Housing, Homelessness, and Fair Work Committee

10.00am, Thursday, 9 March 2023

Gig Economy Task Force - progress update

Executive/routine Routine Wards All

Council Commitments

1. Recommendations

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee notes:
 - 1.1.1 The progress made in 2022 to implement the findings of the Gig Economy Task Force:
 - 1.1.2 The proposed programme of work for the next few months (outlined in paragraph 4.3 and in Appendix 1);
 - 1.1.3 That Committee will be kept updated on progress on the actions set out in Appendix 1; and
 - 1.1.4 That this work is carried out in parallel with other policy commitments to develop fair work actions, including commitments to scope the potential for Edinburgh to become a Living Hours City.

Paul Lawrence

Executive Director of Place

Contact: Chris Adams, Strategy Manager

Policy and Insight, Corporate Services Directorate

E-mail: chris.adams@edinburgh.gov.uk



Report

Gig Economy Task Force - progress update

2. Executive Summary

- 2.1 In March 2022 the Council's short-life Gig Economy Task Force completed an inquiry and reported on actions needed to improve working conditions, rights and quality of employment for workers in the gig economy and other forms of precarious and insecure work in Edinburgh.
- 2.2 This report provides an update on progress towards delivery of those actions to date and seeks approval for a future programme of work.

3. Background

- 3.1 On <u>11 March 2021</u> City of Edinburgh Council welcomed the UK Supreme Court's decision to confirm the status of Uber drivers as workers and agreed a motion on the gig economy.
- 3.2 On <u>4 November 2021</u> Committee approved a report responding to this motion, with a commitment to establish a short-life Gig Economy Task Force to understand the real experiences of workers in the gig economy in Edinburgh and to recommend proposals for action by the Council and partners.
- 3.3 Following a short inquiry period, a report on the findings of the Task Force was agreed by Committee on 24 March 2022.
- 3.4 During its short inquiry, the Task Force noted that while gig economy and other casual forms of work can offer flexibility and ease of access to employment for some workers, the growth of this way of working has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well poor working conditions and worker safety.
- 3.5 In response to these challenges, the Task Force made seven recommendations for action by the Council and partners to improve the ability of workers in the gig economy, and in other forms of precarious work, to achieve acceptable minimum standards for pay, hours and working conditions. These include actions to:
 - 3.5.1 Promote awareness of and access to employment rights for workers in precarious roles and/or gig economy workers;

- 3.5.2 Develop a clear charter for what constitutes fair work in Edinburgh, including establishment of fair minimum standards on rates and working conditions in the gig economy;
- 3.5.3 Promote fair work through Council procurement, licensing, and regulatory activities; and
- 3.5.4 Further explore issues and potential actions relating to data rights and alternative business models for the gig economy in Edinburgh.

4. Main report

- 4.1 Progress towards delivery of Gig Economy Task Force actions has been slower than expected during 2022 as a result of capacity constraints for Council officers.
- 4.2 Despite these constraints, Appendix 1 sets out the progress made to date. In particular, Committee is asked to note that the Council has:
 - 4.2.1 Supported the establishment of the Trades Unions in the Communities project, providing advice on employment rights and work related problems, alongside signposting people to support on homelessness, welfare, and money advice. An update on this is also included on the agenda for today's Committee;
 - 4.2.2 Supported the Support@Work programme (through the Council's funding for employability programmes). This project is linked to Edinburgh Trade Union Council and, during the first three quarters of 2022/23, provided detailed case work support to 54 clients alongside a programme of training sessions on employment rights, law, and other workplace issues (such as neurodiversity, disability, and pay procedures);
 - 4.2.3 Agreed a number of significant steps to promote fair work in Edinburgh through Council procurement practices (including mandating the Real Living Wage in all regulated Council tenders, evaluating the seven Fair Work First principles as standard practice, introducing a presumption against zero hours contracts in Council tenders, contractual requirements for prompt payment in the supply chain and introducing mandatory training in fair work for all project commissioners and managers overseeing construction contracts); and
 - 4.2.4 Continued to promote fair work to employers in Edinburgh through the work of the Edinburgh Guarantee and the Edinburgh Living Wage City Action Group, and
- 4.3 Building on progress in 2022, an outline plan progressing future actions is also included in Appendix 1. The key actions in the next few months are to:
 - 4.3.1 Work with the Trade Unions and other stakeholders (including Gig Economy Task Force Members) understand, from the Trade Unions in the Communities project, how the Hub is being used and the need and potential for similar developments elsewhere in the city;

- 4.3.2 Develop proposals for additional employment rights projects to be funded through Council employability programmes;
- 4.3.3 Work with Edinburgh Guarantee, Edinburgh Living Wage Action Group, and other stakeholders to scope and deliver programme of work needed to develop a fair work charter in Edinburgh by end of 2023; and
- 4.3.4 Convene a joint meeting of Conveners of the Housing, Homelessness and Fair Work Committee, Regulatory Committee, and the Licensing Board to agree the scope of potential actions available to the Council to promote fair work and safe employment conditions through licensing and regulatory policy and practice.

5. Next Steps

- 5.1 Committee is asked to agree to progress with the actions which are outlined in paragraph 4.3 and in Appendix 1.
- 5.2 This work will be progressed alongside existing Council commitments to the promotion of fair work, including:
 - 5.2.1.1 Continued work with the Edinburgh Living Wage Action Group to encourage at least 100 additional employers each year to achieve Real Living Wage accreditation; and
 - 5.2.1.2 A commitment to report to Committee in August 2023 on the barriers to and potential next steps for Council accreditation as a living hours employer.
- 5.3 The next update for Committee will incorporate details on how to progress with the outstanding actions on data rights and alternative business models for the gig economy.

6. Financial impact

- 6.1 Delivery of actions outlined in this report will be taken forward within agreed Council budgets unless otherwise stated.
- 6.2 Should any financial impacts be identified in developing a plan to address the outstanding actions, these will be reported to Committee.

7. Stakeholder/Community Impact

- 7.1 Actions outlined in this report were developed in partnership with members of the Gig Economy Task Force, including trade union representatives, academics, government officials and workers with lived experience of precarious and gig economy work.
- 7.2 These actions aim to promote access to fair, secure work in Edinburgh's changing economy and are aligned with the principles and commitments outlined in the

Council Business Plan, the Edinburgh Economy Strategy, and the End Poverty in Edinburgh Delivery Plan.

8. Background reading/external references

- 8.1 Gig Economy Task Force final report
- 8.2 Trade Unions in the Community
- 8.3 Sustainable Procurement Strategy Annual Report 2022 Living Wage Update
- 9. Appendices
- 9.1 Appendix 1: Action Plan progress and next steps

Appendix 1: Action plan progress and next steps

Agreed actions	Progress and next steps
Awareness of and access to support on employment rights	
 Develop fully costed proposals for actions to improve workers' ability to access advice and support on issues relating to worker's rights, advocacy and career progression, including proposals for A dedicated workers' rights hub in Edinburgh, and Ongoing campaign work to provide information on and raise awareness on worker rights in Edinburgh, good working practices, and how to access support. 	Progress to date: Supported the development of the Trade Unions in the Communities project and establishment of a workers rights and information hub in Craigmillar Funded delivery of the Support@work project to provide employment rights case work and training support Next steps March/April 2023 – convene workshops with gig economy task force members and other stakeholders to learn early lessons from the Trade Unions in the Communities project and establish potential opportunities for similar hubs elsewhere in city. May 2023 – Incorporate proposals to fund additional employment rights projects within the Council's employability programme. August 2023 – Update on progress and potential next steps to Housing, Homelessness and Fair Work Committee.
A fair work charter for Edinburgh	
 Develop a clear charter for what constitutes fair work in Edinburgh, including establishment of fair minimum standards on rates and working conditions in the gig economy. Deliver a report with recommendations for how this charter will be used to guide future Council policy 	 Next steps April – August 2023 – Edinburgh Living Wage Action Group to lead a programme of engagement with employers, workers, and trades unions in development of an Edinburgh Fair Work Charter August – September 2023 – Draft charter published for public consultation Oct-Dec 2023 – Final charter considered by the Housing, Homelessness an Fair Work Committee, with recommendation on its use to guide Council policy.
	EDINBVRGH

Agreed actions

Progress and next steps

Procurement and fair work in Edinburgh

- Develop concrete proposals to inform:
 - Changes that could be made within current public sector procurement frameworks to ensure that public sector contracts are only let to companies with demonstrable commitment to fair work as defined by the Fair Work Convention.
 - Recommended changes needed (if any) to national legislation to maximise local public bodies' ability to use buying power to promote fair work

Progress to date:

January 2023 – a report to the Council's Finance and Resources Committee confirmed a Council commitment to mandate the Real Living Wage among all regulated Council tenders, a presumption against zero hours contracts in Council tenders, a strengthening of the Fair Work weighting applied to regulated tenders, and a number of further commitments needed to meet the recommendations of the Gig Economy Task Force and other requirements.

Next steps:

 A timetable for implementation of all these actions during 2023 is provided in the <u>Sustainable Procurement Strategy Annual Report –2022 – Living Wage</u> <u>Update</u> (January 2023).

Licensing and regulation for fair work in Edinburgh

- Facilitate further engagement with workers, businesses and government on issues relating to licensing and regulation of gig economy and precarious employment and consider:
 - A report with recommendations on any legislative changes needed to strengthen the rights and conditions of gig economy and other precarious workers in the city
 - A report recommending any changes within current Council practice, for example
 Supplementary Statements of Licensing Policy, needed to improve conditions for gig economy and precarious workers in the city

Progress to date:

December 2022: Senior elected members and council officials participated in the Civic Licensing Summit held in Glasgow in December 2022. Amongst the issues considered was the need for modernisation of licensing and regulatory frameworks across Scotland.

Next steps:

- March/April 2023: Convene a joint meeting of Conveners of the Housing, Homelessness and Fair Work Committee, Regulatory Committee, and the Licensing Board to agree the scope of potential actions available to the Council to promote fair work and safe employment conditions through licensing and regulatory policy and practice.
- August 2023: Update on progress to be considered by Housing, Homelessness, and Fair Work Committee.

greed actions	Progress and next steps
ccess to and rights relating to data in the gig	
 Facilitate and host further engagement with workers, businesses and government on issues raised during this inquiry relating to data rights and access for workers in the gig economy, including further work to: Improve understanding of gig workers existing rights of access to worker's data (on, for instance, trips, earnings, ratings, locations, driving behaviour, app use and other factors) held by companies, and current barriers to exercising those rights. Improve understanding of gig workers existing rights to transparency on the way company algorithms use this data to determine how jobs are offered, how much workers earn, and whether workers are subject to disciplinary action. Make recommendations on ways to help workers exercise these rights and make gig economy platforms share data more transparently Consider whether data driven innovation tools could be used to help gig workers analyse and better understand their earnings and conditions (including time spent on shift, time spent waiting for gigs), and accurately compare the value of gig work against other alternatives. 	August 2023: Update to Housing, Homelessness, and Fair Work Committee on proposed next steps for this action, following completion of the actions outlined above. Next steps

Agreed actions	Progress and next steps
Alternative gig economy business models	
 Facilitate and host further engagement with workers, businesses and government to learn more about examples observed in other European cities and: Consider options for improving the viability of alternative business models for gig economy work in Edinburgh (such as worker owned businesses, co-operative or social enterprise approaches). 	Next steps: August 2023: Update to Housing, Homelessness, and Fair Work Committee on proposed next steps for this action, following completion of the actions outlined above.