<u>Millions to be empowered by Government</u> <u>plans to strengthen day one employment</u> <u>rights and increase productivity of</u> <u>businesses</u>

- British workers to get more choice over when and where they work, under new proposals to make the right to request flexible working a day one entitlement
- Government will also introduce a day one right to one-week's unpaid leave for carers balancing a job with caring responsibilities
- Plans will make for more productive businesses, whilst accommodating both staff and employer needs

Every employee in Great Britain will be given the right to request flexible working – regardless of time served – under Government plans to modernise the way we work.

Under the plans – delivering on a commitment set out in the Government's 2019 manifesto – around 2.2 million more people will be given the right to request flexible working.

The proposals consider whether limiting an employee's application for flexible working to one per year continues to represent the best balance between individual and business needs. The consultation also looks at cutting the current three-month period an employer has to consider any request.

If an employer cannot accommodate a request, as can be the case, they would need to think about what alternatives they could offer — for example, if they couldn't change their employee's hours on all working days, they could consider making the change for certain days instead.

The consultation looks at a range of flexible working methods such as jobsharing, flexitime, compressed, annualised and staggered hours, as well as phased retirement — not just working from home. It allows employees to balance their work and home life, including helping people who are managing childcare commitments or other caring responsibilities as well as ensuring that people who are under-represented in Britain's workforce, such as new parents or disabled people, have access to more opportunities.

The proposals are also good for British business. Research has shown companies that embrace flexible working can attract more talent, improve staff motivation and reduce staff turnover – boosting their business's productivity and competitiveness.

However, there are some circumstances where businesses will not be able to offer flexible working. That's why the Government is clear that they should still be able to reject a request if they have sound business reasons and will also respect freedom of contract rather than prescribing specific arrangements in legislation.

Today's proposals instead provide a framework to encourage conversations and balance the needs of employees and employers.

Business Secretary Kwasi Kwarteng said:

Empowering workers to have more say over where and when they work makes for more productive businesses and happier employees.

It was once considered a 'nice to have', but by making requests a day one right, we're making flexible working part of the DNA of businesses across the country.

A more engaged and productive workforce, a higher calibre of applicants and better retention rates — the business case for flexible working is compelling.

The proposed changes would also mean that all applicants will know they can ask for flexible working before applying for a job. Equally, employers will need to consider whether they can offer flexible working before advertising.

Alongside clear benefits to workers, there is a compelling business case for flexible working. Benefits include:

- Attracting top talent 87% of people want to work flexibly, rising to 92% for young people.
- A highly motivated, productive workforce 9 in 10 employees consider flexible working to be a key motivator to their productivity at work ranking it as more important than financial incentives. Employers have reported seeing improvements in staff motivation and employee relations.
- More competitive business environment the CBI Employment Trends survey found that 99% of all businesses surveyed believed that a flexible workforce is vital or important to competitiveness and the prospects for business investment and job creation.

This comes as the Government also announces that it will be fulfilling another 2019 manifesto commitment to give unpaid carers who are balancing a job in addition to caring for a dependant with long-term needs one week's unpaid leave, as a day one right.

The move is set to benefit millions of people – with figures suggesting that around five million people across the UK are providing unpaid care, with nearly half doing so while also working full-time or part-time.

Labour Markets Minister Paul Scully said:

Millions of people face the dual challenge of balancing full or part-time work with other responsibilities such as caring for loved

ones.

By introducing one week of additional leave for unpaid carers, we will give these unsung heroes greater flexibility to help them better manage their personal and working lives, while giving them greater access to the job market.

The Government response to the consultation on carer's leave will confirm key elements of what the leave entitlement will look like:

- One working week of unpaid carer's leave (per employee, per year) will be available as a day one right to those managing caring responsibilities for those with long-term care needs alongside work.
- Eligibility, both in terms of who the employee is caring for and how the leave can be used, will be broadly defined.
- The leave will be available to take flexibly (i.e. from half day blocks to a whole week).
- There will not be an extensive administrative process to ensure legitimacy of requests to take Carer's Leave as the leave is unpaid.

The measure will also look to balance the needs of the employee with the employer, with a minimum notice period of twice the length of time being taken, plus one day (in line with annual leave notice periods).

Minister for Women and Equalities Liz Truss said:

As we move beyond the pandemic, we must seize the opportunity to make flexible working an option for everyone.

No-one should be held back in their career because of where they live, what house they can afford, or their responsibility to family.

I want everyone to have the same opportunities regardless of the background or location. This is the right thing to do for workers, families and our economy.

Helen Walker, Chief Executive of Carers UK, said:

Juggling work with caring for someone who is older, disabled or seriously ill is a demanding balancing act and without support from employers can be too much to manage.

Carers UK's own research shows that pre-pandemic, every single day more than 600 people across the UK were giving up work to care for a loved one – with a devastating impact on their personal finances and at a huge cost to the wider UK economy.

Giving employees with caring responsibilities a legal right to

unpaid carer's leave and the ability to request flexible working from day one of starting their job is an important step forward for UK workers and could make a difference to millions – enabling carers to support their relatives whilst staying in work, maintaining social connections and improving their financial stability.

James Timpson, Chief Executive of Timpson Group said:

People are our greatest asset as a business. I focus a lot of my time in creating a great culture, with a big part of that making sure colleagues feel empowered to work in a way that best suits them and also delivers for us.

Giving workers more choice about how they work will not only inspire and motivate staff, it will also help businesses attract and retain the best talent to grow their companies.

Tim Bailey, Zurich UK's CEO said:

We welcome the launch of this consultation. Zurich has been a flexible working employer for over a decade with employees now benefiting from a hybrid approach to working arrangements. As the first company in the UK to advertise all vacancies with the option of part time, full time, job share or flexible working, we've seen more than double the number of applicants from men and women for new roles.

By offering roles that fit flexibly around family life, employers open the doors to a much wider pool of untapped talent. This will also help people progress into higher paid jobs whilst fitting other commitments around their careers. Workers want a new deal and there's a danger that businesses that don't get on board, won't be able to compete for the best candidates.

Peter Cheese, chief executive of the CIPD, the professional body for HR and people development said:

The Government's consultation on giving employees the right to request flexible working from day one of employment is a welcome move to help create more inclusive workplaces.

Learning from the pandemic, many organisations are now open to more hybrid ways of working which give their employees greater say over where and how they work. But the reality for those whose roles can only be done at their place of work — such as restaurants, warehouses or hospitals — is that they often have very little flexibility.

We believe a day one right to request flexible working will help broaden the accessibility of all types of flexible working, including flexibility in hours as well as location. In turn this will boost inclusion, wellbeing and performance which is beneficial to both employers and employees alike.

Paul Hamer, Chief Executive of Sir Robert McAlpine, said:

Sir Robert McAlpine welcomes the consultation from Government to allow employees to request flexible working from day one— a step in the right direction for the UK workforce and businesses alike. We strongly believe that at the core of every successful business is a motivated and happy workforce, and this means encouraging a flexible working culture to shake off the constraints of traditional and rigid working arrangements.

José Luiz Rossi, Managing Director, Experian UK & Ireland said:

We welcome the Government's focus on flexible working. The Covid-19 pandemic has triggered a fundamental shift in our ways of working and, while we don't yet have all of the answers, we view the pandemic as an opportunity to adopt new ways of working where the majority of our workforce are given flexibility to work to a pattern that suits them regardless. It is important we give colleagues choice and flexibility to work in the most effective and beneficial way possible. We know more flexibility is what most colleagues want and we also see the benefits in collaborating in our offices when required.

Notes to editors

- Government committed to consult to make flexible working the default unless employers have a good reason not to in the 2019 Conservative Manifesto. The consultation can be found <u>here</u>
- While the consultation focuses on contractual flexible working arrangements, the Government recognises that people don't always need something so formal to help them balance their home and work life. A call for evidence will be launched looking at the sorts of ad hoc or informal flexibility people may need – for example, to attend a one-off appointment.
- Employees with 26 weeks continuous service have a right to request flexible working under existing legislation. An employer can currently reject a request for specified business reasons such as:
 - \circ extra costs that will be a burden on the business
 - \circ the work cannot be reorganised among other staff

- \circ people cannot be recruited to do the work
- flexible working will negatively affect quality
- o flexible working will negatively affect performance
- \circ the business' ability to meet customer demand will be negatively affected
- there's a lack of work to do during the proposed working times
- the business is planning structural changes.

Type of flexible working include:

- Job sharing: two people do one job and split the hours
- Part time: working less than full-time hours (usually by working fewer days)
- Compressed hours: working full-time hours but over fewer days
- Flexitime: the employee chooses when to start and end work (within agreed limits) but works certain 'core hours', for example 10am to 4pm every day
- Annualised hours: the employee has to work a certain number of hours over the year but they have some flexibility about when they work
- Staggered hours: the employee has different start, finish and break times from other workers.
- Working from home: it might be possible to do some or all of the work from home or anywhere else other than the normal place of work
- Phased retirement: older workers can choose when they want to retire, meaning they can reduce their hours and work part time