

# On the Edge: Insecure work in the pandemic

The last decade has seen a considerable growth in insecure work contracts - such as zero hours contracts, agency work, and so-called gig economy jobs.

Coronavirus has compounded this trend. While employment in general has fallen during the pandemic, the number of people in insecure work has grown

Many people in insecure work are key workers delivering vital services and support. But the pandemic has laid bare just how vulnerable these workers are to exploitation and how difficult it is to enforce the rights they have.

It's more important than ever that insecure workers have a clear route to uphold their rights and proper protections in place as they continue to keep the country running.

**citizens  
advice**

## Millions of people in the UK are in insecure work - and that number's growing.

**3.7 million** people in the UK were classed as being in insecure work in 2019 making up nearly 1 in 9 workers.<sup>1</sup> Among the UK workforce in April-June 2020 there were:

**14%**

more workers on zero-hours or temporary contracts than the same period in 2019, despite the entire workforce shrinking.<sup>2</sup>

**78,000**

more people on zero-hour contracts than in October-December 2019. This means an all-time high of **1,052,000** workers are on zero-hour contracts and now make up **3.2%** of the entire workforce.<sup>3</sup>

### Compared to all workers, people in insecure work are:

More likely to be Black, Asian and Minority Ethnic (BAME)<sup>4</sup>



More likely to be at risk of coronavirus or to be shielding<sup>5</sup>



More likely to be aged 18-29<sup>6</sup>

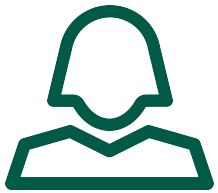


And these workers are on average earning **less than half as much** as the average worker per week<sup>7</sup>



# Insecure workers have been at the frontline of the pandemic...

While there are more insecure workers in the workforce, they aren't spread equally across all occupations. A disproportionate number of insecure workers are concentrated in specific sectors which have either been at the frontline of the pandemic (such as care and delivery work) or in sectors which were forced to close (such as hospitality). Workers in these sectors are also much more likely to be women.



**52%**

**of people in insecure work are key workers<sup>8</sup>**

**1 in 3 (32%)**

work in elementary occupations such as food preparation, agriculture and cleaning.

**1 in 5 (19%)**

work in caring, leisure and other service occupations. 3 in 4 (76%) are women.

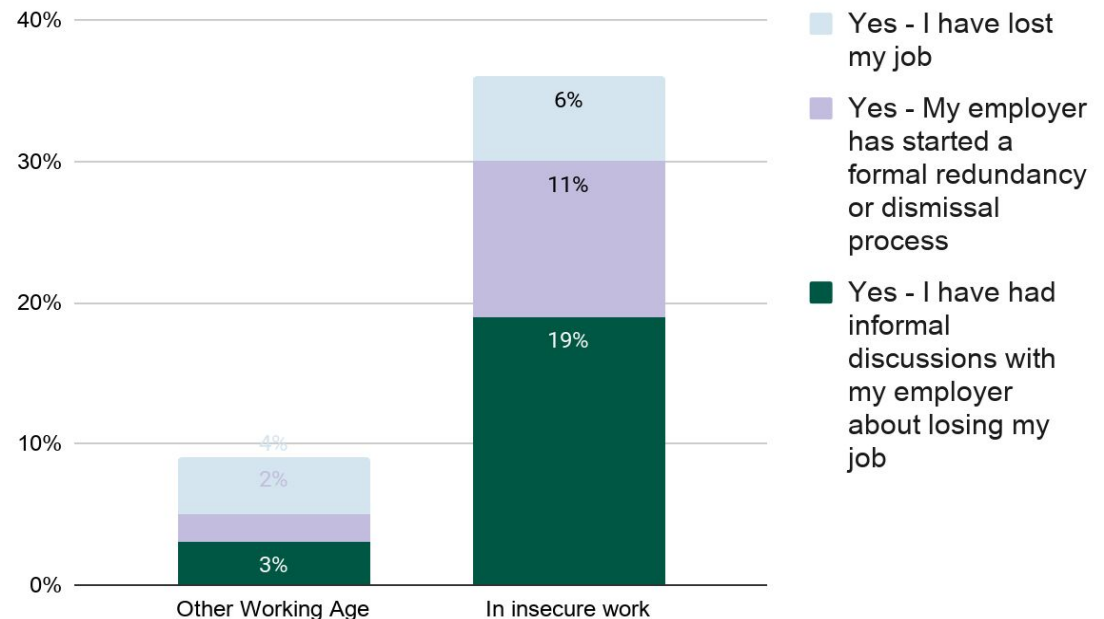
**1 in 10 (11%)**

work in sales and customer service occupations. Nearly 2 in 3 (64%) are women.

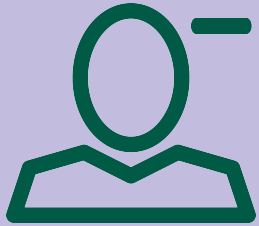
## ...and are now more likely to be at risk of losing their jobs.

Workers on insecure contracts **are around 1.5 times more** likely to have already been made redundant than other working age adults

They are also **7 times more likely** to have had informal redundancy discussions<sup>9</sup>



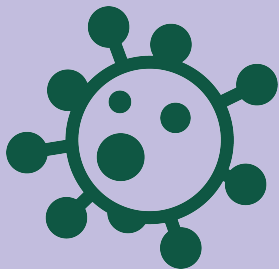
# Insecure workers have struggled to access financial support



**Jeffrey** worked for a major high street chain for 3 years, but is employed through an agency. When his work was forced to close in March all his colleagues were furloughed by the store, but Jeffrey was told to talk to his agency who refused to place him on the scheme. He applied for Universal Credit but was denied an advance payment, so had to come to Citizens Advice for a foodbank voucher while waiting for his claim to be processed.



**Mercy** worked in a food factory via an agency on a zero hours contract. In June she declined one shift, explaining that she had just discovered she was pregnant and was feeling unwell. The next day the agency texted her telling her that she needed to 'self-isolate' and would not be allowed to complete any shifts for the rest of her pregnancy. She was left without pay and not placed on furlough.



**Aran** was employed in a supermarket via an employment agency. When he developed coronavirus symptoms he booked a test right away. It came back positive two days later and he had to be isolate for twelve days. He contacted his agency who, incorrectly, told him he was not entitled to sick pay. He was therefore left without any income for over two weeks.

**Employee:**

Has a contract of employment. Works regularly for a guaranteed number of hours and is paid for time worked.<sup>10</sup>

**Worker:**

Works under a contract to perform work, but without a guaranteed amount of work.<sup>11</sup>

**Zero-hours contract:**

Employers do not have to offer work, and workers do not have to do work when asked.<sup>12</sup>

**Agency worker:**

Works through agencies. The agency is responsible for pay and for meeting rights.<sup>13</sup>

**False**

**self-employment:**

The worker is classed as self-employed by their employer despite meeting employee or worker criteria.<sup>14</sup>

**People in insecure work have fewer rights than people in conventional employment - making it even more important that they can enforce them.**

People in insecure work tend to be classified as workers rather than employees. This affects what rights they're entitled to:

	Conventional employee	Zero-hours contract* or agency worker	Self-employed
Holiday pay	✓	✓	✗
Sick pay	✓	✓	✗
Redundancy pay	✓	✗	✗
Minimum wage	✓	✓	✗
Protection from unfair dismissal	✓	✗	✗
Protection from unlawful discrimination	✓	✓	✓
Minimum notice periods	✓	✗	✗

*Nb. Some rights are subject to meeting certain requirements e.g. meeting minimum income threshold for sick pay*

*\*In some cases people on zero-hour contracts may meet the legal definition of employee*

Between 23rd March and 8th December 2020 we saw an **89% increase** in how many people came to us for help because of issues with the terms and conditions of their temporary, agency or zero-hours contract compared to this period in 2019.

It's confusing for people in insecure work to know what rights they *do* have and what can be enforced. This means people who have had their rights breached during the pandemic haven't known what to do or where to turn to resolve problems

The national bodies responsible for employment enforcement are:



**The Gangmasters and Labour Abuse Authority (GLAA)** enforces laws on modern slavery and exploitation



**The Employment Agency Standards Inspectorate (EAS)** enforces agency workers' rights



**HMRC** enforce National Minimum Wage compliance.



The **Equality and Human Rights Commission (EHRC)** enforce equality and discrimination laws



The **Health and Safety Executive (HSE)** enforce workplace health, safety and welfare laws

**The current enforcement landscape is too fragmented and confusing to help people in insecure work enforce the rights they do have.**

People in insecure work already have to work out whether their contract means they're a worker or employee, and which rights this entitles them to. But rights are only as strong as your ability to enforce them.

Insecure workers face a complex enforcement landscape where there are too many separate bodies and confusing routes to seek redress.

Multiple national enforcement bodies are responsible for enforcement, alongside local government. Each body covers a different type of employment, or enforces different employment rights without overlapping.

While all workers are able to access redress through Employment Tribunals, these are struggling under the weight of more single claims than ever.<sup>15</sup> The backlog to an already long and involved process cuts off this route for many insecure workers facing urgent problems.

This creates a patchy and unclear environment for insecure workers and their employers, and limits their ability to know where to turn and how to raise issues - especially if they have more than one.

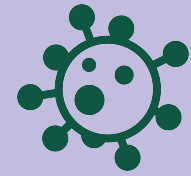
**And it makes it hard to tell which body you and your issue fall under - which causes problems before you can even start taking action.**

**This has left insecure workers struggling to enforce their rights and at risk of harm and exploitation during the pandemic.**

Compared to all employees, people on a zero hour contract or who work for agencies are:<sup>16</sup>



**2.7x more likely** to have not been paid sick pay they were entitled to when they were ill.



**3x more likely** to have been made to work while ill.



**3x more likely** to have not been paid wages they were owed.

# Pav's Story

Pav is autistic and has anxiety. He is also a **worker** as under his contract there is no obligation for his employer to offer him a certain amount of work in any given period.

He was verbally abused and threatened by his boss after being a few minutes late for work.

He lost his job soon after.

Pav believes he was discriminated against and wants to take action.

## Where can he turn next?

### Government portal?

Discrimination doesn't fall under what the online complaints portal can help with, so Pav can't use it. It can only be used to complain about not being paid the National Minimum Wage, employment agencies, gangmasters, or working hours.<sup>11</sup>



### The Employment Agency Standards Inspectorate?

Pav has the same rights as one, but he isn't an agency worker. The EAS also oversees and regulates how agencies treat their staff rather than enforcing individual workers' rights. This means Pav won't be able to turn to the EAS for help.



### Employment tribunal?

Pav turned to ACAS for help, but his employer ignored early conciliation. He's now launched a tribunal claim, but these have a huge backlog with an average wait time of 39 weeks for single discrimination claims.<sup>12</sup> This is leaving Pav waiting to even begin challenging his dismissal and causing him more distress and uncertainty.



## The employment enforcement landscape as it stands is too patchy and unclear to properly protect people in insecure work and respond to the urgent issues they face.

Without many rights to begin with, it's essential that the rights that insecure workers *do* have are enforced to avoid leaving at the mercy of an already unequal playing field.

In 2019, Government announced welcome plans to introduce a **Single Enforcement Body** for employment with a focus on protecting vulnerable workers. This would combine the GLAA, EASI and HMRC enforcement functions. A properly funded enforcement body will be crucial to help people in insecure work and their employers by:



Offering one clear route to turn to as opposed to multiple bodies with different access points and remits.



Increasing the capacity of employment tribunals by preventing people in insecure work having to resort to tribunals as a last resort. This would in turn relieve pressure on the enforcement system, meaning more workers and employers can be supported.



Having powers to handle complaints relating to more than one type of issue, meaning people are not forced to go between different bodies to resolve problems or stuck trying to work out where to turn

**With people in insecure work being disproportionately impacted by employment problems caused by coronavirus and key workers being some of the people hit hardest by this, it's essential that these plans are fast-tracked.**

This is especially important as the pandemic continues. We anticipate that demand for employment support is likely to increase as anticipated job losses manifest, which will stretch existing resources even further.

**Until 2015, Ireland had 5 overlapping enforcement bodies with different remits and access points - much like the UK currently has.**

This led to a slow and ineffective system which didn't adequately enforce workers' rights.<sup>13</sup>

The **Workplace Relations Commission** (WRC) was formed in 2015 as a single enforcement body. It took on the former bodies' roles, as well as some new responsibilities eg. discrimination cases, and providing information on rights and entitlements.

Since the transition, the WRC has processed around 2,000 collective disputes per year - 85% of which are resolved. Its ability to triage has prevented 45% of pre-adjudication mediation cases from needing to go to adjudication. It also handles over 50,000 calls to its helpline annually and has collected €2 million over the past 2 years in unpaid wages.<sup>14</sup>

## Government can protect insecure workers from being hardest hit by coronavirus by fast-tracking plans for a Single Enforcement Body.

Insecure workers are making up more of our workforce than ever before. They have been vital in keeping the country running during the pandemic and beyond.

But in return, coronavirus has exposed just how vulnerable they are to being denied their rights, and how difficult and confusing it can be to enforce them.

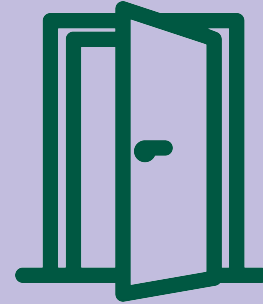
This is leaving key workers struggling to access sick pay, take leave to care for family members, and dealing with discrimination - all while facing a higher risk of job loss than conventional workers.

Insecure workers cannot be left attempting to navigate a confusing and patchy enforcement landscape when it's difficult enough to understand what type of worker you are and what rights you're entitled to.

**A Single Enforcement Body is needed now more than ever to give workers and their employers clarity and make enforcing their rights a simple and painless process.**

By improving enforcement capabilities to bolster their existing rights, this also opens the door to clarify what rights people in insecure work have already, and make further progress on implementing the Taylor Review recommendations.

## 3 things a Single Enforcement Body needs to do to make a difference for insecure workers:



**Have one easily accessible entry point for all types of workers** to account for the increasing diversity of contract and employment types



**Combine the responsibilities and powers of multiple agencies into one place** so people with more than one issue aren't stuck between bodies or working out where to go, The body should work closely with HSE and EHRC on issues which fall in their remit, and avoid workers having to report these issue multiple times.



**Have far reaching powers across different types of employment and the funding to enforce them** so enforcement is effective across the board and not disproportionately concentrated in certain areas



## References

<sup>1</sup> TUC (2019), [Insecure work](#) TUC definition of insecure work is on zero hours contracts, agency, casual and seasonal workers and self employed earning less than minimum wage

<sup>2</sup> Since March 2020, the number of payroll employees has fallen by 782,000. Office for National Statistics (2020), [Labour market overview](#)

<sup>3</sup> Office for National Statistics (2020), [People in employment on zero hours contracts](#)

<sup>4</sup> Citizens Advice Analysis of Labour Force Survey data

<sup>5</sup> Based on nationally representative polling of 6004 people (including 816 people classed as being in insecure work) conducted by ICM Unlimited on behalf of Citizens Advice between the 12 and 24 November 2020. Respondents were classified as insecure workers if they work on a zero hours contract and for an agency send them to either a single or multiple companies

<sup>6</sup> Ibid

<sup>7</sup> Citizens Advice Analysis of Labour Force Survey data

<sup>8</sup> ICM Survey./ Respondents were asked to self identify if they were key workers

<sup>9</sup> ICM Survey. Working age population includes all respondents other than retired and full time students

<sup>10</sup> Gov.uk, [Employment status: Employee - GOV.UK](#)

<sup>11</sup> Gov.uk, [Employment status: Worker - GOV.UK](#)

<sup>12</sup> Gov.uk, [Zero hours contracts](#)

<sup>13</sup> Gov.uk, [Agency Workers](#)

<sup>14</sup> Gov.uk, [False Self-Employment](#)

<sup>15</sup> Between April and June 2020 over 450,000 employment tribunal claims were waiting for an outcome and there were a record 37,000 outstanding single claims - more than the previous record set during the 2008 financial crisis. Citizens Advice (2020), [Tribunal Trouble](#)

<sup>16</sup> ICM research question was asked to all employed respondents (n=3097) of which 737 were employed via agency or on zero hours contract

<sup>17</sup> Gov.uk, [Complain about pay and work rights](#)

<sup>18</sup> Citizens Advice (2020), [Tribunal Trouble](#)

<sup>19</sup> CIPD (2020), [Revamping labour market enforcement in the UK](#)

<sup>20</sup> Workplace Relations Commission, [Statement of Strategy 2019-2022](#)