

The United Kingdom

Philip Larkin

I. Introduction

As an overall observation, there has been no extensive or radical legislative reform formulated by Parliament in the UK to address precarious non-standard forms of employment over the past three years, and there has been no long-term policy-driven or technical legal change in the relationship between non-standard working patterns and the social security system. As Timmins stated in 2020, Universal Credit (UC)¹ is too far advanced in terms of development and operation in the UK and has absorbed too much political and financial capital for government to contemplate, still less effect, any major policy changes to the programme as it currently stands.² Thus there is currently little will or momentum from any sector of the political spectrum to instigate major ideological or conceptual change to UC. However, the Labour Party has set out plans for significant legislative reforms to the labour market, which may help ensure greater social protection for non-standard workers.³

For a brief period during the Covid-19 crisis and lockdown it did seem to some commentators as if the social security system was moving towards a stronger emphasis on protecting the economic well-being of citizens, and that government had both the will and intent to deal with inherent systemic and structural problems.⁴ Certainly this era saw a huge accentuation in the volume of UC claims from both standard and non-standard workers alike, and a consequent collective administrative effort on the part of the

1 The primary legal foundations for Universal Credit are contained in the Welfare Reform Act 2012 and accompanying Regulations. UC stands as the central benefit in the UK social security system, payable to in-work and out of work claimants alike.

2 Timmins, Nicholas, Universal Credit: Getting it to Work Better, Institute for Government, 2020, https://www.instituteforgovernment.org.uk/sites/default/files/publications/universal-credit-getting-it-to-work-better_1.pdf (accessed on 1 September 2024).

3 See below for further discussion.

4 See Harris, Neville/McKeever, Grainne, Back to Normal for Social Security, JSSL 28 (2021) 3, p. 155.

Department for Work and Pensions (DWP) to deal with this trend, demonstrating what change may be achieved when there exists the political will (or pressure) to do so.⁵ The Chair of the House of Commons Work and Pensions Committee, in his appraisal of the legal structure of UC and how it was able to withstand the strain of the Coronavirus Lockdown, stated:

“It may well begin to rebuild public confidence in social security and a better understanding of why we need a social security system.”⁶

Relating to the issue of non-standard work and UC, one example of this was the suspension of the Minimum Income Floor (MIF)⁷ in UC in April 2020 for self-employed persons,⁸ a category which includes a variety of online platform workers and other gig workers. The MIF operates on the assumption that the self-employed are earning a certain monthly income, which, for the majority of UC claimants, is equivalent to a full-time working wage⁹ at the national living wage.¹⁰ Although for the first year of self-employment the MIF does not apply,¹¹ concerns have been expressed about its later effects on the more financially vulnerable “sole-trading” self-employed people such as gig workers, whose earnings may fluctuate seasonally or who may receive incremental payment for work carried out. As far as the DWP is concerned, irregular employment is perfectly acceptable for UC recipients, including zero-hour contracts¹² as is self-employed

5 *Timms, Stephen*, MP, Chair of the House of Commons Select Committee noted the Department’s “fleetness of foot” in the rapid reorganisation to ensure that as many citizens as possible were provided with financial assistance during the Covid-19 Lockdown; see also *Butler, Patrick/Timms, Stephen*, Universal Credit five-week delay is indefensible, the *Guardian*, 22 June 2020; see also *Larkin, Philip*, Surviving the Trial: Social Protection in the UK in the Era of Lockdown, *JSSL* 28 (2021), p. 170.

6 See *Butler, Patrick/Timms, Stephen*, *ibid*.

7 The MIF is set out in the UC Regulations 2013 (SI 2013/376) reg. 62. The suspension represented a fulfilment of the recommendation made in *Citizens Advice, Universal Credit and Modern Employment: Non-Traditional Work*, pp. 19-20.

8 The legal mechanism for doing this is contained in The Social Security (Coronavirus) (Further Measures) Regulations 2020, reg. 2.

9 For most UC claimants this is a notional 35 hour working week.

10 This was £ 10.42 weekly in 2023. The National Minimum Wage in 2023 and Forecast National Living Wage in 2024, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147845/The_National_Minimum_Wage_in_2023.pdf (accessed on 1 September 2024).

11 The “Start-Up Period”.

12 This has not been the subject of case law, but zero-hours contracts were not considered appropriate for the income-based Jobseeker’s Allowance benefit, which was the main unemployment benefit before UC. A UC claimant may be sanctioned if they

gig work. Indeed, the DWP affirms that UC is designed to be responsive to fluctuations in hours and earnings.¹³ Some legislators during the passage of the Welfare Reform Bill 2011 through Parliament were cognisant of the reality that it is considerably easier to calculate UC awards for employees with set hours and fixed monthly salaries than for non-standard workers: John McDonnell MP¹⁴ noted that in his own constituency much of the work available tended to non-regular, such as zero-hours and gig work, whose incomes were certain to fluctuate, entailing increased difficulty in individual financial planning and budgeting, as well as problems with the calculation of UC.¹⁵ This bears out De Stefano's comment that "income stability remains a mirage" for irregular workers.¹⁶ Such non-standard workers may find themselves worse off in comparison to their employed counterparts on a similar earnings level, since, in periods when their earnings are low, their UC award may be capped by the MIF, and this loss of income may not be recovered when earnings are higher.¹⁷ The House of Commons Work and Pensions Committee also noted that this can deter people from self-employment, while simultaneously leaving vulnerable those who, due to lack of transferrable skills or education, have little alternative but to persevere in online platform work, perhaps having to take on more than one job to maintain a living income.¹⁸ The suspension of the MIF meant that these workers were able to carry out online platform or other forms of non-standard work in the knowledge that they would receive at least

do not have a good reason for leaving a zero-hours contract job voluntarily. See Universal Credit: Zero-Hours Contracts. Question for Department for Work and Pensions UIN 5690, tabled on 18 July 2017, <https://questions-statements.parliament.uk/written-questions/detail/2017-07-18/5690> (accessed on 1 September 2024).

13 See DWP, Universal Credit and Employers: Frequently Asked Questions, February 2015.

14 MP for Hayes and Harlington and Deputy Leader of the Labour Party between 2015 and 2020.

15 See HC Deb vol col 988 9 March 2011.

16 See *De Stefano, Valerio*, The Rise of the "Just-in-Time Workforce": On-Demand Work, Crowdwork, and Labour Protection in the "Gig" Economy, Conditions of Work and Employment Series, International Labour Office, Geneva, 71 (2016), p. 6, https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_443267.pdf (accessed on 1 September 2024).

17 See *Finch, David*, Making the Most of UC: Final Report of the Resolution Foundation Review of Universal Credit, June 2015, <https://www.resolutionfoundation.org/uploads/2015/06/UC-FINAL-REPORT2.pdf> (accessed on 1 September 2024).

18 It is also possible that such workers are obliged to take on more non-standard work by DWP Work Coaches, see below.

reasonably adequate UC cover. However, this measure proved to be temporary, and the MIF was reinstated in July 2021,¹⁹ underscoring the point that the Government never intended to initiate long-term reform to social security protection for non-standard workers. While the abolition of the MIF (or postponing its application for a period beyond one year) would not necessarily increase the income of non-standard workers, it could at least provide UC claimants in irregular forms of work an increased opportunity to develop a more settled relationship with the labour market, during which they have the freedom to build up further hours of work or secure regular employment in accordance with their skills and education. Nevertheless, it should be emphasised that zero-hour contract work remains popular among the UK workforce, largely because of the flexibility that permits individuals and families to schedule family, caring and other responsibilities around working life. The concept of more flexible relationships between workers and employers has been a historic feature of the UK labour market, with casual and short-time employment in the being a means of preventing the destitution which often followed redundancy, permitting older workers the opportunity to supplement their income,²⁰ and allowing employers to retain access to skilled and experienced staff during periods of recession. Recent research has indicated that ZHC jobs attract 25% more applicants than similar type permanent employment,²¹ while only 15% of such workers ever apply for a permanent contract within the firm where they are engaged non-permanently.²² Thus indicates that whatever reforms any UK govern-

19 The Universal Credit (Coronavirus) (Restoration of the Minimum Income Floor) Regulations 2021.

20 *Whiteside, Noel*, Before the Gig Economy: UK Employment Policy and the Casual Labour Question, ILJ 50 (2021) 4, p. 610, 614 et seq. Whiteside notes that the ability of skilled workers to gain at least some casual employment in manufacturing or extractive industry was instrumental in holding communities together, since it reduced the need for these citizens to leave the local area in search of work.

21 *Datta, Nikhil*, Why do Flexible Work Arrangements Exist? Centre for Economic Performance, Discussion Paper No. 2039, London: LSE and ESRC, October 2024, p. 2, https://cep.lse.ac.uk/pubs/download/dp2039.pdf?_gl=1*9hs3i6*_gcl_au*MTAyNDAzMDAyMi4xNzMxMjQxNTI3*_ga*MTI0OTc5NjkxLjE3MzEyNDE1Mjc.*_ga_LWTEVFESYX*MTczMTI0MTUyNy4xLjAuMTczMTI0MTUyOC4IOS4wLjA (accessed on 11 November 2024).

22 See *Datta, Nikhil*, Why do Flexible Work Arrangements Exist?, *ibid.*, at p. 3 and p. 1. This is despite the fact that there is a very high staff turnover in such positions, with Datta noting that their medium tenure is only around one third of their permanent counterparts, and 20% of hired ZHC staff never work a single shift.

ment may enact in the labour market, the demand for non-standard work will remain relatively high.

II. Present Operation of Universal Credit and Non-Standard Forms of Work

The approach of the DWP during the inflationary crisis of 2022/2023 was to ensure that as many citizens as possible engage in paid work as possible, an initiative precipitated by the requirement to fill the vast number of vacancies in various sectors of the domestic labour market.²³ In order to incentivise all forms of paid employment, the UC taper rate was reduced from 63% to 55% in late 2021.²⁴ The operation of the Welfare Reform Act 2012 (WRA) and UC does appear to have helped (or hastened) citizens into work,²⁵ but over the past years government has increasingly relied on the coercive element inherent in the WRA, with over 500,000 sanctions being made against UC claimants in the 12 months to January 2023.²⁶ UC

- 23 In September 2022 some 15.7% of businesses in the UK reported that they were suffering from personnel shortages, and, although this had fallen to 11.5 per cent by January 2023, this still represents a very significant problem. Statista, Percentage of Businesses Experiencing a Shortage of Workers in the United Kingdom from October 2021 to October 2024, <https://www.statista.com/statistics/1369207/uk-worker-shortage/#:~:text=Percentage%20of%20businesses%20experiencing%20a%20worker%20shortage%20in%20the%20UK%202021%2D2023&text=As%20of%20January%202023%2C%20approximately,15.7%20percent%20in%20September%202022> (accessed on 1 September 2024). The issue has also been the subject of a House of Commons Report, see *Francis-Devine, Brigid/Buchanan, Isabel*, Skills and Labour Shortages, 10 January 2023, Debate Pack, Number 2023/0001 1.0, <https://researchbriefings.files.parliament.uk/documents/CDP-2023-0001/CDP-2023-0001.pdf> (accessed on 1 September 2024).
- 24 This permits UC claimants to retain 45% of their earnings up to a threshold limit. See Reducing the Universal Credit Taper Rate and the Effect on Incomes, <https://commonslibrary.parliament.uk/reducing-the-universal-credit-taper-rate-and-the-effect-on-incomes/> (accessed on 1 September 2024).
- 25 For example, the DWP claimed in June 2018 that UC would lead to 200,000 more individuals entering paid work, and this figure would rise by 90,000 once the scheme was fully operational. DWP, Policy Paper, Universal Credit Programme full Business Case, Summary 7 June 2018, <https://www.gov.uk/government/publications/universal-credit-programme-full-business-case-summary> (accessed on 1 September 2024).
- 26 Benefit Sanctions Statistics to February 2023 (experimental), published 16 May 2023, <https://www.gov.uk/government/statistics/benefit-sanctions-statistics-to-february-2023-experimental/benefit-sanctions-statistics-to-february-2023-experimental> (accessed on 1 September 2024). See also Sec. 26-27 of the WRA 2012.

recipients who leave paid work (and this can also include self-employed persons who cease work), or even lose pay “for no good reason” may be subject to sanctions,²⁷ and, in addition to the need to meet the MIF, DWP Work Coaches have been particularly fastidious about ensuring that claimants increase their hours of work and corresponding income.²⁸ The gig economy in particular has grown exponentially over recent years, with a workforce of some 7.25 million,²⁹ and while only 9.4% of gig workers rely on this form of work for their entire income, 48.1% are in full-time employment.³⁰ This indicates that although this non-regular work continues mainly to be a “side occupation”, it appears to be increasingly viewed as suitable employment if it will lead to a decreased dependence on state benefits, and there is evidence to suggest that Work Coaches are less willing in practice to permit UC claimants sufficient time to secure higher-skilled and better remunerated labour market positions, but rather to ensure that they accept whatever work may be available.³¹ This trend is in accordance with statements from Government Ministers advising that those citizens

27 This was the clearly stated position in “Universal Credit: Leaving Paid Work or Losing Pay Voluntarily (LV) or Through Misconduct”, ADM 17/17, which provides guidance on the operation of WRA 2012 Sec. 26(2)(d). The most common sanction is a reduction in the amount of UC paid. Benefit Sanctions Statistics to May 2023 (experimental), published 15 August 2023, [https://www.gov.uk/government/statistics/benefit-sanctions-statistics-to-may-2023-experimental](https://www.gov.uk/government/statistics/benefit-sanctions-statistics-to-may-2023-experimental/benefit-sanctions-statistics-to-may-2023-experimental) (accessed on 1 September 2024).

28 The so called “Four Week Policy” was initiated in February 2022, allowing UC claimants four weeks to find employment suited to their skills and qualifications, before being obliged to widen their search for other work. Previous claimants had up to three months to find suitable employment. DWP Press Release “Jobseekers have Four Weeks to Find Work Before Widening Their Search”, 8 February 2022, <https://www.gov.uk/government/news/jobseekers-have-four-weeks-to-find-work-before-widening-their-search> (accessed on 1 September 2024).

29 See *Fennell, Andrew*, Gig Economy Statistics UK: The Latest Facts and Figures behind the UK’s Fast-Growing Gig Economy, Standout CV, March 2024, <https://standout-cv.com/gig-economy-statistics-uk#:~:text=The%20UK%20gig%20economy%20workforce%20is%20now%20estimated%20at%207.25%20million> (accessed on 1 September 2024).

30 Furthermore, of those gaining at least half of their income from non-regular gig work, some 51.9% are in full-time employment and 14% in part-time. See *Fennell, Andrew*, Gig Economy Statistics UK, *ibid*.

31 *Doyle, Mary-Alice*, Universal Credit: Why Work Search at Four Weeks is a Lose-Lose Policy, Policy in Practice, 14 February 2022, <https://policyinpractice.co.uk/blog/universal-credit-why-work-search-at-four-weeks-is-a-lose-lose-policy/> (accessed on 1 September 2024). See also below for a discussion of UC and progression in the labour market.

struggling financially should simply “take on more hours of work”,³² and for many citizens this will entail taking on gig or other forms of non-standard work. Due to consistent underinvestment in technical training and workplace skills education in the UK over decades, Hoynes, Joyce, and Waters observe that the increase in the employment rate has tended to be in the part-time, non-standard sector, including gig and zero-hour contract work, which is also inclined to be lower paid work.³³ Furthermore, despite the benefits which non-regular work may bring to consumers, there is little scope for participants to build up the human capital necessary to secure higher-skilled, better paid, and regular employment,³⁴ so, for at least some citizens, the operation of the WRA 2012, in combination with the DWP policy of accelerating the process of labour market entry and the current inflationary crisis, is obliging them to engage in non-standard work and rendering it difficult to progress to more regular employment.³⁵ Both statistical and claimant interview evidence demonstrates the financial pressures on non-standard workers in the UK economy (gig workers in particular) are subject to, with many having to take on more than one form of work in order to meet their living costs and satisfy MIF requirements if they are claiming UC.³⁶

32 *Browning, Oliver*, “Work More Hours” Therese Coffey Tells People Struggling to Buy Food, *The Independent*, 23 February 2023. This may partially explain why such a high percentage of people in the gig economy are either full-time or part-time employed.

33 *Hoynes, Hilary/Joyce, Robert/Waters, Tom*, *The IFS Deaton Review: Benefits and Tax Credits*, London: IFS 2023, p. 53.

34 See *Hoynes, Hilary/Joyce, Robert/Waters, Tom*, *The IFS Deaton Review: Benefits and Tax Credits*, *ibid.*, p. 34.

35 Another possible influence upon the trend has been the exit of the UK from the European Union, which has reduced the pool of available personnel in the UK labour market.

36 See, for example, *Hall, Rachel*, “I have no Free Time”: People Top Up Wages with Extra Work in Cost of Living Crisis, *The Guardian*, 19 June 2022. The trade union representing independent, non-standard workers, the Independent Workers of Great Britain, conducted a survey illustrating the reality that during the present inflationary period gig workers have been affected by both rising costs and lower remuneration for services, See IWGB. New Survey Reveals the Hidden Cost of Living in the Gig Economy this Christmas, 20 December 2022, <https://iwgb.org.uk/en/post/new-survey-reveals-the-hidden-cost-of-living-in-the-gig-economy-this-christmas/> (accessed on 1 September 2024).

III. Prospects for Reform?

1. Reform of the UK Social Security System

Under the former Conservative Government no reform of the relationship between social security protection and non-standard forms of work was pursued. It also appears that the change of political party in government at the 2024 UK General Election will not result in any repeal or extensive legislative conceptual remodelling of UC.³⁷ Despite the statement made by Labour Party Leader Keir Starmer in 2021 that a future Labour government would abolish UC in its entirety,³⁸ the Party seems to have reversed somewhat on this commitment, indicating that it will probably retain much of the conceptual structure of UC (although the benefit may be given a different title) with possible incremental changes to factors such as benefit levels. The UC system continues to operate in the same manner regarding non-standard forms of employment as it did in 2020 before the Covid-19 period. While there have been no political calls for the merger of the UK tax and benefits system, the fusion, or closer alignment of the National Insurance and income tax systems has been suggested from a number of different sources, largely for reasons of administrative efficiency and greater transparency,³⁹ and any developments in this area are unlikely to be of great consequence to non-regular workers. It should be noted that one of the possible alternatives suggested in place of UC, a Universal Basic Income (UBI), while there definitely exists no plan to develop such a scheme on a

37 This must take place before 28 January 2025, see *Kelly, Richard*, Research Briefing: Dissolution of Parliament, House of Commons Library, 20 April 2023, <https://researchbriefings.files.parliament.uk/documents/SN05085/SN05085.pdf> (accessed on 1 September 2024).

38 He did indicate, however, that this development would probably take an entire Parliamentary term, and it was not intended to uproot the conceptual foundations of the WRA 2012 and UC, but rather to effect technical changes to the system, allowing low-income earners on benefits to retain more of their take-home pay. See *Channon, Max*, Universal Credit – Labour will Scrap it Altogether, says Sir Keir Starmer, 8 October 2021, <https://www.walesonline.co.uk/news/uk-news/universal-credit-labour-scrap-altogether-21798982> (accessed on 1 September 2024); see also *Daly, Patrick*, Labour to Set out Plans for Replacing Universal Credit, the Independent, 23 August 2023.

39 Office of Tax Simplification, The Closer Alignment of Income Tax and National Insurance: A Further Review, Cm 9354, November 2016, https://assets.publishing.service.gov.uk/media/5a75b89640f0b67b3d5c8b35/OTS_final_report_print_file.pdf (accessed on 1 September 2024).

national (or even regional) level, the idea is presently being piloted in two areas of England.⁴⁰

2. Proposed Legislative Reforms to Non-Standard Forms of Employment

Despite the equivocation of the British Labour Party on the topic of social security reform, there exists a significantly firmer commitment on the part of the Opposition to legislative reform to some aspects of the non-standard labour market, which may facilitate easier provision of social protection for some workers in this category. The Supreme Court ruling⁴¹ that Uber drivers had the status of “worker” not only confirmed that they would be entitled to hourly pay, the national living wage, and holiday pay, but also prompted speculation as to what ramifications this development might have on the wider non-standard labour market. One source postulated that while the removal of the self-employed status would entail that Uber would reduce the number of drivers who can log on to the platform at the same time,⁴² thus meaning that the gig economy would overall be less capable of absorbing displaced workers, this could lead to drivers working more set and regular hours.⁴³ Although this may reduce the level of flexibility inherent in this sector of the economy, it does open the possibility for more predictable levels of monthly income, allowing for an easier calculation of UC, thereby strengthening the level of social protection afforded to such workers. It is primarily the factors of uncertainty of hours and monthly income, and the subsequent difficulties caused for non-regular workers when claiming UC, which may have prompted the Labour Party’s pledge to impose a legal ban on zero-hours contracts and contracts without a minimum

40 In the areas of Jarrow and East Finchley 30 people will be paid a monthly lump sum of £ 1,600 monthly, without conditions, for two years, and the effects on their lives of this will be observed. See *Hussen, Dahaba Ali*, Universal Basic Income of £ 1,600 a Month to be Trialed in Two Places in England, the *Guardian*, 4 June 2023.

41 Uber BV and others (Appellants) v. Aslam and Others (Respondents) [2021] UKSC 5.

42 This development would be necessitated by the need for Uber to pay drivers for time spent waiting between rides. See *Richards, Simeon*, How Might Uber Drivers’ New Status as Workers Affect the Gig Economy?, <https://www.economicsobservatory.com/how-might-uber-drivers-new-status-as-workers-affect-the-gig-economy> (accessed on 1 September 2024).

43 See *ibid.*

number of guaranteed hours should they form the next government.⁴⁴ Perhaps even more significantly, the Party outlined a plan to create a single status of “worker” for all but the “genuinely self-employed”, providing all those in this former category with the same basic rights and protections.⁴⁵ Thus, there does seem to be an animus on behalf of the left of the UK political spectrum to impose a level of legislative regulation on the non-standard sector of the labour market, which, together with social security reforms,⁴⁶ could potentially have a beneficial impact on the regularity of their work patterns and incomes, reducing their dependency on state benefit, and facilitating an easier calculation of monthly UC. Recently elements of this policy have manifested themselves in the form of the Employment Rights Bill, which, although it stops far short of abolishing ZHCs outright, and does not contain a single, all-encompassing definition of “worker”, does place an obligation on employers to make an offer of guaranteed set hours to a “qualifying worker”⁴⁷ after the end of a set “reference period.”⁴⁸ This, in effect, would compel employers to offer workers a guaranteed-hours contract based on the hours they have worked during a 12 week period. The Bill would also repeal the Workers (Predictable Terms and Conditions) Act 2023, which represented a somewhat belated attempt by the previous Conservative Government to ensure that non-standard workers could apply for more settled and predictable hours of work.⁴⁹ Angela Rayner, Deputy Prime Minister and sponsor of the Bill in Parliament, has asserted that the Bill would finally end “exploitative” ZHCs, and provide up to 2.4 million workers the right to a contract which genuinely reflects the number of hours which they work.⁵⁰ It is envisaged that these reforms could also mean

44 The Labour Party, Employment Rights Green Paper, A New Deal for Working People, p. 8, <https://labour.org.uk/wp-content/uploads/2022/09/Employment-Rights-Green-Paper.pdf> (accessed on 1 September 2024).

45 See *ibid.*, p. 7.

46 For example, the promise on behalf of the Labour Party to allow working UC recipients to retain more of their income before the taper begins to operate.

47 See Clause 1 of the Employment Rights Bill 2024, which would insert a new section 27BA into the Employment Rights Act 1996. A “qualifying worker” is defined as one who was employed by an employer under one or more worker’s contracts which were ZHCs or which obliged the employer to make work available minimum hours not exceeding a specified number.

48 See Clause 1, which inserts a new section 27BA into the Employment Rights Act 1996.

49 This is set out in Clause 5 of the Bill.

50 See HC Deb Vol 755 col 49 21 October 2024. It has been observed, however, that should the Bill become legislation, it might still be possible for employers to circum-

that it is considerably easier for the DWP to calculate the UC allowance for many more individuals and families, a beneficial development for those who need more predictable income from both work and UC. It would also reduce the obligation on some citizens on ZHCs whose income does not meet the MIF to increase their income by finding more non-standard work.⁵¹ Conversely, the Bill also provides the right for workers to apply for more flexible working arrangements, reflecting the reality that non-standard forms of work remain both popular and attractive to many.⁵² To enforce the new law, the Bill would permit⁵³ the Secretary of State to set up an executive body of the Department for Business and Trade to ensure employers' compliance with its terms.⁵⁴

However, despite the potential of the Bill to effect reform to the position of ZHC workers, and enable them to achieve more predictable UC entitlement, it is possible to identify a number of limitations in its content. First, the Bill will not encompass all gig workers, nor genuine low-skilled self-employed persons, who, undoubtedly, will continue to experience problems with fluctuating incomes without any improvement in their social security rights (including pension rights) and no right to a basic minimum level of pay.⁵⁵ Furthermore, it is possible that even with guaranteed hours of

vent the necessity of having to award a contract with a higher number of guaranteed hours by simply keeping the worker's hours low during the 12 week period of assessment. See *Atkinson, Rose, I'm Stuck on the Zero-Hours Job Treadmill. Here's Why Labour's Reforms Won't Help Me*, the *Guardian*, 16 October 2024.

- 51 See *Browning, Oliver, "Work More Hours" Therese Coffey Tells People Struggling to Buy Food* (fn. 32).
- 52 See Clause 7 of the Employment Rights Bill 2024. See also *Datta, Nikhil, Why do Flexible Work Arrangements Exist?* (fn. 21). The current version of the Employment Rights Bill is available here: <https://publications.parliament.uk/pa/bills/cbill/59-01/001/24001.pdf> (accessed on 11 November 2024).
- 53 Clause 74 of the Bill.
- 54 This would be known as the Fair Work Agency, and the Bill would confer a single set of powers on it to investigate and take action against businesses that do not comply with the law. See UK Government. Factsheet: Fair Work Agency in the Employment Rights Bill, <https://assets.publishing.service.gov.uk/media/67125ae0e94bb9726918ee38/fair-work-agency.pdf> (accessed on 11 November 2024). See also *Elgot, Jessica, New Enforcement Agency will Protect Workers' Rights as part of 'Watershed' Bill*, the *Guardian*, 10 October 2024.
- 55 Such workers are also more likely to remain dependent on UC for longer periods of time. Research has demonstrated that half of gig workers earn below the national living wage, which will inevitably mean that many will be obliged to take on more of this work in order to satisfy the exigencies of the MIF. See *Wood, Alex/Burchell, Brendan/Martindale, Nick, Gig Rights & Gig Wrong. Initial Findings from the Gig*

work, a significant number of former ZHC workers and their families may remain dependent on UC, since such work tends to be concentrated within low-skilled sectors of the economy with little opportunity for pay advancement.⁵⁶

Rights Project: Labour Rights, Co-Determination, Collectivism and Job Quality in the UK Gig Economy, London: The British Academy, 2023, <https://www.bristol.ac.uk/media-library/sites/business-school/documents/Gig%20Rights%20&%20Gig%20Wrights%20Report.pdf> (accessed on 11 November 2024).

56 This was contained in evidence to the Low Pay Commission, Annex A, Submission, HM Treasury, 2002, discussed by *Simpson, Bob*, The National Minimum Wage Five Years On: Reflections on Some General Issues, *I.L.J.* 33 (2004) 1, pp. 22, 24. It should also be noted that, if the Employment Rights Bill does become legislation, it will not come into force until 2026 at the earliest. See also *Brione, Patrick/Cunningham, Stephanie*, Research Briefing: Employment Rights Bill 2024-25, London: House of Commons Library, 23 October 2024, <https://researchbriefings.files.parliament.uk/documents/CBP-10109/CBP-10109.pdf>.