

Creating a Fair Work Economy

Gayle Purves



A mum turns up to work to find out if her employer has decided to give her the hours she needs to get through the week. Turning up is no guarantee she will get a shift and she has been turned away in the past. To get to work she has to organise childcare for her children and pay transport fees. All this – with no certainty of a shift and a wage that day.

This is the sad reality for too many workers in Britain. Insecure work means it is impossible to sustain a regular enough income to avoid stress, debt and poverty.

We represent Citizens UK's Fair Work Campaign leadership team. Our civil society, faith, trade union and education institutions work in Tyne and Wear, Milton Keynes, Nottingham and London. We came together to look at the issues affecting low paid workers - beyond pay - in our institutions. We spoke to over 700 people during a listening campaign to identify both the hardships faced, but also the solutions needed to break people out of the in-work poverty trap.

Lizzie Flew



Workers told us about having their shifts cancelled on their way to work or the day before: making it impossible to budget. We were told about the power that shift-setting gives managers over employees with no or few guaranteed hours and how this can be abused. In one case, we heard about an 18-year-old woman whose manager had forced her to sleep with him in return for more hours.

While this is an extreme case, workers we spoke to talked about managers using rotas as a way to exert control through fear. We spoke to lots of people who don't have a contract at all – workers in these situations are among the most vulnerable.

In many cases issues related to work were the root cause of personal problems like debt, poor mental health and family pressures: being paid less than the real Living Wage, insecurity of hours, and underemployment are locking people in to a life of poverty.

But there are solutions. We welcome the Living Hours standard set by the Living Wage Foundation. The campaign for the real Living Wage – championed by our institutions at Citizens UK and over 5,000 employers across the country – demonstrates what can happen when workers, communities and employers work together.

Lizzie and Gayle

London Citizens, Tyne and Wear Citizens,
On behalf of the Fair Work Leadership team,
Citizens UK

Precarious work: the scale of the problem

There is a growing body of evidence that precarious working conditions are making in-work poverty worse and disproportionately affect those on the lowest pay.

According to research by the Living Wage Foundation, over 5 million (5.1m) workers earn less than the real Living Wage and are in a form of insecure work, 2 million of whom are parents. Over a fifth (22%) of workers aged 16-24 are in low paid, insecure work; and in most types of insecure work measured, young people are found to be worst affected.

Poor conditions tie the hands of low paid workers and open them up to exploitation. 4 in 5 low-paid workers (earning around £10,000)¹ experience pay volatility, compared to 2 in 3 higher paid workers (earning around £35,000).²

Even for those who have a guaranteed and more constant level of pay each week, variable shift work with short notice periods can make it difficult for low paid workers to plan for the future, find fulfilment at work, or lead a healthy community and family life.

Research by Citizens Advice³ has found significant challenges with being given short notice – sometimes as little as 48 hours – of shift patterns. They found a significant minority of employers have practices which make it challenging for many people to manage their work-life balance, such as not letting staff specify when they can work (19%) but not allowing them to turn down shifts (22%).

People with unpredictable hours who also have low incomes – like Frank* – are likely to be hit hard by an ‘insecurity premium’. Last minute changes make planning and efficiency savings around other costs, such as childcare and travel, more difficult. This leaves these workers paying the price for a lack of planning on the part of employers.

“Sometimes shifts are cancelled with not very much notice and I have already paid a babysitter. So I find myself without work for the day but I have already paid the babysitter.”

Frank, Canteen Worker,
Central London*

The use and misuse of flexible contracts

Citizens Advice research also revealed the extent to which some employers will use cancellations and ‘flexible’ contracts to avoid their obligations to workers - from cancelling shifts after someone has called in sick, to reducing their working hours so they fail to meet the minimum weekly pay level required to be eligible for sick leave.

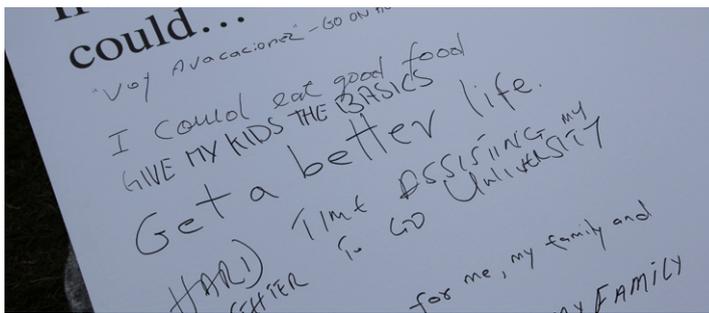
*Names have been changed throughout this report to protect workers identity

1. “Volatile Pay Is the Norm Not the Exception – Even for Workers in Steady Jobs,” Resolution Foundation (blog), accessed April 10, 2019, <https://www.resolutionfoundation.org/media/press-releases/volatile-pay-is-the-norm-not-the-exception-even-for-workers-in-steady-jobs/>.

2. JRF: London; Matthew Taylor (2017) Employment Practices in the Modern Economy, Department for Business, Energy and Industrial Strategy: London; Centre for Social Justice (2017) The Great British Breakthrough: Driving productivity growth in the UK, CSJ: London.

3 “Workers given Just 48 Hours Notice of Shifts Starting, Changing or Being Cancelled, Says Citizens Advice,” accessed March 27, 2019, <http://www.citizensadvice.org.uk/about-us/how-citizens-advice-works/media/press-releases/workers-given-48-hours-notice-of-shifts/>.

The report warned of the long-term repercussions of this on in-work poverty: “getting paid time off for illness is not only fundamental for recovery, but also prevents workers from being left with a hole in their finances that they can struggle to recover from”.



“In my work they are going to cut staff. So we will have more work. For me this is unfair and I am worried.”

Maria, Cleaner, Southwark*

Weaponising workers' hours

Citizens UK's Fair Work Campaign team set out to understand workers' experiences with one to one meetings and workshops with nearly 700 workers. These were conducted with a range of faith, charity and community organisations in London, Newcastle, Maun Valley, Nottingham and Milton Keynes. We also consulted trade union members from Unison, RCN (Royal College of Nursing) and The University and College Union (UCU).



Hala from Citizens MK (Milton Keynes) running a listening workshop

During these conversations, predominantly with workers in low paid industries, we heard about employers not paying annual leave, sick leave or maternity leave. In some cases, workers shared how the employer incorrectly told them they were not entitled to these benefits. In others, the employer simply refused to pay.

We also heard stories about managers 'weaponising' hours and shift patterns. Cleaners who had no guaranteed hours talked about managers using their power over hours as a way to keep them quiet, bully them and, in the very worst cases, sexually harass them.

Many workers told Citizens UK's community members of the difficulties they faced on insecure contracts. Most had accepted a zero-hours, agency or self-employed contract because they could not find a more secure option.

Among these workers was Tony* – a security guard who works for a large employer in West London. He and others described the effects of being on variable and zero-hours contracts, including the difficulty of planning and budgeting with his family.

“Being on a zero-hour contract is very challenging. I don't know when I will be asked to work. Or how much money I will have at the end of the month for my family. It means I cannot plan, which is very stressful.”

Tony, Security Guard, Southall*

Overwork, bullying and exploitation

Insecure hours were one part of the problem, but workers reported a wide range of other issues, from overwork, to bullying, to unpaid hours to a loss of basic workplace rights. Certain industries, particularly those with large outsourced workforces such as cleaning, security, care and hospitality featured prominently.



Community leaders give testimony at a Citizens MK (Milton Keynes) Assembly. Members of Citizens MK are making Fair Work a campaign priority

Many said that they felt they could not say no to a shift for fear of the repercussions (for example – not being offered work in the future, becoming ‘bottom-of-the-pile’ or being given the worst shifts). In other cases, workers’ contracts were terminated with little, or no warning. Due to these pressures, some had not been on holiday for several years and struggled to spend meaningful time with their families.

Others had struggled to meet financial obligations, and to find a landlord that would accept them without a steady and confirmed income each month. This causes stress, impacting their mental health.

The cleaning industry, which was the largest industry represented in our sample, had extremely high cases of overwork and other problems with unpaid hours as workers moved between contracts. Over 50% of the 200 cleaners we spoke to were experiencing overwork, working extra hours they were not paid for.

“As cleaner I had so many jobs, I only slept 3 hours a night. I was travelling from zone 6 into work. The company changed [in the building she cleaned] and we were meant to stay on but didn’t and I didn’t get paid for the last 2 months.”

Antonia, mum and cleaner in South London interviewed at PACT Southwark*

“The supervisor said she likes working with people from Ecuador because they work like mules and no matter what you say to them they will keep their head down.”

Selena, cleaner at a major outsourcing firm*

What is a listening campaign:

A ‘listening campaign’ is part of the method of community organising which uncovers the injustices facing people within our communities through one to one conversations and house meetings. Conversations within the institutions that people know and trust helped the Fair Work team to deeply understand the multiple pressures people face in work.

How Community Organising can bring about change

The Living Wage campaign was founded by communities in 2001 and ever since then has been challenging employers to pay wages that meet the real costs of living.

It is clear to us that whilst there is positive progress on low pay, a huge shift needs to occur to break the poverty trap of precarious work and poor working practices.

That's why the Fair Work leadership group will build on this listening exercise by going back to our communities to organise around employment practices.

We will also start conversations, particularly with big employers, about moving to a 'Living Hours' standard. This newly launched standard, developed by the Living Wage Foundation, is a vital step towards building workplaces that give people security, dignity and hope.

"My supervisor would make sexual comments as I worked and would say that if I didn't sleep with him then I would be fired. Eventually I was dismissed and I was not paid for six weeks of work."

Mum being supported by Citizens UK project Parents and Children Together (PACT)

An employer-led solution: 'Living Hours' alongside a real Living Wage

The Living Wage Foundation's 'Living Hours' accreditation launched in the summer of 2019. It is open to employers that want to work with the Foundation to create a more secure workplace for all employees, whether directly employed or contracted.

The Foundation, with a Steering Group made up of a number of Living Wage employers, have developed a set of measures to tackle the problems of under-employment (people getting fewer hours than they would like), and insecurity about working hours. They are proposing:

- Decent notice periods for shifts: of at least 4 weeks' notice.
- A right to a contract with 'living hours': a guaranteed minimum of 16 hours a week (unless the worker opts out), with a right to switch to a contract that reflects accurate working hours for those regularly working above their contracted hours.

Find out more: www.livingwage.org.uk/living-hours

"I worked on a zero hours contract for four years where I had no rights, didn't get holidays and had to work back the time for any bank holidays taken. It was difficult to plan time together and organise childcare. Now on a permanent contract I feel more valued by my employer and can plan ahead to put money aside." *Mike, Parcel Courier in Milton Keynes*

What next

If you are a member organisation of Citizens UK, we encourage you to start a conversation within your institution and local alliance about how you can encourage employers locally to create a fairer workplace.

Anyone can start a discussion in their workplace and employers can enquire with the Living Wage Foundation for more information about the Living Hours standard.

Changes to the workplace, to increase security, reduce exploitation and improve workers' lives are not only the right thing to do morally - they make good economic sense.

How you can get involved

[1] **Citizens UK Members:** have a conversation in your workplace or institution about fair work and find out how to sign up to the Living Hours standard. Find out more at: www.livingwage.org.uk/living-hours

[2] **Not a member?** You can sign up to support the Living Hours and Living Wage campaigning work through online action: www.citizensuk.org/living_wage

[3] Share this report on social media by following one of the links below: **[Facebook]**
[Twitter]

With thanks to

This report and listening exercise would not have been possible without the work of Child Poverty Action Group, St Anselm's Catholic Church, St Ignatius Catholic Church, Camberwell Salvation Army, Parents and Children Together, Newcastle Central Mosque, St John's Hoxton, English for Action, Citizens Advice Newcastle and Amanda Walters, Fair Work Community Organiser, Citizens UK.

Citizens UK organises communities to act together for power, social justice and the common good. We are the home of community organising in the UK.

Our members are faith, education, trade union, charity and community organisations in counties, towns and cities across England and Wales.

We help these members to develop leaders, so they can participate in public life and hold politicians and other decision-makers to account on the issues that matter to them.

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