

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 24 March 2022

Gig Economy Task Force

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee:
 - 1.1.1 Note the final report of the short life Gig Economy Task Force;
 - 1.1.2 Agree to consider a report by Autumn 2022 on progress on plans for delivery of task force priority recommendations 1 and 2;
 - 1.1.3 Agree to development of a forward work programme with proposed timelines and resources needed for implementation of task force recommendations 3 to 7 by Autumn 2022; and
 - 1.1.4 Agree that engagement with the Scottish Government should continue, alongside engagement with other stakeholders in the development of this work.

Paul Lawrence

Executive Director of Place

Contact: Ciaran McDonald, Senior Policy and Insight Officer

E-mail: ciaran.mcdonald@edinburgh.gov.uk | Tel: 0131 529 3984

Gig Economy Task Force

2. Executive Summary

- 2.1 The short-life Gig Economy Task Force was established to seek to understand the real experiences of, and to explore actions that could improve working conditions, rights and quality of employment for workers in the gig economy in Edinburgh. This report sets out the findings of that inquiry.
- 2.2 During its short inquiry the Task Force noted that while such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector 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.
- 2.3 In response to these challenges, the Task Force makes seven recommendations for action by the Council and partners to improve workers' ability to achieve minimum standards for pay, hours and working conditions.

3. Background

- 3.1 On [11 March 2021](#) City of Edinburgh Council agreed a motion on the gig economy welcoming the UK Supreme Court's decision to confirm the status of Uber drivers as workers.
- 3.2 On [4 November 2021](#) the Housing, Homelessness and Fair Work Committee approved a report responding to this motion, with a commitment to establish a short-life Gig Economy Task Force to:
 - 3.2.1 Understand the real experiences of workers in the gig economy in Edinburgh;
 - 3.2.2 Explore actions that could improve working conditions, rights and quality of employment for gig economy workers; and
 - 3.2.3 Make recommended proposals for action by the Council and partners.
- 3.3 The development of this Task Force has been informed by the Council's [Fair Work Action Plan](#) and [Edinburgh Economy Strategy](#), both of which emphasise the importance of fair work that provide citizens with dignity and security of income.

4. Main report

- 4.1 Gig working is an important and growing aspect of the Edinburgh economy and labour market. Pre-pandemic, the best available estimates suggest that around 23,000 Edinburgh residents were active in the gig economy at least once a month. More recent reports show that this number is likely to have risen significantly in the past few years – with data for England and Wales showing a 25% increase in the size of the sector between 2019 and 2021.
- 4.2 In the gig economy workers, usually operating on a casual or freelance basis, are paid for the completion of tasks, instead of being paid for their time. Typical gig economy roles include drivers for ride-sharing apps such as Uber, workers delivering takeaway food and groceries via services such as Deliveroo and Just Eat, as well as other delivery and courier tasks through platforms such as Amazon Flex or others.

Findings

- 4.3 The Gig Economy Task Force was chaired by the Convener of the Housing, Homelessness and Fair Work Committee, and comprised workers who have first-hand experience of the gig economy and precarious work in Edinburgh, as well as workers' representatives, academics, alongside relevant policy leads from the Council, Scottish Government and its agencies. Through four discussion sessions, desk-based research, and one-to-one consultations with Task Force members, the inquiry noted a number of core barriers to fair work experienced by gig economy workers in Edinburgh.
- 4.4 The inquiry noted that while such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well as poor working conditions and worker safety. As such, the sector forms one part of a wider issue of precarious employment in Edinburgh, including zero hours contracts, low paid work, and other forms of work that offer limited rights/protections, or limited opportunity for workers to exercise legally granted workplace rights.
- 4.5 In response to these challenges, the Task Force identified seven recommendations (provided in Appendix 1 to this report) which the Council and partners across Edinburgh should focus on to improve access to fair work for people in the gig economy. These include actions designed to:
- 4.5.1 Improve workers' ability to achieve minimum standards for pay, hours and working conditions;
 - 4.5.2 Engage and influence companies to promote fair work in the gig economy;
 - 4.5.3 Improve workers' access to data and information in the gig economy;
 - 4.5.4 Ensure safer working conditions for gig economy and zero hours workers;
- and

4.5.5 Modernise licensing regimes to reflect changing labour practices.

5. Next Steps

- 5.1 As next steps from this inquiry, it is recommended that the Committee:
- 5.1.1 Agrees to consider a report by Autumn 2022 on progress on plans to work with partners on delivery of task force priority recommendations 1 and 2;
 - 5.1.2 Continues engagement with gig economy workers, their representatives, and gig economy companies throughout the development and implementation of recommendations 3 to 7. A progress update will be prepared for Committee by Autumn 2022;
 - 5.1.3 Continue to engage with Scottish Government on action to promote fair work in Edinburgh, and to ensure that the findings of this Task Force are fully recognised in development of national policies and actions; and
 - 5.1.4 Continue to engage with a variety of stakeholders in the development of this work, including officials at the Scottish Government and Scottish Enterprise, academics, trade unions and workers.

6. Financial impact

- 6.1 Any additional impacts arising from this workstream will be considered as part of future reports to the Housing, Homelessness and Fair Work Committee.

7. Stakeholder/Community Impact

- 7.1 The Gig Economy Task Force heard from workers who have first-hand experience of the gig economy and precarious work in Edinburgh, as well as workers' representatives, academics, and fair work policy leads from the Council, Scottish Government and its agencies. This inquiry was composed of four discussion sessions, desk-based research, and one-to-one consultations with Task Force members.

8. Background reading/external references

- 8.1 [End Poverty in Edinburgh Delivery Plan 2020-30.](#)
- 8.2 [City of Edinburgh Council Fair Work Action Plan.](#)
- 8.3 [Edinburgh Economy Strategy.](#)

9. Appendices

- 9.1 Appendix 1 - Gig Economy Task Force Recommendations.
- 9.2 Appendix 2 - Gig Economy Task Force Final Report.

Appendix 1: Gig Economy Task Force Recommendations

Gig Economy Task Force Recommendations

PRIORITY ACTIONS

The Council and partners should at the earliest opportunity 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:

1. A costed proposal for a **dedicated workers' hub** in Edinburgh, providing access to advice and support on:
 - Workers' rights, representation, and advocacy,
 - Employability and career progression,
 - Language skills and translation support,
 - Discrimination and harassment, including gender-based violence, and
 - Practical advice on safe working practices (including safe travel options).
2. A costed proposal for **ongoing campaign** work to provide information on and raise awareness on worker rights in Edinburgh, good working practices, and how to access support.

MEDIUM TERM ACTIONS

The Council and its partners should commit to continuing engagement and research with workers and businesses, beginning with holding discussion sessions on five key areas where the Task Force believes action by the Council and Scottish Government could make a significant improvement to the work experience and life chances of people in the gig and precarious work economy. These sessions should be convened by the Council spokesperson for Fair Work and other relevant senior policy leads within the Council administration.

- **Licensing**
- **Procurement**
- **Data rights and access**
- **Alternative gig economy business models**
- **A workers' charter for Edinburgh**

3. Licensing:

The Council should facilitate and host further work with gig economy and precarious workers, businesses and government on issues relating to **licensing and regulation of gig economy and precarious employment**. These discussions should build on findings of the Task Force to date and support the development of concrete proposals relating to:

- Changes that could be made within current regulatory frameworks to improve access to fair minimum standards for gig economy workers, including through licensing conditions (on pay, health and safety, work conditions), or through guidance on good workplace policies, training, and other support,
- Recommended changes to national regulatory frameworks which could help local authorities to more effectively regulate the gig and precarious work economy, and
- Development of an Edinburgh specific Supplementary Statements of Licensing Policy, for example to provide late night transport arrangements for workers from licensed premises.

Output: In carrying out this work, the Council should commit to considering:

- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of gig economy workers in the city,
- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of all precarious workers in the city, and
- A report recommending any changes within current CEC practice, for example Supplementary Statements of Licensing Policy, needed to improve conditions for gig economy and precarious workers in the city.

4. Procurement

The Council should facilitate and host further work with workers, businesses and government on issues relating **public sector procurement fair work and the gig economy**. These discussions should build on findings of the Task Force to date and support the development of 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, and
- Recommended changes needed (if any) to national legislation to maximise local public bodies' ability to use buying power to promote fair work.

Output: In carrying out this work, the Council should commit to considering:

- A report with recommendations on any changes to Council procurement practices needed to ensure Council contracts are only let to companies with demonstrable commitment to fair work.

5. Data Rights and Access

The Council should facilitate and host further work with gig economy workers, businesses and government on issues raised during this inquiry relating **data rights and access for workers in the gig economy**. These discussions should build on findings of the Task Force to date 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, and
- 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.

Output: In carrying out this work, the Council should commit to considering:

- A report detailing the findings and recommendations arising from this work.

6. Alternative Gig Economy Business Models

The Council should facilitate and host further work with gig economy workers, businesses and government to hear 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).

Output: In carrying out this work, the Council should commit to considering:

- A report detailing the findings and recommendations arising from this work.

7. A workers' charter for Edinburgh

Building on all of the above, the Council should facilitate further engagement with gig economy workers and businesses to:

- 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.

Output: In carrying out this work, the Council should commit to considering:

- A report recommending a new workers charter for Edinburgh, alongside proposals for how this charter will be used to guide future Council policy.

Gig Economy Task Force: Final Report

March 2022

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Executive summary

Gig working is an important and growing aspect of the Edinburgh economy and labour market. Pre-pandemic, the best available estimates suggest that around 23,000 Edinburgh residents were active in the gig economy at least once a month. More recent reports show that this number is likely to have risen significantly in the past few years – with data for England and Wales showing a 25% increase in the size of the sector between 2019 and 2021.

In the gig economy workers, usually operating on a casual or freelance basis, are paid for the completion of tasks, instead of being paid for their time. Typical gig economy roles include drivers for ride-sharing apps such as Uber, workers delivering takeaway food and groceries via services such as Deliveroo and Just Eat, as well as other delivery and courier tasks through platforms such as Amazon Flex or others.

While such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well as poor working conditions and worker safety. As such, the sector forms one part of a wider issue of precarious employment in Edinburgh, including zero hours contracts, low paid work, and other forms of work that offer limited rights/protections, or limited opportunity for workers to exercise legally granted workplace rights.

In the context of these concerns, and City of Edinburgh Council commitments to promoting fair work across the city, the Gig Economy Task Force was established as a short life working group seeking to:

- Understand the real experiences of workers in the gig economy in Edinburgh,
- Explore actions that could improve working conditions, rights and quality of employment for gig economy workers, and
- Make recommended proposals for action by the Council and partners.

Task Force Findings

Throughout its inquiry the Task Force heard from workers who have first-hand experience of the gig economy and precarious work in Edinburgh, as well as workers' representatives, academics, and fair work policy leads from the Council, Scottish Government and its agencies. Through four discussions sessions, desk-based research, and one-to-one consultations with Task Force members, the inquiry noted a number of core barriers to fair work experienced by gig economy and zero hours contract workers in Edinburgh. These include:

- **Not earning enough to get by on.** Not being able to predict earnings from shifts or time spent working, not being able to budget for income accurately on a week to week basis
- **Not having control over or a say in working conditions.** Not knowing the extent of their employment rights or the responsibilities of companies, and not knowing how to exercise rights when things go wrong
- **Not being able to build strong relationships with, or organise collectively with co-workers.** Particularly in circumstances where workers and workplaces are dispersed

or fragmented, or when companies (employers and gig economy platforms) put in place barriers to representation

- **Not having autonomy or choice over work patterns.** Not having the ability to, or fearing adverse effects of saying ‘no’ to gigs or offered hours.
- **Having little clarity or transparency on how jobs or shifts are allocated** and, by extension, not knowing how best to maximise earnings from work.
- **Often working in workplaces and environments where workers do not feel safe from harm or harassment** (by customers, managers, or co-workers)
- **Not having access to appropriate training, information, or equipment** needed to be able to do their jobs safely.

Gig Economy Task Force Recommendations

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PRIORITY ACTIONS

The Council and partners should at the earliest opportunity 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:

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MEDIUM TERM ACTIONS

The Council and its partners should commit to continuing engagement and research with workers and businesses, beginning with holding discussion sessions on 5 key areas where the Task Force believes action by the Council and Scottish Government could make a significant improvement to the work experience and life chances of people in the gig and precarious work economy. These sessions should be convened by the Council spokesperson for Fair Work and other relevant senior policy leads within the Council administration.

- **Licensing**
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- Recommended changes to national regulatory frameworks which could help local authorities to more effectively regulate the gig and precarious work economy, and
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Output: In carrying out this work, the Council should commit to considering:

- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of gig economy workers in the city
- A report with recommendations on any legislative changes needed to strengthen the rights and conditions of all precarious workers in the city
- A report recommending any changes within current CEC practice, for example Supplementary Statements of Licensing Policy, needed to improve conditions for gig economy and precarious workers in the city

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The Council should facilitate and host further work with workers, businesses and government on issues relating **public sector procurement fair work and the gig economy**. These discussions should build on findings of the Task Force to date and support the development of concrete proposals to inform:

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- 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.

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- 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).

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- 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.

Output: In carrying out this work, the Council should commit to considering:

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1: Introduction

In 2020 the Edinburgh Poverty Commission made a call to action for the city to end poverty in Edinburgh by 2030. This challenge included a call for city partners to ensure that citizens across Edinburgh are able to access “fair work that provides enough to live on”¹.

In making this call, Commissioners noted concerns from workers over rising patterns of low pay, low security jobs in Edinburgh, including the increasing role that gig economy jobs were playing in providing access to employment for people in the city.

In response to these concerns, City of Edinburgh Council approved a new Fair Work Action Plan² in Autumn 2021. This plan incorporates a number of commitments to promote access to fair work through Council procurement, employability support, the Council’s own workforce, and through establishment of the Edinburgh Living Wage City Action Group and its aim to double the number of living wage employers in the city.

The Fair Work Action Plan also set out a commitment to undertake a short inquiry to understand the experiences of gig economy workers in Edinburgh and to make appropriate recommendations for action to ensure that workers in the sector have an opportunity to work in a way that meets all the dimensions of Scotland’s Fair Work Framework – **Security, Respect, Opportunity, Fulfillment, and Effective Voice.**



The Gig Economy Task Force

An outline remit and membership of the Gig Economy Task Force to take forward this inquiry was agreed by Council on 4 November 2021³.

As agreed by Committee, the purpose of the Task Force was to:

- Understand the real experiences of workers in the gig economy in Edinburgh, and to explore actions that could improve working conditions, rights and quality of employment, and
- Make proposals for action by Council, and recommendations for action by the Scottish and UK Governments.

The Task Force met four times during December 2021 to March 2022 exploring a range of issues relating to the gig economy and precarious and insecure work.

The membership of the Task Force and a summary of the questions probed during the inquiry are [published here](#).

The purpose of this report is to set out the findings of the short-life Gig Economy Task Force and to provide the Council with a series of recommended steps that can be taken with the policy levers at its disposal.

2: The Gig economy and precarious employment

“The rise of the “gig economy” is one of the most dramatic and contentious changes in the labour market in recent years.”

- The Social Market Foundation

The Gig Economy...

The gig economy is an important and growing aspect of the Edinburgh labour market. Pre-pandemic, the best available estimates suggest that around 23,000 Edinburgh residents were active in the gig economy at least once a month. More recent reports show that this number is likely to have risen significantly in the past few years – with data for England and Wales showing a **25% increase** in the size of the sector between 2019 and 2021.

In the gig economy workers, usually operating on a casual or freelance basis, are paid for the completion of tasks, instead of being paid for their time. Typical gig economy roles include drivers for ride-sharing apps such as Uber, workers delivering takeaway food and groceries via services such as Deliveroo and Just Eat, as well as other delivery and courier tasks through platforms such as Amazon Flex or others.

...and the growth of precarious employment...

While such roles can offer flexibility and ease of access to employment for some workers, the growth of the sector has been associated with concerns over low rates of pay, poor income security, risk of in-work poverty, poor opportunities for progression, as well as poor working conditions and worker safety. As such, the sector forms one part of a wider issue of precarious employment in Edinburgh, including zero hours contracts, low paid work, and other forms of work that offer limited rights/protections, or limited opportunity for workers to exercise legally granted workplace rights.

Overall, data suggests that workers in Edinburgh are less likely to be in permanent contracted work than in other Scottish cities, and that precarious employment is rising:

- Almost 7% of all jobs in Edinburgh in 2021 were described as ‘non-contractually secure’. This is a broad category which can incorporate temporary, casual, supply, and zero-hour contract work, as well as at least some gig economy workers. This is a level well above the Scottish average of almost 6%.
- In December 2021 zero hours contracts accounted for 3.2% of all jobs in Scotland, representing a **50% increase** in prevalence over the past five years.
- The use of zero hours contracts is particularly high in many key industry sectors within Edinburgh’s economy. Such contracts account for
 - 24% of jobs in the hospitality sector,
 - 12% of jobs in the retail sector, and
 - 19% of jobs in the health and social care sector

...a young and low-income workforce...

Gig economy workers are most likely to be in younger age groups, with 61% aged under 45 in 2021, and 22% aged under 25. Recent years have shown an increasing trend towards

young male workers, with men accounting for 68% of workers according to one recent survey.

Workers in the gig economy are more likely than the population as a whole to rent their accommodation (37% compared with 28% in the general sample) or live with parents, family or friends (17% in the gig economy compared with 11%). Average earnings for workers in the sector are low, with 87% reporting earnings of less than £10,000 per annum from their gig economy work.

In common with other forms of precarious work, such as zero hours contracts, evidence also points to high reliance on gig work platforms for students, young migrant workers, those from ethnic minorities, or workers for whom English is a second language. As an indicator of this, data shows that:

- 25% of all zero-hour contracts jobs in the UK are filled by people in full time education, and
- Rates of employment in zero-hour contract jobs are 25% higher for people born outside the UK than for UK nationals.

... extra job or a main source of income...

Despite its increase in prevalence in recent years, gig economy work is most commonly used as a way to top up income from other sources, rather than as a main source of earnings – though significant differences may be apparent between different categories of gig workers (e.g. food delivery vs courier riders).

- 32% of workers describe gig work as ‘an extra source of income on top of my regular job’, while data for 2021 show that for more than half of gig workers earnings from the sector account for less than 25% of their total income.
- Only 18% of workers rely on gig work for more than 75% of their income.

For those who rely heavily on the sector and work in it most often, however, reports suggest that levels of financial insecurity are high. 40% of those workers who say that gig work represents their main source of income said in one study that they were finding it difficult to get by financially. Such evidence suggests that gig economy can be used to help top up finances, but that relying on it as the main source of income may present challenges.

Aside from earnings, studies report that for over half (55%) of those working in the gig economy involvement was relatively frequent, happening at least once a month. Nine per cent responded that their involvement in the gig economy took place on a daily basis, and 12% said they provided goods and services in the gig economy two or three times a week.

Over half of all gig economy providers were satisfied with the independence and flexibility that working in the gig economy offers while 25% were very or fairly dissatisfied with the work-related benefits and level of income that this form of work offers⁴.

... common issues across the precarious labour market.

During the course of this inquiry it became evident that there are close relationships between those working in the gig economy and ‘zero-hours’ or other precarious work. Both utilise contractors who work flexibly with no guarantee of regular levels of pay or work patterns.

The experiences and testimony of workers shared during the discussions document the common challenges people experience in seeking to earn an income. Whether these forms

of work are a helpful 'top up' to their income or a main source of earning a living common issues highlighted both by desk research and the evidence shared through this inquiry include:

- **Not earning enough to get by on.** Not being able to predict earnings from shifts or time spent working, not being able to budget for income accurately on a week to week basis
- **Not having control over or a say in working conditions.** Not knowing the extent of their employment rights or the responsibilities of companies, and not knowing how to exercise rights when things go wrong
- **Not being able to build strong relationships with, or organise collectively with co-workers.** Particularly in circumstances where workers and workplaces are dispersed or fragmented, or when companies (employers and gig economy platforms) put in place barriers to representation
- **Not having autonomy or choice over work patterns.** Not having the ability to, or fearing adverse effects of saying 'no' to gigs or offered hours.
- **Having little clarity or transparency on how jobs or shifts are allocated,** and the allocation of jobs or shifts and, by extension, not knowing how best to maximise earnings from work.
- **Often working in workplaces and environments where workers do not feel safe from harm or harassment** (by customers, managers, or co-workers)
- **Not having access to appropriate training and equipment** needed to be able to do their jobs safely.

The remainder of this report outlines the evidence gathered by the task force against each of these challenges and more and provides recommended action to improve working conditions for gig economy workers and for those in other forms of precarious employment.

3: Rights and Representation

“When you have to pay bills or are a single mum like me it is a very difficult position to be in. You are scared to complain because of the consequences of not getting offered shifts.”

- Zero hours contract worker

The first session of the Gig Economy Task Force focussed on workers’ experiences of rights and representation in the gig economy.

The Fair Work Convention recognises that workers should have the opportunity to have an **effective voice in the workplace** to create a safe environment of challenge and dialogue. This can be presented in a variety of forms, such as “trade union recognition and collective bargaining; direct and indirect involvement and participation; communication and consultation arrangements and procedures that give scope to individuals and groups to air their views, be listened to and influence outcomes”⁵.

A recent report on fair work, academics at the University of Oxford’s Internet Institute found that there is very little scope for fair representation in the gig economy despite freedom of association being a fundamental right for all workers enshrined in the Universal Declaration of Human Rights⁶. Evidence gathered from this inquiry highlighted similar challenges in other forms of work including zero hours contracts.

Although there is some evidence of less formalised workers’ associations emerging in the sector in recent years, there remains a significant imbalance in platforms lacking any documented process through which worker voice can be expressed.

The legal status of gig economy workers

Gig economy workers are generally considered as “self-employed” for the purposes of employment law. This status has been contested by some worker groups, but even when successfully challenged - such as in the Supreme Court judgment in 2021 which confirmed that Uber drivers are workers and not independent contractors⁷ - such successes are isolated and do not translate to all platforms or workers universally

In effect this means that self-employed gig workers have very few formal employment rights with no wage floor, no right to holiday pay or rest breaks, no pension provision, and only limited safeguards from discrimination and mistreatment (although as is set out in Chapter 5 of this report, even these rights can be difficult to uphold).

Key findings

Evidence gathered during this inquiry showed that:

- Gig workers and others in precarious employment often do not know what rights have, if any, or indeed how to challenge any decisions made by companies. It was suggested that the individualistic nature of conducting gig economy work makes it challenging to build up collective voice and relationships within the workforce.
- Some gig workers have sought to collectivise in formal and informal ways through *Whatsapp* and *Signal* online groups. These unofficial groups were highlighted as a useful means of creating collective bonds and informing each other of their

employment rights. An example was provided, however, of at least one occasion where a worker had been dismissed for attempting to organise on an online group thus demonstrating the continued precarity that workers may experience.

- Such experiences reflect and are consistent with challenges faced by precarious and zero hours contract workers in other sectors when seeking to organise a collective representative voice for workers.

“On multiple occasions people are, like, ‘I think the algorithm’s changed’ and with no real proof. I’m not very inclined to believe it when they do say it. Then yes, if I see anyone, I’m like, ‘Have you noticed you’re getting less orders or less double orders, or you’re getting shorter distances?’. There’s a lot of speculation on the algorithm.”

- Gig economy worker

- The environment in which gig economy and zero hours contract workers operate in is commonly demanding and target driven – either by algorithms or shift supervisors. As such, negative impacts on the health and wellbeing of these individuals is a concern, with reports of gig workers feeling unable to turn down work for fear of not meeting targets, working when sick and feeling discouraged from taking adequate rest breaks⁸
- Recent research on the gig economy in Edinburgh documents the trade-offs that cycle couriers face on a regular basis when negotiating a whole range of risks, such as “physical risk and bodily harm, financial risk, and epistemic risks, which result from the uncertainty of ‘algorithmic management’”, noting the uncertainty of being presented with a job by the algorithm but not knowing if it is risky or not⁹.
- During this inquiry workers expressed ‘algorithmic frustration’ - feeling that the jobs they are sent on mean that they cannot meet up, which can reduce feelings of camaraderie and solidarity. Indeed, the power of the ‘black box’ algorithm was identified as having control over people in insecure work.
- Overall, the inquiry highlighted fears that some workers have for the power that algorithms or shift supervisors may hold over them is acute within the gig economy and zero hours work. Such fears reinforce and exacerbate the precariousness and insecurity of gig economy or zero hours contract work.
- One zero hours worker highlighted that if you refuse shifts, because for example you cannot commit to working at weekends due to childcare commitments then you are placed in a position of fear that you will not be offered any more work. Similarly, it was discussed, that shifts are often offered to workers based on their personal relationships with their supervisors rather than their ability to do the work well.
- Overall, the workers attending the inquiry identified the importance of having support and knowing that there is someone that they can phone and talk to when there is an issue at the workplace to get support, advice and representation.
- Focussing on this points task force members recommended that workers’ advice and information hubs could be developed in Edinburgh for workers in the gig economy and other forms of precarious employment as places where people could seek out help, advice and information or representation. Beyond acting as community spaces for information sharing and signposting, these spaces could also be social hubs for gig workers to meet when working to access bathroom facilities and shelter from inclement weather while waiting to be assigned a job.

- The role of licensing in encouraging or requiring businesses and platforms to inform workers of their rights was discussed by the Task Force. Workers’ rights are not one of the licensing objectives set out in the Licensing (Scotland) Act 2005¹⁰ and more generally other licence controls come from the Civic Government (Scotland) Act 1982¹¹ and do not address contemporary gig economy issues such as workers’ rights.

4: Pay and Hours

“For many workers, working on zero hour contracts is not an option, it is the only opportunity to access work. I would love to have a contract with guarantee hours.”

- Zero hours contract worker

The second session of the Gig Economy Task Force focussed on workers’ pay and hours in the gig economy.

Understanding how much gig economy workers earn was key to this inquiry. It is important to note, however, that there is little official or comprehensive evidence in the public domain about how much gig economy workers actually earn in this sector. Likewise, there is a gap in understanding about how many hours workers work along with how best they can maximise their earning time when subscribed to platforms.

Key findings

- In a survey, published in the press in early 2021, it was suggested that some gig economy workers earned less than £2 per hour, with a third reporting that they had received less than the legal minimum hourly wage (£8.72 for over-25s at the time)¹².
- An independent report conducted by Fairwork in the same year found that just two online platforms, Pedal Me and Just Eat, could evidence that all workers are guaranteed to take home earnings equal to or above the UK minimum wage. The study also found that no platform could guarantee that workers earn at least the real living wage after costs¹³.
- Moreover, examining the food delivery models of Deliveroo, Just Eat and Uber Eats, for example, the personal finance website, Nimblefins, estimates that a worker in this sector is likely to earn between £7 – £13 per hour, depending on their local area, when they work and the food delivery platform they use.
- For “self-employed” gig economy workers there are periods of unpaid time spent on shift while waiting for jobs to be offered on platforms. As the time spent between tasks is not set this means that during quieter periods workers may spend much of their time on standby and unpaid.
- Given such patterns, and the lack of transparency in data provided by companies, it is often impossible for workers to accurately predict the hourly income they will receive when on shift, or to compare the value of gig work against other alternatives.
- While common among those working on meal delivery or car sharing services, like Deliveroo, research by Fairwork highlights that a common consequence of clients cancelling jobs at the last minute in services such as domestic cleaning or social care means that workers are not entitled to compensation. Overall, the researchers note that payment for wait time, training time, travel time in addition to the provision of

essential tools and resources are rights that are afforded to all workers in the UK except the “self-employed”¹⁴.

- The inquiry noted that while the flexibility of gig or zero hours work is sold as a ‘benefit’ to workers, that flexibility is often one-directional. One example cited included that if a worker has a medical appointment, and is unable to commit to hours, then businesses can penalise them for not showing up even though they are not contracted. In effect this means that workers can remain on the books of a firm but still be financially burdened by not accepting work thus furthering feelings of insecurity and precarity.
- Similarly, the lack of transparency in how gigs or shifts are allocated by algorithms or managers means that workers often do not know the consequences of rejecting jobs or shift offers, fearing that this will reduce the likelihood of future offers. Such lack of transparency makes it difficult for workers to find manageable ways to increase earnings, as well as exacerbating the imbalances of power and control cited earlier in this report.

“Why should we have to sacrifice things like rights... things like protections, just for the flexibility that we want? Although I enjoy the job, it’s a little disappointing to see that’s the price we have to pay.”

- Gig economy worker

- Workers in the Task Force sessions noted from their experience that when given the option of working to a zero-hours or a fixed hours contract, almost no-one would choose the zero hours option. Union representatives noted that in contract negotiations when worker groups are offered this choice, almost none choose the more precarious contract type. This is backed up by data showing that 22.5% of people working on zero hour contracts would like to work more hours than their employers will provide for them, while a similar proportion would like a new job – rates of dissatisfaction that are 2-3 times those of the rest of the UK workforce.
- Reflecting on the points raised by the workers, the Task Force noted that more comprehensive data and information about pay and hours in the gig economy is required, particularly on unpaid time when waiting for jobs on shifts.
- Utilising data to get gig economy workers to engage in collective bargaining was highlighted as a way of understanding earnings and the Roo-Parse tool developed by the Workers’ Observatory was identified as a useful local online tool to analysing this information anonymously. Furthermore, it was suggested that the Council could have a role in facilitating this. However, without legislative changes, local authorities are currently powerless to force platforms to share this information. Accordingly, it was proposed that there are future opportunities to develop this through engaging and influencing businesses along with the City Region Deal’s Data-Driven Innovation initiative.

5: Environment and Working Conditions

“I’d put it two ways. One is the physical aspect of the job. You’re working, just by greater exposure, you’re at greater risk of having some kind of accident on the road.”

- Gig economy worker

According to the Health and Safety Executive, “gig economy workers should be treated no differently to other workers” and that “If you are a gig, agency or temporary worker then your health and safety is protected by law and employment businesses/agencies have a duty to make sure that they follow it.”¹⁵

In 2020, however, the Independent Workers’ Union of Great Britain (IWGB) sought a judicial review arguing that the UK Government had failed to transpose into UK law important EU health and safety provisions¹⁶. Many workers, such as couriers, had raised concerns that, despite their workloads intensifying during the pandemic, they were not given appropriate Personal Protective Equipment (PPE) to perform their jobs. This lack of protection in UK law meant that they ran the risk of being suspended or terminated if they took steps to protect themselves by stopping work.

The High Court of Justice found in favour of the IWGB and concluded that the UK had failed to grant workers in the gig economy the rights they are entitled to under European directives on health and safety at work. The judgment underscores that workers in the gig economy are entitled to the same health and safety rights as employees, including being provided with PPE by the business they are working for and having the right to stop work in response to serious and imminent danger¹⁷.

Despite this judgement, the health and safety of gig workers, and others in the precarious economy remains an area of concern. In many cases the Task Force found that managing risk in the face of danger is a personal decision for gig economy workers who must balance the need to work to earn a living, for example, working outside in treacherous weather conditions, or working in situations where they can expect to face harassment or threat.

Key Findings

- The Task Force heard in its inquiry that some businesses do not always deliver adequate safety training to gig economy workers as they are reluctant to invest time and money when they are under no legal obligation to do so. The task force heard that the welfare and training of permanent employees is often prioritised leaving gig economy or casual workers to take their health and safety into their own hands¹⁸.
- Such issues are equally prevalent among zero hours contract workers. The task force heard of a number of issues relating to the safety of or lack of training for workers including incidents relating to what to do if there was a fire alarm on a business premises or how to lift heavy objects. It was noted that often no instructions or guidance is provided to zero hours, casual or temporary workers in workplaces in how to handle chemical products for cleaning.
- Linked to this it was perceived that some businesses put profit ahead of the safety of workers with workers being exposed to dangers of lone working late at night on premises and not having access to alarms or panic buttons if they require assistance.
- Placing the responsibilities of safety and risk on to workers is a factor highlighted in a recent survey by University College London, which investigated the experiences of gig economy drivers and riders. It found that 42% had their vehicle or cycle damaged

as a result of a collision while working, with 10% reporting that someone had been injured. Of those surveyed, 63% stated they had not been provided with safety training on managing risks on the road and 65% had not been provided with any safety equipment.

- Considering risk as a factor, the researchers also found that as workers were usually paid by the job, increasing pressures led to 47% reporting that they would break the speed limit to meet time pressures and 30% admitting that they had gone through a red light when working. Mobile phones, an essential feature of gig economy working and the algorithm that guides workers were considered as increasing risks with 40% of the drivers and riders reporting that the apps used to receive jobs were a distraction¹⁹.

“This job is becoming less respectful from both sides. Customers don’t respect us... the industry has become selfish.”

- Gig economy worker

- In a submission to the Scottish Government’s expert advisory panel on the collaborative economy, the advocacy organisation on women’s participation in the labour market, Close the Gap, identified that there is evidence of sexual harassment where male Uber riders downrate female drivers who do not respond to flirting or other inappropriate communication. As drivers rely on a rating system powered by an algorithm, an ability to access fares can have a negative impact on already vulnerable low paid workers²⁰, and of course that can impact on individuals with a variety of protected characteristics.
- Discrimination and harassment can come in many forms within the workplace but essentially manifests itself by what the Equality and Human Rights Commission terms as “unwanted behaviour that you find offensive” including bullying and victimisation²¹. In any arrangement whereby there is an unequal power dynamic it can be difficult for gig economy or zero hours workers to challenge existing behaviours or practices they experience during their shifts. This can be for a number of reasons but is often the case due to a toxic culture within a workplace that is allowed to go unchecked.
- Questions were raised about how employers can take this more seriously and what workers can do to recognise it and challenge it more effectively. Unite the Union highlighted that they have a training programme for members, but this must be matched with robust workplace policies. The union has also published a sexual harassment policy based on the International Labour Organization’s Convention number 190 (ILO-190), which is the first international treaty to recognise “the right of everyone to a world of work free from violence and harassment, including gender-based violence and harassment”²².
- As a licensing body, the Council can set standards and training, but it is the duty of license holders to ensure the safety of workers and customers on premises. Considering the safety of workers at the end of shifts was of particular interest to the Task Force, particularly for those workers working late at night.
- The Task Force noted that East Dunbartonshire Council has adopted a Supplementary Statement of Licensing Policy, which sets out criteria it will consider when licensed premises apply for later opening hours on a Friday and Saturday, including providing late night transport arrangements for workers²³.

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