by the TUC<sup>22</sup> based on a substantial survey affirmed that insecure work is more likely to affect younger workers (aged 16-24) and those from ethnic minorities and also highlighted the health impacts of insecure work:

- Insecure workers are less likely to be satisfied with their work/job.
- Those without regular hours are less likely to be satisfied with their job and more likely to be anxious.
- Those with lower levels of job security are more likely to experience anxiety or depression.
- Those who exit insecure work are more likely to become unemployed than to progress to better work.

The Work Foundation's own Insecure Work Index also found that job quality and insecurity play a big role in influencing health and wellbeing at work, causing "depression, exhaustion, anxiety and... ill health" which can be equivalent to that experienced by unemployed people.<sup>23</sup>

#### Conclusion

Insecure work, with its unpredictable hours and its unreliable (and often inadequate) income, is making millions of workers ill. It brings anxiety and even depression. The economic argument that most people happily engage with work on such terms because it benefits them is undermined by the presenting facts that many would actually prefer to have employed work – and that for those who do leave such work, they are more likely to find themselves unemployed than moving up the employment ladder.

The principal benefits of insecure work accrue to employers, not workers (whether they are self-employed, on zero hours contracts or working in the gig economy). The strong association between insecurity and low pay, together with a workforce which is disproportionately young or from an ethnic minority, strengthens the impression that it frequently goes hand in hand with unfairness and even exploitation. Those employers using insecure workers are ignoring the obligations of mutuality and fairness.

The asymmetrical nature of the worker-employer relationship in these arrangements has been regularly abused to the detriment of the workers who generate the income and profits for their employers. There may be much to commend flexible work, both for employer and worker, where circumstances warrant it, but it surely cannot be undertaken at such a one-sided cost to the worker. The ties that usually bind us together in the workplace seem almost completely frayed within this sector.

- 1 Joe Richardson, Precarious pay and uncertain hours: Insecure work in the UK Labour Market, (Living Wage Foundation, 2023).
- 2 See: Pascale Bourquin and Tom Waters, "Jobs and job quality between the eve of the Great Recession and the eve of COVID-19", *The Journal of Applied Public Economics* 43:1 (2022); also Stephen Clarke & Nye Cominetti, *Setting the record straight: How record employment has changed the UK* (Resolution Foundation, 2019); also Matthew Taylor, Greg Marsh, Diane Nicol, and Paul Broadbent, *Good Work: The Taylor Review of Modern Working Practices* (Department for Business, Energy & Industrial Strategy, 2017).
- 3 Rebecca Florisson, The UK Insecure Work Index: Two decades of insecurity (Work Foundation, 2022).
- 4 James Cockett and Ben Willmott, *The gig economy: What does it really look like?* (London: Chartered Institute of Personnel and Development, 2023).
- 5 Alex J Wood, Nick Martindale & Brendan Burchell, Gig Rights & Gig Wrongs: Initial Findings from the Gig Rights Project: Labour Rights, Co-Determination, Collectivism and Job Quality in the UK Gig Economy (University of Bristol, 2023).
- 6 Neil H Spencer and Ursula Huws, "Platformisation and the Pandemic: Changes in Workers' Experiences of Platform Work in England and Wales, 2016-2021", in Tim Sharp, ed., *Seven ways platform workers are fighting back* (TUC, 2021).
- 7 UK self-employment data from ONS, Labour Force Survey June 2023. Available at www.ons.gov.uk/ employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/dyzn/lms
- 8 The various factors are discussed in Cockett and Willmott, The gig economy.
- 9 Matthew Williams, M. et al., *The true diversity of self-employment* (Centre for Research on Self-Employment, 2017).
- 10 See: Abi Adams & Jeremias Prass, Zero-Hours Work in the United Kingdom (International Labour Organisation, 2018).
- 11 April-June 2023 3.6% of UK workers were on zero hours contracts; in Oct-Dec 2010, 0.6%. ONS, EMP17: People in employment on zero hours contracts (2023).
- 12 Doug Pyper & Feargal McGuinness, Zero Hours Contracts: Briefing Paper 06553 (House of Commons Library, 2018).
- 13 Fairwork UK Ratings 2021: Labour Standards in the Gig Economy (Fairwork, 2021).
- 14 Senhu Wang, Lambert Zixin Li, & Adam Coutts, "National survey of mental health and life satisfaction of gig workers: the role of loneliness and financial precarity", *BMJ Open* 12 (2022).
- 15 Asli Atay, George D Williams & Rebecca Florisson, *Managing Insecurity: The role of good management,* (Work Foundation, 2023).
- 16 Wood, Martindale & Burchell, Gig Rights & Gig Wrongs.
- 17 Thor Berger et al, Uber Happy? Work and well-being in the "Gig Economy" (University of Oxford, 2018).
- 18 Cockett & Willmott, The gig economy.

- 19 Robert Blackburn, Stephen Machin & Maria Ventura, *The Self-Employment Trap?* (Centre for Economic Performance, 2023).
- 20 For example, see: Matthias Benz & Bruno S Frey, "Being Independent is a Great Thing: Subjective Evaluations of Self-Employment and Hierarchy", *Economica* 75:298 (2008), pp. 362-383.
- 21 Adams & Prass, Zero-Hours Work in the United Kingdom.
- 22 Living on the Edge: Experiencing workplace insecurity in the UK (TUC, 2018).
- 23 Florisson, Insecure Work Index.

## 3 In search of mutuality

We have seen, starkly illustrated in earlier sections, what happens to work when it is narrowly conceived as just an economic transaction. The evidence clearly shows that it has social and relational value too – and that when this is neglected it can cause harm to workers, their families and society more generally. We urgently need a new and fuller conception of what work means in the 21<sup>st</sup> Century in the UK – one that avoids the errors of the last few decades.

In this chapter we therefore move on to examine what the dimensions of 'good work' should entail. As we argued in our previous report, *Just Work: Humanising the Labour Market in a Changing World*, to respond to these questions we must work from a deep account of how human beings are most likely to flourish. This can and should include theological thinking about the purpose and nature of work. While the United Kingdom is in some senses a secularising society, policy-making ultimately needs to be grounded in some kind of a moral vision: what kind of labour market do we think will work best for UK citizens?

The following are principles drawn from Christian economic thinking. We believe, however, that they would command broad support from across religious and philosophical traditions.

— Dignity: people are people, not units

Every worker is a person, first and foremost. Every person has equal value, whatever their position within society or their role within an organisation. Our starting point is a basic equality of dignity. Human dignity is undermined when workers are exploited, or treated simply as a means to an end. For Christians, this idea is rooted in the idea of human beings being made in the 'image of God' (Genesis 1.26). Policy-making ultimately needs to be grounded in some kind of a moral vision. Every worker is a person, first and foremost. Agency: flourishing within work and outside it If people are to flourish at work then they must have some freedom and agency. A theological illustration is the contrast between the slavery and flourishing in the Exodus narrative: in Egypt the people of Israel are forced to perform prescribed repetitive and monotonous tasks for no personal benefit. In the promised land, households can plant and build together and develop communities. Agency is also not only about what happens within a job. It is also about enabling physical, social, economic and even political capacity for life outside of work. If a worker's job is so all-consuming that it makes him or her unable to participate well at home or in wider society, then an employer is undermining the worker's wider social agency. This implies the need for boundaries around the time and energy that work takes up and calls for organisations to build 'life-giving cultures' that promote personal development. Total flexibility may not always produce genuine agency.

Limit: boundaries in an environment of limitless work In the Judeo-Christian tradition there is a consistent command to practice rest. This is not just for the sake of worship, but also for restoration and recovery for human beings and for creation itself. The religious prohibition to work on a Sabbath far outlasted similar prohibitions on lending at interest, and although we still see vestiges in Sunday trading legislation these are often mocked as anachronistic interferences on consumer choice. However, we believe that this principle should be reappropriated in a new way in our very different context. While working hours are lower, many workers (particularly hybrid/lone workers) have experienced new challenges in boundary-less work. This heightened flexibility is to the benefit of secure and established workers, but threatens those in a weaker position.

#### Fair rewards

A fundamental theological idea of justice also demands that work is rewarded fairly and proportionately. This both ensures that workers receive a fair and living wage but also precludes excessive rewards where it is not earned but essentially a windfall. In recent years this idea has secured remarkable traction in the UK. The Living Wage Movement has popularised the idea of a 'real Living Wage', with tens of thousands of employers voluntarily agreeing to pay it. Popular opinion on unmerited high pay has also hardened against such practices.

#### Beyond contract to covenant

The usual basis for relating to each other in economic life is contractual: a formal agreement to exchange goods or services for payment. Formalising such expectations is often essential. However, if work interactions are always and only conceived as contractual, it implies that there is no deeper relationship between the two parties. Human work is always relational; it is experienced in relation to family, local community, nation and globally. Economic relationships are embedded in these overlapping networks; they do not happen outside them. The 'market' operates within this social and relational context, and we should think not only of contracts but of covenants, which implying an underlying commitment not just to fair exchange, but to the actually flourishing of both parties. Any commitment by an employer to a worker therefore, by implication, extends beyond contracts and

minimum legal obligations; there is an unwritten bond too.

The importance of ethical leadership

Employers possess power and can use it in varying ways. Decent leadership must take responsibility for outcomes for all stakeholders, including workers. Increasingly, this is precisely what customers and investors expect, even if it involves some compromises at the bottom line.

#### From 'work' to 'good work' to mutuality

At the heart of this Christian conception of work is the idea that workers and their employers have a moral commitment to each other that extends beyond any immediate transactions or written contracts. We may sign contracts and abide by the law, but that is not the fullness of our commitment to each other as human beings; we are more than our minimum legal commitments.

Moving towards 'good work' means recovering the full dignity of what it is to be human within the marketplace. This is partly about how we design contracts and formal arrangements and laws but it is also about culture and expectations and how we choose to do business with each other. Is an employer's role and ambition simply to treat their workers as cheaply and narrowly as the letter of the law allows? Some might nod to this, but many will not; we can do better. Indeed, there is a divine call to do so.

In relation to our current concern here for the rise of insecure work and lone work, we can identify a common vision: 'good work' is built upon a strong relationship of mutual dependence between worker and employer and sees the rewards of work shared fairly. The common challenge we are witnessing therefore is that in relation to both styles of working, current arrangements are weaking these strong mutual bonds.

Insecure work is highly asymmetric in the balance of power and the resultant balance of costs and rewards. Lone work may be more fairly arranged but can still often entail a weakening of bonds, as though 'out of sight' means 'out of mind'. In both cases, many employers have failed to invest in fair and meaningful relationships with the workers they rely upon to deliver their services. What we have seen in the labour market in the UK in recent years is a loss of mutuality; more people have become expendable economic units, or more distant units, rather than people to whom we have a responsibility that goes beyond a job description or task.

A Christian view emphasises God's call to all of us to engage in fair and meaningful relationships in the world of work, leading to the idea that every employer and worker share a relationship with each other which should be one of mutual respect and mutual responsibilities.

These are the ties that bind.

In practice, at the heart of every good and fair working relationship between employer and worker there should be a strong mutual bond. Those who work alone should be treated with as much care as those present every day in the office. Those whose work is more temporary or part-time should be treated with as much respect as those who are full-time and permanent.

A strong mutual relationship with every worker would always have four essential features: fair hourly pay at or above a real living wage; predictable hours and income which are 'Good work' is built upon a strong relationship of mutual dependence between worker and employer and sees the rewards of work shared fairly. What we have seen in the labour market in the UK in recent years is a loss of mutuality.

changed only with fair notice; connection for workers, who will be 'part of the team' and should be well managed and supported; and healthy work, where working will support good physical and mental health, from the provision of appropriate equipment to decent sick pay. Such features are, of course, not alien to the workforce today and some of our better employers already do some of this. The challenge is to make it the norm.

### **Fair Pay**

In the last five years the number of employers in the UK who have accredited as Living Wage Employers with the independent Living Wage Foundation has rocketed to over 14,000 and continues to grow. These organisations, large and small, commit to paying the real Living Wage, which is an hourly wage independently calculated by the Resolution Foundation each year and which matches the cost of living and enables workers to meet their everyday needs. It remains higher than the Government's statutory Minimum Wage.

A starting point for good practice in any good mutual working relationship is providing fair pay to every worker. This growing cohort of Living Wage Employers represent a small proportion of the UK's total population of employers but they point the way on this issue and show what is possible.

The most inspiring examples are perhaps those employers operating in sectors where insecure and low paid work is rife, such as cleaning, hospitality and retail. For example, **Rosslyn Coffee** was founded in 2018 and now operates three speciality coffee shops in London. They pay the real Living Wage (or more) to all of their employees. Similarly, **Clean for Good** is an ethical office cleaning company founded in 2017 and has been an accredited Living Wage Employer since its foundation; it now employs over 70 staff and always pays the real Living Wage or more, all of the time. In their highly competitive low wage sectors, these employers point to what is possible even in the most challenging marketplaces.

### Predictable Income

One of the core problems of insecure work like many jobs in the gig economy is the unpredictable nature of a worker's income. If shifts change at short notice or service demand ebbs and flows from day to day then income can be impossible to predict and, crucially, may end up lower than the minimum the worker needs to live on.

A typical gig economy job is delivering or couriering, whether it is parcels or take away curries. One employer behaving differently in this sector is **Packfleet**, a 'last mile' courier company serving businesses across the UK. Established in 2021, this business has certified as a B-Corp and is committed to high environmental and employment standards.<sup>1</sup> Their approach to their workforce is to employ their drivers directly and give them a full benefits package, including private health insurance, as well as paying the real Living Wage or more per hour in all roles. So, their workers know what their income is going to be each week and each month, in a sector where precarity is common.

The Living Wage Foundation also have a **Living Hours** scheme, which accredits employers who commit to ensuring that their employees always work for 16 hours per week or more and always receive at least four weeks' notice of any shift changes. Originally aimed at the retail sector, this new scheme now has over 100 employers signed up and is growing.

### **Connected Workers**

Building a purposeful, fair and mutual relationship between employer and worker also requires a willingness to develop and adapt new employment arrangements as challenges arise. This is partly about how people are employed and how they are managed but also about how they are involved in conversations about their work and how they are engaged within the organisation. A good employer brings together the concerns and requirements of dignity, agency, care and voice for workers, whether in the office or working at home or on the road.

Finding clear examples of this type of organisational behaviour is challenging partly because such things are not consistently measured or celebrated in the UK.

One employer who has significantly changed how they manage their team since the pandemic is a national charity, **Blood Cancer UK**. Their approach was highlighted in recent good practice advice from the Chartered Institute of Personnel and Development (CIPD) on hybrid working.<sup>2</sup>

The charity's national team of 100 employees has moved from working almost entirely in the office to a much more varied set of arrangements. Employees are supported with appropriate equipment to work at home and training in how to manage their work and prevent overworking. Meetings in the office are now often hybrid so that home workers are not excluded. Reviews are undertaken regularly to see how well arrangements are working and satisfaction surveys give managers an indication of where issues might lie. Different groups of employees also belong to networks within the organisation which meet monthly to discuss issues and for training, to improve cross-organisation communication and support.

The charity has thought through how to deliver employee performance and wellbeing together, even where workers are operating in quite different ways, and they have put in place agreed strategies to achieve it, and then checked that it is working. The consequence is that employee satisfaction and retention have increased substantially and sickness absence has reduced.

### **Healthy Work**

Finally, a good mutual working relationship requires attention to the physical and mental health of employees.

One relevant employer example we found was **dentsu**, an international advertising agency employing nearly 4,000 people around the world. They were a finalist in the 2023 Working Families Best Practice Awards for their approach in supporting the mental health of their employees.<sup>3</sup>

dentsu are intentional and organised in supporting their team's mental health and wellbeing, which they achieve through regular employee surveys and listening, monitoring indicators of employee wellbeing at senior levels (e.g. who is not taking their holidays as well as who is taking sick leave) and providing additional 'mental health days' off each year. They have also developed a thoughtful and supportive approach to hybrid working to ensure it meets the needs of both workers and employer.

There is also a growing movement arguing for better sick pay rules in the UK, as the present system excludes many workers and leaves ill workers struggling financially on very low pay. The **Safe Sick Pay Campaign** is one such initiative.<sup>4</sup> A commitment to fair pay must also include a commitment to supporting workers when they are unwell and need help. The evidence suggests that there are mutual benefits for employers with a more generous approach to sick pay, in the form of higher staff retention and motivation as well as improved health and safety at work as those who are unwell feel able to remain at home.

- 1 Certified B Corporations, or B Corps, are companies verified by B Lab to meet high standards of social and environmental performance, transparency, and accountability. See bcorporation.uk.
- 2 Chartered Institute of Personnel and Development *An update on flexible and hybrid working practices: Case studies* (2022) https://www.cipd.org/uk/knowledge/reports/flexible-hybrid-working-practices/
- 3 Information mainly sourced from an employer case study on the Working Families website: www.workingfamilies.org.uk
- 4 For more information, see www.centreforprogressivechange.org/campaigns/sickpay

# Conclusion and recommendations

### This report has considered some of the biggest changes to our nation's labour market in the last fifteen years through the lens of their effects on human relationships.

Although the issues are often complex, the core idea that we have reflected upon is ancient and simple; that wherever two or more people work together, it is a shared endeavour and we owe each a mutual bond. Mutuality in the workeremployer relationship means that the power balance between the two side must be attended to, to prevent abuse, and also that those who are working remotely should be given the same care and attention as those sitting alongside in the office; offsite should not mean out of sight.

Embedding a commitment to mutuality within organisational strategies and cultures and the law of the land would underpin a healthier and more relational approach to working life for millions of people. Binding the people of our organisations closer together is good for all of us. It is our contention that 'good work' is one of the hallmarks of a good society – work that is fairly paid, dignified and built upon strong mutual relationships. This kind of work is a source of purpose, community and prosperity and a powerful defence against poverty, injustice and social disintegration.

We conclude with two sets of practical suggestions:

### For the Government:

Firstly, if we really believe that all workers deserve the same respect then perhaps the time has come to give them all the same rights, whether employed or workers or selfemployed – minimum pay, sick pay, holidays, representation, all of it. Contracting out cannot mean contracting out responsibilities. Can we aspire to a modern economy where all work is well paid, well managed and progresses to more and better? Why are we devoting so much time and effort in the UK to pushing the boundaries at the bottom of the labour market barrel? Aren't we better than this? Why does one of the wealthiest countries in the world feel the need to tolerate such poor working conditions for millions of its workers? Why do successful and innovative businesses feel such an urge to scrape the bottom of the aforementioned barrel in cost cutting? Are their business models really so weak that they actually rely upon exploiting so many people?

An aspiring and confident nation could have a **Statutory Decent Work Standard** that applies to all paid work for all workers of all ages and which delivers fair pay, fair terms and conditions and fair working conditions for all. Maybe the time has come to expect more in the world of work. The UK has pioneered a labour market so flexible that it is making many of us ill. Can we now pioneer a labour market that would be the envy of Europe? A simpler approach would also, of course, be much easier to enforce.

More specific measures for the statute book might include:

- Banning zero-hours contracts, except in a small number of precise exempt circumstances or for those earning hourly wages over a moderately high threshold;
- Expanding statutory sick pay to all employed workers and increasing it to match the real living wage;
- Making unionisation of workers in the gig economy easier to organise;
- Mandating the monitoring and reporting of lone working by larger employers (over 250 employees) to

the HSE to improve understanding of this area and raise awareness amongst both employers and the HSE.

Central and Local Government could also drive at least some labour market improvements through **public procurement processes**, requiring better standards from those supplying goods and services to the public sector.

Finally, given the growing health issues arising from both some types of lone working as well as insecure work, this should be recognised as a public health issue, with an expanded remit and funding provided to the HSE to address this more pro-actively. Ultimately, additional spending on prevention will save money in the NHS later.

#### For employers:

As the Taylor Review of Modern Working noted, the best way to achieve good work across the economy is "responsible corporate governance". The best employers rarely wait for Government to regulate, but define the future with their own voluntary good practice. If employers invested in a corporate culture in the UK which embedded the concept of mutuality in all working relationships, then we would be a happier, healthier and fairer nation. This does not need to await any Government action; it can be done today.

Several **voluntary accreditations** are already available today – the Good Business Charter, B-Corp status, and various locally led accreditations like the Mayor of London's Good Work Standard or the Greater Manchester Good Employment Standard. Employer organisations like the British Chambers of Commerce, the CBI and others could be more positive in highlighting and encouraging the adoption of higher employment standards, exerting the power of peer pressure within the Board room.



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#### **The Ties That Bind**

The Ties That Bind is the first report in Theos' Work Shift series, exploring how a renewed focus on the relational elements of work could improve the labour market. This report draws together evidence on the health and social impacts of two significant trends transforming the labour market in the UK – the rise of lone working and the rise of insecure work – to argue that a loss of mutuality in the workplace has made millions of us both poor and ill. More than half of the UK workforce now work alone for all or part of the week, while nearly one in five UK workers are now in insecure work – over half of whom are in work that is both insecure and low paid. The report draws upon Christian thinking to argue that greater attention to 'the ties that bind' is needed to ensure that increasingly flexible working arrangements can also be dignified, fair, well-connected and healthy.

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