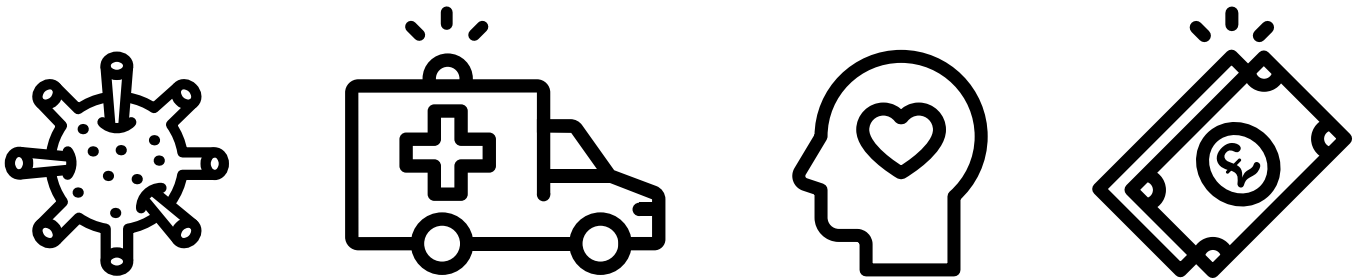


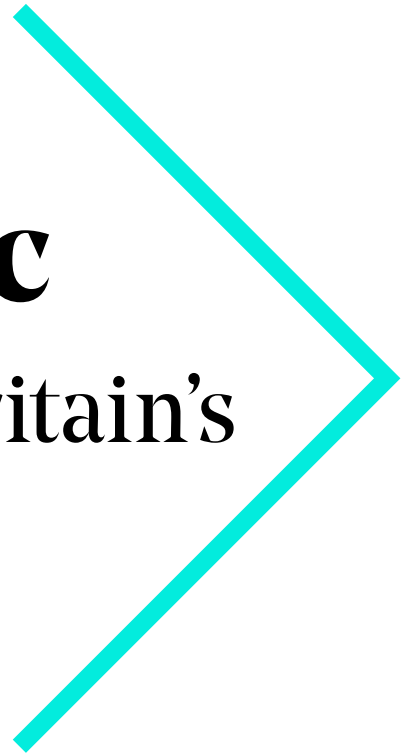
In partnership



# Key workers in the pandemic

## Security traps among Britain's essential workers

Jake Jooshandeh



# Acknowledgments

We are grateful to Standard Life and Trust for London, who funded this research, and to the RSA's 30,000 Fellows, whose support makes all of the RSA's work possible. We would also like to thank all of the people who agreed to be interviewed and who gave their time and shared their — often highly emotional and difficult — stories of the pandemic with us.

The RSA is grateful to the stakeholders and experts who offered insight, guidance and logistical support throughout is project, including representatives from: Union of Shop, Distributive and Allied Workers (Usdaw), the Care Workers Charity, Royal College of Nursing (RCN), the Living Wage Foundation, Mind, the King's Fund, the Institute for Public Policy Research (IPPR), the Joseph Rowntree Foundation (JRF) and Carnegie UK Trust.

The author would like to personally thank colleagues at the RSA for their input and support, in particular: Alan Lockey, Amanda Ibbett, Anthony Painter, Ash Singleton, Fabian Wallace-Stephens, Hannah Webster, Jack Robson Rami Assaf, Ruth Hannan and, Will Grimond, as well as the people behind the scenes who make the work possible.

# Contents

|  | Page no. |
|--|----------|
| Foreword   | 2        |
| Executive summary  | 5        |
| Introduction   | 14       |
| <b>Chapter 1</b><br>Health and wellbeing                                       | 19       |
| <b>Chapter 2</b><br>Economic life, financial resilience and working conditions | 32       |
| <b>Chapter 3</b><br>Home and family life                                       | 54       |
| <b>Chapter 4</b><br>Tackling economic insecurity— an agenda                    | 62       |
| Conclusion   | 81       |
| Appendix   | 83       |

# FOREWORD

**by Anthony Painter**

Chief Research and Impact Officer, The RSA

The Covid-19 pandemic has brought our relationship to the economy into sharp focus. For most of us, that relationship is through work. That is why we established the Economic Security Observatory as the virus first took hold of our health and then the economy. It was clear that something fundamental about our economic lives — albeit in the extreme conditions of a public health crisis — would be revealed in the months and years that followed.

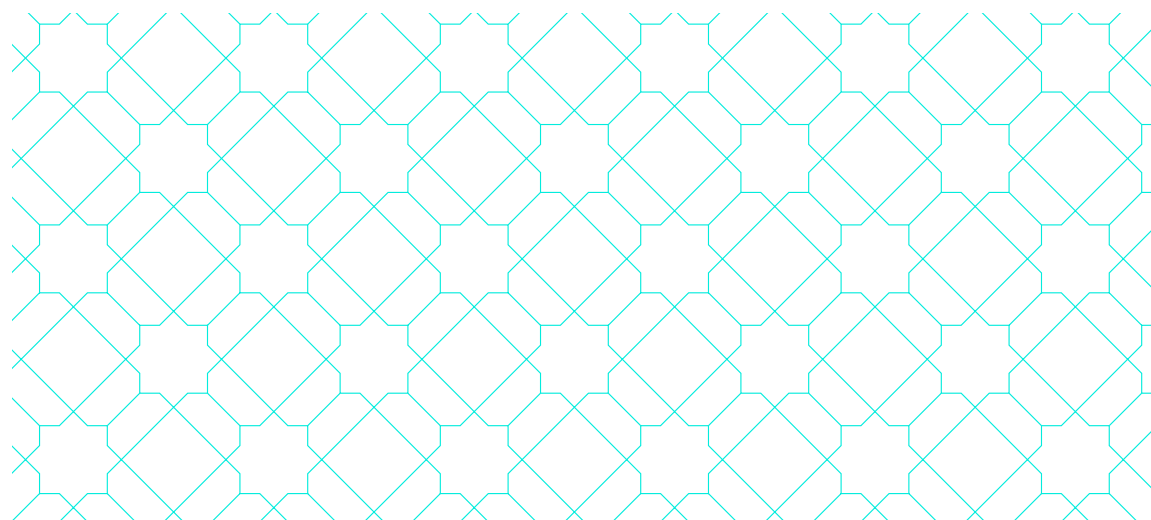
**O**ur core hypothesis was that workers in the modern economy face a series of 'security traps' and these had a detrimental impact on our lives whether visible, such as when work is lost, or less visible such as the psychological toll that economic life takes from many workers. We wanted to explore how real these security traps were and their potential impacts. Simultaneously, we sought to suggest policy responses that could alleviate such traps: to help consider how employers and individuals could get the most out of work supported by sound policy.

To do this, we looked in depth at one of three broad experiences of work in the pandemic: key work. This analysis sits alongside our recent research on the two other broad experiences of work highlighted through the pandemic: desk work—which is the least precarious—and 'locked down' work which was the most precarious. Key work is needed to meet our basic needs for survival in society. From food to health to energy, money and justice, basic needs cannot be fulfilled without key workers. That is not to say that other work is not essential; it certainly is, but this foundational characteristic of key worker is defining.

Jake Jooshandeh and the team have done an excellent job in seeking to both conceptualise the nature of modern security traps, understand how they impact quality of life, and how such traps speak to a deeper insecurity. Such a wider frame around work and economic insecurity, considering factors such as time availability and psychological health, can manifest in complexities in managing our wider needs and responsibilities, including health, care and wider quality of life.

Many of the key workers we surveyed apparently have enjoyed a marginally greater degree of financial security than is the norm. Their jobs are relatively secure and they have pensions, secure housing and a steady income. The Covid pandemic, however, has revealed deeper challenges around quality of life that matter to individuals, employers and wider society.

And these workers, many in the health and care sectors, have paid an enormous price in terms of mental health and wellbeing and ability to care for one's family. That is a trap that comes from the nature of their relationship to work and the wider economic system. Many have felt compromised between their work, their health and their families with both a sense of responsibility and employer expectation to prioritise work to the detriment of health, wellbeing and wider responsibilities.



Of course, many key workers do not enjoy even relative financial security, including many in the care, retail, food, transport, and distribution sectors. They face a triple challenge to financial resilience, health, and quality of life. Indeed, retail workers in our surveys report an increase of abuse at work as they are required to police rules and laws related to the pandemic. All the while they are serving their communities, often facing significant personal risk.

Understanding security traps and the nature of work encourages a far more comprehensive response through policy, within the workplace, and in the law. We recommend a stronger system of Statutory Sick Pay (SSP), a new universal and more flexible affordable childcare service, testing systems of greater universalism through some form of guaranteed income, stronger laws to protect retail workers, and better support for mental health and wellbeing in the workplace. There are three critical inter-playing elements of modern economic security: income, assets and the cost of living; health and wellbeing; and private and family life. Each require targeted responses and we suggest a range.

A bigger conversation is required. Whilst the circumstances of the past 18 months have been extreme, are we certain that the security traps identified here best meet the needs of employers and wider society? Is there a role for public policy, for example, to improve the availability of flexible childcare, or to encourage more widespread best practice when it comes to mental health, or to help sick workers isolate quickly from others?

Can more guaranteed sources of income and greater availability of job-linked skills help employers of different types meet public needs and underpin greater prosperity? Social reforms in the past from the creation of the NHS to the legal right to time off have ultimately supported the high road to productivity and wider wellbeing. Are similar reforms grounded in mutual interest available to enlightened policymakers and employers? The RSA will continue to work with social partners and policymakers to explore such win-win reforms to policy and practice within our Future of Work programme.

Our relationship to work and the economy needs to safeguard us and our lives more effectively than at present. The experience of key workers in the past 18 months or so has deep implications. Economic insecurity and security traps should be more central to our public discussion. They are also part of wider considerations around improved productivity and 'levelling-up'. We hope this report helps to inform such a discussion.

## **Anthony Painter**

**Chief Research and Impact Officer  
The RSA**

**SUMMARY**

**EXECUTIVE**

**Key workers in the pandemic:  
Security traps among Britain's  
essential workers.**

**O**n 15 July this year, the Prime Minister gave a speech that spelt out his government's levelling up vision for a country that soon hopes to escape the clutches of the Covid-19 pandemic. He said:

**“It is the mission of this government to ensure that in so far as Covid has entrenched problems and deepened inequalities, we need now to work double hard to overturn those inequalities so that, as far as possible, everyone, everywhere, feels the benefits of that recovery and that we build back better across the whole of the UK”.**

This report offers three arguments and one agenda that can help the Prime Minister achieve this ambition.

First, we argue that the need to tackle economic insecurity should be at the heart of his wider mission.

Second, we argue that tackling economic insecurity in key workers specifically should be an urgent public policy priority due to the centrality of key work to a functioning society and the alleviation of wider economic insecurity within it.

Third, we argue that through the alleviation of economic insecurity, all sections of society are able to benefit: workers and citizens through better lives and livelihoods, employers through increased productivity, and government from economic growth and a more resilient economy.

Finally, we offer a comprehensive six-point plan which would enable the government to achieve this latter task and make sure the workers who have saved both lives and livelihoods during the pandemic are properly supported to enjoy secure, healthy, fulfilling lives at work and at home.

### **Our approach**

In making these arguments and recommendations we draw upon a mixed-method research approach that surveyed the experience and analysed the outcomes of key workers for a year (July 2020 to July 2021) of the Covid-19 pandemic.

Working with the polling agency YouGov we created a representative sample of 1,281 adult key workers in Great Britain (ie excluding Northern Ireland). The definition of key worker we used reflects the government's list of critical workers who had access to schools and educational settings for their children during the first wave lockdown (see Appendix for more detail). The sample is then weighted based on ONS research on the number of UK key workers by occupational grouping. We then conducted three survey 'waves' with fieldwork taking place during the following dates:

- Wave one: 20-26 July 2020.
- Wave two: 4-10 November 2020.
- Wave three: 5-14 March 2021.

These surveys are supplemented by a series of semi-structured qualitative interviews with key workers themselves, as well desk-based secondary data analysis that tracked key financial and wellbeing metrics throughout the pandemic. While we have surveyed key workers from across government's definition, due to sample size constraints, we have restricted our comparative analysis of occupational groups to broader groups, specifically: NHS staff; social care workers; supermarket workers; and schools and nursery staff.



## Why economic security?

**T**he RSA recently set up an Economic Security Observatory to explore both the lived experience of economic insecurity and what systemic gaps in support—from the state, communities, or employers—contribute towards it. We define economic security as

**“the degree of confidence that a person can have maintaining a decent quality of life now and in the future, given their economic, financial, and social capital”.**

This definition draws upon wider evidence that health, wellbeing, economic, financial, and social capital play a dynamic role in shaping individual feelings of insecurity. Our enquiries began from a starting point that views the contemporary public policy debate about how to tackle insecurity as narrow in two related ways. First, that labour market policy has overly focused on job creation and thus missed a crucial societal shift that, by itself, work no longer guarantees material security.

Second, that constraining the debate about how to deliver economic security purely to labour market policy misses the dynamic way that work interacts with other areas of life—and thus other public policy systems—that drive the lived experience of insecurity.

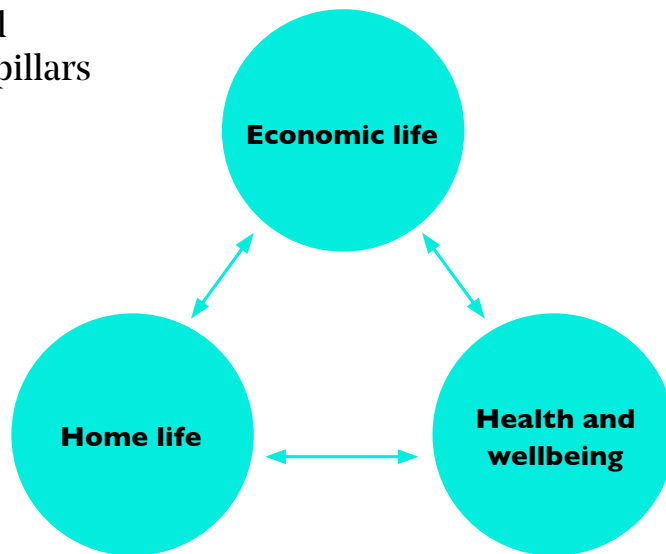
The factors that drive insecurity are of course numerous, but for conceptual clarity we focus on the way three broad ‘pillars’ of economic security interact with one another:

- **Economic life** (financial resilience and working conditions).
- **Health and wellbeing** (mental and physical health).
- **Home life** (personal and family life, community capital).

## Security traps

**S**ecurity traps are states of significant economic insecurity. We label them as ‘traps’ because they describe the intense trade-offs many people have to make when trying to reconcile their material security needs (for example, work, pay and conditions and the cost of living, including housing, debt and access to assets) with their health or wider personal lives (including family life, mental or physical health and work-life balance). Whilst the fact of trade-offs might be true for many of us throughout our working lives, the pandemic experience has changed—and in many cases—increased their severity, exposing how unevenly distributed they are.

**Figure 1:** Security traps: forced trade-offs between the three pillars



## Why key workers?

### Delivering economic security for key workers is important for three distinct reasons.

First, the straightforwardly moral reason that it is vital that those who helped us get through the pandemic should be properly supported to enjoy secure, healthy, fulfilling lives — their sacrifice should be rewarded.

Second, because as the current public health context shows, the ability of key workers to carry out their work remains an absolutely central variable to the fight against the virus. Living with Covid-19 means living with resilient systems that can help deal with the virus in perpetuity. The resilience of those systems will obviously depend to a huge extent on the ability of key workers to do their jobs effectively.

Third, because our research finds that key workers provide the critical infrastructure needed both to tackle wider economic insecurity and enhance productivity in other sectors of the economy. The idea that systems such as the caregiving system should be viewed in this way — as critical infrastructure every bit as important as systems such as transportation — is one of the enduring experiential lessons of the pandemic.

Therefore, the primary purpose of this report is to explore in depth the experience of key workers during the pandemic and relate it back to our holistic definition of economic security; to explain where and in what ways key workers have made sacrifices in order to save lives and livelihoods in the battle with Covid-19. We do this by exploring the three pillars above in relation to the idea of security traps.

# Major security traps faced by key workers

**O**ur research allows us to explore and compare security traps faced by key workers across four major key work occupational groups, as well as for key workers overall.

In terms of health and wellbeing we find that a ‘mental health security trap’ — where key workers have had to trade off their mental health wellbeing against the expectations placed upon them at work — to be a fairly universal experience, exasperated by the broader challenge of maintaining good mental health during a pandemic.

We also find that some key workers felt pressured to go into work even when sick or felt their health was at risk from working — evidence of a reflexive security trap trade-off between physical health and economic life.

## Our key findings in the health and wellbeing pillar include:

A majority of key workers say they have found it more difficult to maintain their mental health throughout the pandemic; this only got harder as time went on (see Table 1).

**Table 1:** A majority of key workers say they have found it more difficult to maintain their mental health throughout the pandemic; this only got harder as time went on.

“Have you found it more or less difficult to deal with the following as a result of the Covid-19?”

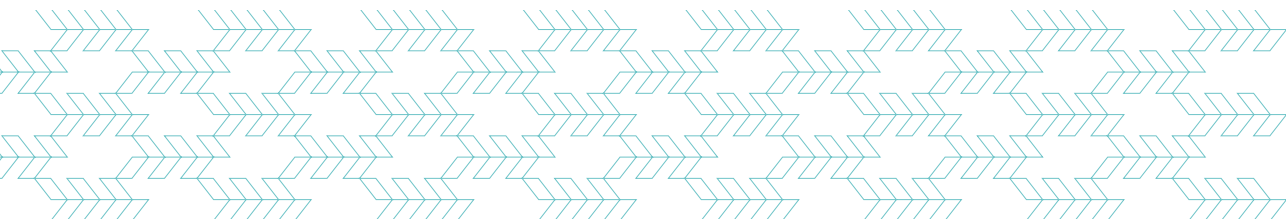
“Maintaining your mental health”.

| Percentage who said 'a little more' or 'much more' difficult. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20  | 58              | 64        | 61                  | 58                        | 61                  |
| Nov-20  | 58              | 67        | 63                  | 65                        | 49                  |
| Mar-21  | 65              | 73        | 67                  | 68                        | 62                  |

- Stress and workload were most commonly cited as a driver of poor mental health in the health and care sectors.
- For school, nursery, and supermarket staff it was a fear of the catching the virus, which drove mental health concerns.
- By March 2021, school and nursery staff were the most likely to feel at risk from Covid-19 while at work by a significant margin.
- One in five key workers has found it difficult to take time off during the pandemic, even if unwell. This appears to have been most associated with financial resilience, but as resilience improved and the second wave took hold, job pressures were the primary driver.

In terms of economic life, financial resilience and working conditions, we find that many key workers have enjoyed a relative degree of job and financial security during the pandemic.

Even the occupational groups that were the least financially resilient in our first wave of research (July 2020) —namely supermarket workers and social care workers—had managed to become resilient by our final wave (March 2021). However, increased financial resilience for many hides real insecurity for some. We find that some key workers are trapped in financial insecurity by their work, by inadequate pay and by inadequate protections at work. These key workers were more commonly women, minority ethnic groups, or single earner households. In March 2021, 21 percent of minority ethnic key workers said they would struggle with an unexpected £100 bill compared to 12 percent of white key workers. For single earners this was 22 percent compared to 10 percent of multi-earner households, and for women 16 percent would struggle compared to 11 percent of men.<sup>1</sup>



<sup>1</sup> Caution, however, should be noted with all BME statistics because of the known problems in the polling community with reporting on BME groups, namely: reporting all non-white groups as homogenous; underreaching those with poor English, underreaching first generation immigrants. Also, BME respondents account for around 16 percent (n = 176) of the overall sample meaning our findings are also possibly constrained by sample size.

**Our key findings in the economic life pillar indicate that:**

Most key worker occupations have been able to save through the pandemic (see Table 2).

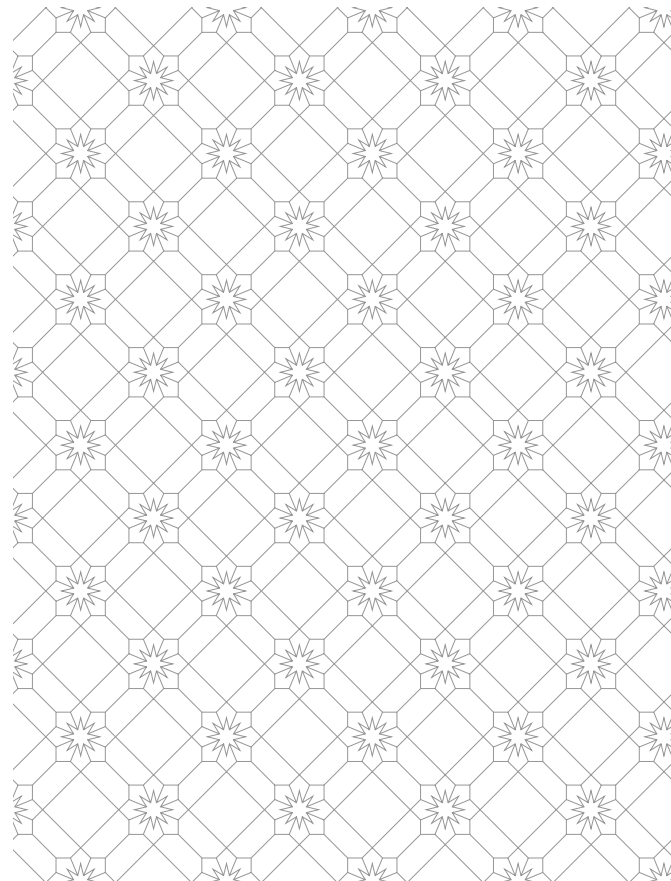
**Table 2:** Most key worker occupations have been able to save through the pandemic.

“At the present time, how easy or difficult would your household find it to pay an unexpected bill of £100?”

| Percentage who said ‘fairly difficult’ or ‘very difficult’. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20  | 17              | 13        | 22                  | 16                        | 27                  |
| Nov-20  | 17              | 15        | 20                  | 16                        | 29                  |
| Mar-21  | 14              | 12        | 17                  | 16                        | 16                  |
| PP difference (Jul-Mar)                                     | -3pp            | -1pp      | -5pp                | 0                         | -11pp               |

- Women, minority ethnic, and key workers who are single earner households felt the least financially secure.
- The vast majority of key workers feel secure when thinking about the future of their jobs and income, but those who do not are already precarious.
- A key experience of the pandemic for supermarket staff is increased abuse from the public.

We also find that many key workers experience a security trap between economic life and the ability to enjoy a fulfilling family life, with clear evidence on the role that housing tenure in particular can play in generating feelings of economic insecurity.



### Our key findings in the home life pillar include:

Workloads increased and work-life balance declined for many but were worst for NHS staff, care workers, and women (see Table 3).

**Table 3:** Key workers have found it increasingly difficult to maintain their work-life balance. This was especially true for NHS staff and social care workers.

“Have you found it more or less difficult to maintain a healthy work-life balance as a result of Coronavirus?”

| Percentage who responded 'a little more' or 'much more'. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|--|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20   | 43              | 51        | 51                  | 34                        | 36                  |
| Nov-20   | 48              | 57        | 55                  | 51                        | 34                  |
| Mar-21   | 48              | 58        | 58                  | 44                        | 36                  |

Key workers in rented housing felt the least secure about their future (see Table 4).

**Table 4 (Mar-21):** Key workers who rent felt the least secure about their future.

“How confident, if at all, do you feel that given your home, work and financial circumstances, you can maintain a decent quality of life both now and in the future?”

| Percentage of key workers who said 'very' or 'somewhat' confident; 'not very' or 'not at all' confident. | All key workers | Own outright | Own with a mortgage | Rent from a private landlord | Rent-local authority/housing association |
|--|-----------------|--------------|---------------------|------------------------------|--|
| Total confident  | 75              | 85           | 85                  | 69                           | 57                                       |
| Total not confident  | 20              | 13           | 13                  | 27                           | 36                                       |

- Key worker renters felt less secure and felt they have poorer quality housing than those who own their own homes.
- Even key workers, who had exclusive access to schools for the whole year, found childcare much more difficult during the pandemic.

To tackle these challenges, alleviate security traps amongst Britain's key workers and provide a strong critical infrastructure to nurture economic security and productive growth, we recommend the government should:

**1 Enhance Statutory Sick Pay and bring statutory replacement rates in-line with OECD averages for western Europe.**

**2 Produce a 'good work' strategy for the care sector, alongside a wider funding settlement.** The strategy should have provisions to: end unfair one-sided flexibility; review pay, wellbeing, professional development and staff retention as part of the critical criteria within Care Quality Commission inspections; and 'professionalise' the sector. Other policy innovations we believe would support Good Care Work include:

- **Trialling Personal Learning Accounts (PLAs)** within the care sector to aid and quicken the professionalisation of the sector.
- **Trialling Universal Basic Income (UBI)** in locations with a high proportion of key workers, particularly care workers.

**3 Create a target to ensure all key workers are paid the Real Living Wage by the 2024 election.** Separate polling by the RSA and Yonder shows that to improve employment in the UK, the top priority for the public, of the options given, was for the government to ensure every worker is paid the Living Wage, with 50 percent agreeing. The Living Wage was also a top priority for Conservative voters (47 percent).

**4 Support mental health in the NHS and relieve pressure on the health system by working to increase staffing numbers, meeting the 108,000 full-time equivalent (FTE) nurse shortfall expected by 2028/29.** This could be paid for by aligning capital gains tax rates with income tax.

**5 Support supermarket staff by legislating to make the abuse of retail staff a specific offence.** This would afford them the same protections as other key workers from the Assaults on Emergency Workers (Offences) Act 2018.

**6 Support working parents and reduce gender inequality in the workplace by treating childcare as infrastructure,** targeting childcare subsidies more effectively and making childcare affordable and flexible for all by extending provision beyond the nine to five working week.

Further details are set out in the full report below.

# INTRODUCTION

## Why economic security?



# What do we mean by economic security?

**W**ork in contemporary Britain is no guarantee of material security. According to the Joseph Rowntree Foundation, 56 percent of people living in poverty now live in a household where at least one person has a job.<sup>2</sup> Meanwhile, in recent years, atypical working arrangements, like the gig economy or zero-hours contracts, have proliferated widely. As it stands, there are currently around 850,000 zero-hours workers in the UK labour market, down from a peak of over one million in Q2 2020.<sup>3</sup> And whilst many workers do value the flexibility offered by these arrangements, far too often that flexibility is 'one-sided' with employers seeking to transfer risk onto the shoulders of workers in ways that ultimately increase insecurity in their lives.

These two signals of labour market insecurity are worrying enough on their own terms. What makes them even more concerning however, is that they co-exist alongside an unprecedented — at least until the arrival of the pandemic — period of job creation. In fact, the pre-pandemic employment rate of 76.3 percent in January 2020 represented a 46-year high. That a labour market operating at close to full employment capacity still cannot secure broad-based prosperity is a significant and troubling historical departure.

This is the social context that prompted the launch of the RSA's Economic Security Observatory. As a response to it, we believe the public policy debate has been narrow in two related ways. First, that the debate about work has overly focused upon job creation and thus misses the crucial fact that work by itself

does not guarantee security. Second, that constraining the debate about economic security purely to labour market policy misses the dynamic way that work interacts with other areas of life — and other public policy systems — to drive the lived experience of insecurity.

For a number of years now, the RSA has advanced a definition of economic security which attempts to capture this dynamism and develop a richer understanding of how feelings of insecurity affect and shape peoples' lives.<sup>4</sup> We define economic security as:

**“the degree of confidence that a person can have maintaining a decent quality of life now and in the future, given their economic, financial, and social capital”.**

As such, we believe it is a condition experienced right across the social strata, rather than just those in atypical or inherently precarious working arrangements. For example, it may be that some self-employed workers feel more secure due to their assets, financial wellbeing or wider family life.

2 Innes, D (2020) What has driven the rise of in-work poverty. York: Joseph Rowntree Foundation.

3 Leaker, D (2021) Labour market overview, UK: July 2021. Labour Force Survey. ONS. London. 2021. Available at: [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/latest](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/latest) [Accessed 19 July 2021].

4 See for example, Shafique, A (2018) Addressing Economic Insecurity. London: RSA.

On the other hand, some employees may experience such fluctuating demands at work or in their housing situation that they feel extremely insecure, with respect to their future expectations. Thus, as well as placing a greater emphasis on the qualitative lived experience of economic life, we believe our definition also allows for a more holistic view of the factors that affect this experience. These factors are of course numerous, but for conceptual clarity in this report we will explore the way three broad pillars of economic security interact with one another:

- **Economic life** (financial resilience and working conditions).
- **Health and wellbeing** (mental and physical health).
- **Home life** (personal and family life, community capital).

Furthermore, our definition of economic security is grounded in a growing body of evidence that shows that health, wellbeing, economic, financial and social capital are interlinked. For example, Professor Sir Michael Marmot has repeatedly shown the correlations that exist between health outcomes and a multitude of economic and social factors such as income, work, indebtedness, childcare and housing.<sup>5</sup>

This is as true in terms of the impacts of Covid-19 as it was pre-pandemic: the UCL Institute of Health Equity recently showed that Covid-19-related mortality in Greater Manchester was correlated with income, deprivation, living conditions and ethnicity.<sup>6</sup> There is also a wealth of literature that explores the psychological causes and effects of economic insecurity, including evidence of the psychological ‘scarring’ effect caused by periods of unemployment and the negative impacts on mental health caused by job insecurity.<sup>7</sup> In addition to objectively-observable material factors, subjective factors — such as self-reported

job insecurity or previous experiences in the labour market — are also often found to be a determinant of socioeconomic outcomes.<sup>8</sup> This relationship between work and mental health works both ways too. The independent Stevenson-Farmer review into workplace mental health acknowledged that improving mental health at work meant looking more holistically at good work and job quality.<sup>9</sup>

## Key work and its security traps

**“My son was feeling ill a few weeks ago so I had to take him out of school to get a Covid test and so I couldn’t get a childminder for him. I’m not sure what my contract says but my co-workers told me that if my son is ill then I do not get any sick pay so in the end I lost nearly a whole week’s pay”.**

—Memuna, 37, healthcare assistant and single mum, residential care home, London.

- 5 Marmot, M et al (2020) Health Equity in England: The Marmot Review 10 Years On. London: The Health Foundation.
- 6 Marmot, M et al (2021) Building Back Fairer in Greater Manchester: Health Equity and Dignified Lives p25, London: Institute of Health Equity.
- 7 For instance, see: Kopasker, D et al (2018) Economic insecurity: A socioeconomic determinant of mental health, *SSM - Population Health*, 6, pp 184-194 [Accessed 30 June 2021]. And see: Knabe, A, and Rätzel, S (2011) Scarring or Scaring? The Psychological Impact of Past Unemployment and Future Unemployment Risk. *Economica*, 78(310), 283-293.
- 8 Adekiya, A (2015) Perceived job insecurity: Its individual, organisational and societal effects. *European Scientific Journal*.
- 9 Stevenson, D and Farmer, P (2017) Thriving at work: The Stevenson/Farmer review of mental health and employers. London. Department for Work and Pensions and Department of Health and Social Care.

For its first major enquiry, the RSA's Economic Security Observatory has focused upon exploring these three pillars (see above) as they have affected key workers in the pandemic. In some senses, the reason for focusing on key workers is a straightforwardly moral choice. As we look to build a better future beyond the pandemic, it is vital that those who have helped, and continue to help us get through it are properly supported to enjoy secure, healthy, fulfilling lives. As the current context shows too, the ability of key workers to carry out their work remains an absolutely central variable to the fight against the virus. For example, if vaccines can only partially break the link between infection and hospitalisations, then we may need to imagine an NHS workforce that is able to fight Covid-19 in perpetuity.

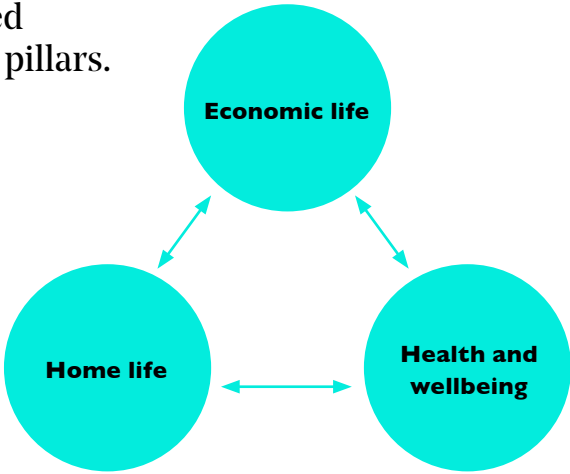
However, there is another reason why key workers are particularly central to efforts to tackle wider economic insecurity. This is that so often it is key work that provides the critical infrastructure not just for tackling wider economic insecurity, but also for enabling the best conditions for productivity growth in the economy. Take the care system, for example—a good work strategy for care work is not just

important for the care workers themselves, but also essential for any strategy that seeks to expand formal provision in a way that might alleviate economic insecurity and workplace presenteeism caused by the demands of caregiving. This idea—that essential work, and especially care work, should be seen as critical infrastructure in exactly the same way that transportation systems are—is now at the heart of President Joe Biden's economic agenda. But it is also one of the enduring experiential lessons of the pandemic for the many people who have had to face increased caregiving or home-schooling demands, and witnessed those demands have a profound impact upon their economic resilience, health, or family life.

The primary purpose of this report is to explore in depth the experience of key workers during the pandemic and relate this back to our holistic definition of economic security; to explain where and in what ways key workers have made sacrifices in order to save lives and livelihoods in the battle with Covid-19. We do this by exploring the three pillars—economic life, health and wellbeing, home life—in relation to the idea of security traps.

**Figure 2: Security traps: forced trade-offs between the three pillars.**

(repeat of Figure 1, Executive summary)



Security traps are states of significant economic insecurity. They are labelled as 'traps' because they describe the intense trade-offs many people have to make when trying to reconcile their material security needs (for example, work, pay and conditions and the cost of living, including housing, debt and access to assets) with their health or wider personal lives (including family life, mental or physical health and work-life balance). For instance, an individual's need for material security at work could have negative consequences on their personal life, or their personal life could negatively affect their material security at work. These trade-offs can become cyclical and self-perpetuating: high levels of stress at work can create negative mental health experiences, which may in-turn may mean that people cannot work for a period, which may in-turn have consequences for their work and income. Moreover, while the fact of trade-offs might be true for many of us throughout our working lives, the pandemic experience has changed — and in many cases — increased their severity, exposing how unevenly distributed they are.

Throughout this report we highlight some of the primary security traps that key workers face, focusing in each subsequent chapter on a particular pillar of economic security:

## Chapter 1

assesses the risks of key work in a pandemic to mental and physical health.

## Chapter 2

explores how economic life and working conditions have been affected.

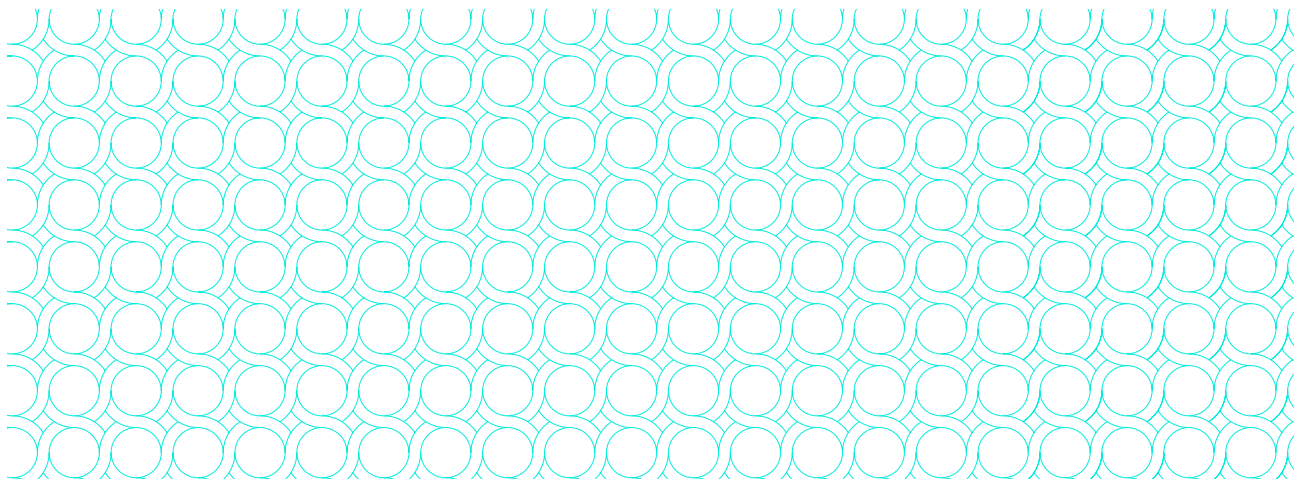
## Chapter 3

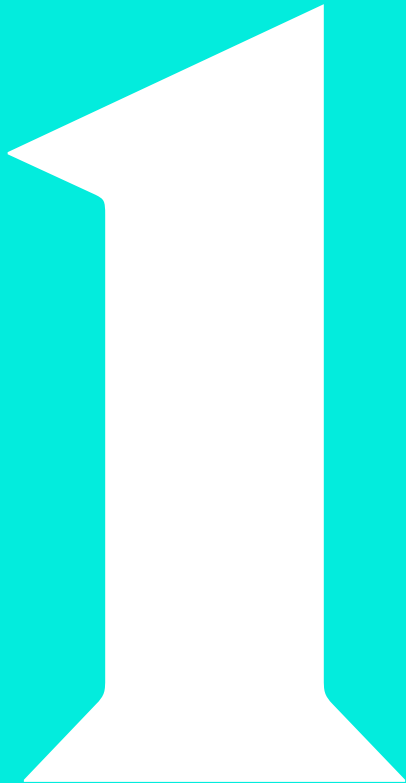
details how the experience of both relates to wider home and family life, including an exploration of the role of housing in key worker economic security.

## Chapter 4

then draws on these findings and puts forwards a comprehensive policy agenda for tackling economic security as it affects key workers, both during and beyond the Covid-19 pandemic.

However, at the level of theoretical analysis, this policy agenda for key workers must be understood in the context of our broader argument. Which is that government, employers, unions and indeed all those intent on tackling the rising tide of economic insecurity within our society, must first understand the dynamic way that different policy systems – not just economic or labour market policy – help create or constrain the conditions for greater economic security.





# HEALTH AND WELLBEING

## Mental health

**T**he struggle to maintain good mental health has been one of the more universal challenges during the pandemic. The ONS<sup>4</sup> is a series of four questions on personal wellbeing where respondents from around Great Britain mark their short and long-term wellbeing out of 10: how anxious the respondent felt yesterday; how happy they felt yesterday; how satisfied with life they are overall; and how much they think life is worthwhile overall.<sup>10</sup> The ONS showed that anxiety was highest and happiness lowest in the first pandemic wave in April 2020, when the pandemic and the idea of nationwide lockdowns were very new to people. It was in the second wave, around January 2021, that the public's feelings on 'life being worthwhile' and 'life satisfaction'—two metrics taking a longer-term view of personal wellbeing—hit record lows.<sup>11</sup>

While Covid-19 had rapid and deeply felt impacts, these findings have broader ramifications for societal levels of economic security; mental ill health can act as both cause and consequence of insecurity across the three pillars of economic security as we define it (see page 15). The final report of the Stevenson/Farmer review into mental health in the workplace highlighted just some of the evidence that shows a clear relationship between economic conditions and mental health.<sup>12</sup>

The pandemic has increased the sense of urgency around the role that public policy has in supporting mental health and wellbeing: it is now in the hands of decision-makers to act upon the evidence.<sup>13</sup>

For key workers — and especially for those in the NHS — mental health challenges during the pandemic have been both unique and distressing. For example, the January 2021 peak saw the media and academics report on rising post-traumatic stress and other forms of trauma among hospital staff.<sup>14</sup> We argue that in responding to the experiences of key workers, there are good reasons to believe solutions could be applied elsewhere, given that the security trap experienced here — an enforced trade-off between worsening mental health and the need to continue working despite damaging work practices — can be seen elsewhere in the economy.

10 The ONS ask: "Overall, how satisfied are you with your life nowadays?"; "Overall, to what extent do you feel that the things you do in your life are worthwhile?"; "Overall, how happy did you feel yesterday?"; On a scale where 0 is "not at all anxious" and 10 is "completely anxious", "Overall, how anxious did you feel yesterday?". See: Office for National Statistics (2021) Coronavirus and the social impacts on Great Britain: 28 May 2021 [online]. Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandthesocialimpactsongreatbritain/28may2021/#personal-well-being](http://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandthesocialimpactsongreatbritain/28may2021/#personal-well-being) [Accessed 11 June 2021].

11 Ibid.

12 See: Stevenson, D and Farmer, P (2017) Op cit.

13 See ONS statistics above and see: Mind (2020) Mind warns of 'second pandemic' as it reveals more people in mental health crisis than ever recorded and helpline calls soar [online]. Available at: [www.mind.org.uk/news-campaigns/news/mind-warns-of-second-pandemic-as-it-reveals-more-people-in-mental-health-crisis-than-ever-recorded-and-helpline-calls-soar/](http://www.mind.org.uk/news-campaigns/news/mind-warns-of-second-pandemic-as-it-reveals-more-people-in-mental-health-crisis-than-ever-recorded-and-helpline-calls-soar/) [Accessed: 22 June 2021].

14 Greenberg, N, Weston, D, Hall, C, Caulfield, T, Williamson, V, and Fong, K (2021) Mental health of staff working in intensive care during COVID-19. *Occupational Medicine*, 71(2), p62-67.

Broadly we find that four interrelated ways that work and material factors can drive poorer mental health outcomes:

- 1. Stress and excessive workloads.** This is especially the case when workload is chronic and where there is little scope for breaks. Unsurprisingly, we find that workload stress is particularly high for workers in the NHS and social care sector.
- 2. Management and workplace culture.** While, this is often cited as an additional factor in relation to strains on NHS workers' mental health, it is certainly not unique to the NHS.<sup>15</sup> We find that a lack of recognition is also a significant factor.
- 3. Risks to physical health.** This concerns the anxiety caused either from fear of Covid-19 itself, or from the risk of workplace infection from colleagues, or people not following the rules.
- 4. Financial or job insecurity.** A threat of unemployment or other financial risks can also affect mental health outcomes.

Each of the above can combine or act individually as instances of mental health security traps. In this chapter we highlight our key findings, which show how this has occurred throughout the pandemic.

**Key finding:** A majority of key workers say they have found it more difficult to maintain their mental health throughout the pandemic; this only got harder as time went on.

**Table 5:** A majority of key workers say they have found it more difficult to maintain their mental health throughout the pandemic; this only got harder as time went on.

“Have you found it more or less difficult to deal with the following as a result of the Covid-19?”

“Maintaining your mental health”.

| Percentage of key workers who said they 'much more' or 'a little more' difficult. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20  | 58              | 64        | 61                  | 58                        | 61                  |
| Nov-20  | 58              | 67        | 63                  | 65                        | 49                  |
| Mar-21  | 65              | 73        | 67                  | 68                        | 62                  |

<sup>15</sup> The King's Fund. (undated). NHS leadership and culture: our position [online]. Available at: [www.kingsfund.org.uk/projects/positions/NHS-leadership-culture#the-context](http://www.kingsfund.org.uk/projects/positions/NHS-leadership-culture#the-context) [Accessed: 29 June 2021].

**“My son (aged 10) would wait up, waiting to hear about which health workers had died. When the kids went to bed I would burst into tears. I couldn’t watch the news; it was too heart-breaking to hear about how many people had died”.**

—Wendy, 52, advance nurse practitioner, Sheffield (speaking about the first lockdown in April 2020).

In July and November 2020 58 percent of all respondees said they had found it ‘much more’ or ‘a little more’ difficult to maintain their mental health. By March 2021 this had risen to 65 percent. Consistently, the occupation that has felt the strain most has been NHS workers; by March 2021 almost three in four said they had they found it more difficult to “maintain their mental health” (see Table 5).

However, NHS staff are only slightly more likely to report finding it more difficult to maintain their mental health compared to other key workers. An obvious missing factor here is the severity of mental health strain. One way to try and measure this is by asking specifically about ‘burnout’, which the World Health Organisation (WHO) defines as: “...a syndrome conceptualized as resulting from chronic workplace stress that has not been successfully managed”.<sup>16</sup> When first asked about burnout in November 2020, NHS staff were the most likely, compared to other key workers, to say that they had both already felt burnout and also expected to feel burnout over the winter of 2020/21 (Table 6), with the proportion expecting burnout being further apart from other key workers. This was in many ways prescient of what was to come in January and February 2021.

**Table 6 (Nov 2020): NHS staff and social care workers were the most likely to feel or expect to feel burnout of the major key worker occupations.**

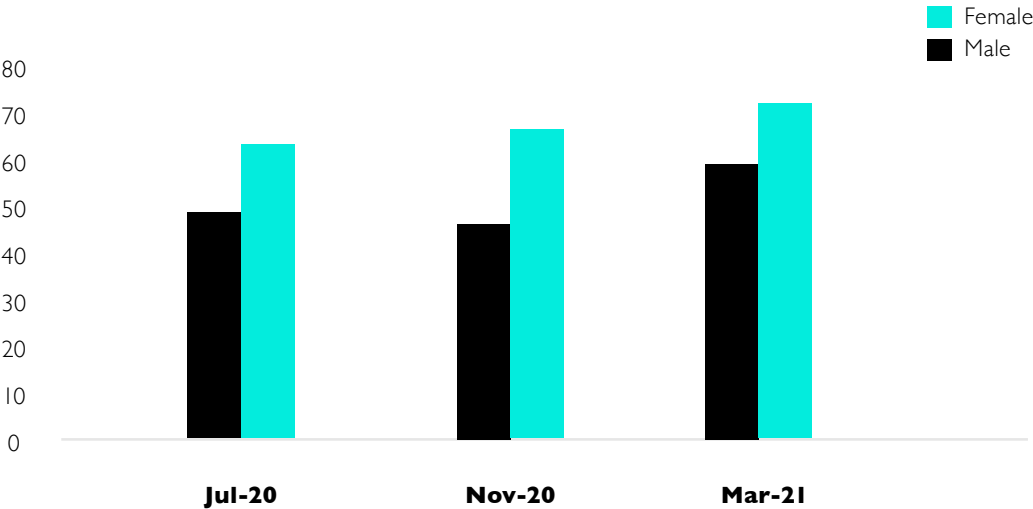
| Percentage of key workers who have experienced burnout or expect to feel, burnout. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|--|-----------------|-----------|---------------------|---------------------------|---------------------|
| Have experienced burnout since end of first lockdown                               | 40              | 50        | 49                  | 34                        | 37                  |
| Expect to feel burnout this winter   | 49              | 63        | 58                  | 49                        | 40                  |

<sup>16</sup> The World Health Organisation (2019) Burn-out an “occupational phenomenon”: International Classification of Diseases [online]. Available at: [www.who.int/news/item/28-05-2019-burn-out-an-occupational-phenomenon-international-classification-of-diseases](http://www.who.int/news/item/28-05-2019-burn-out-an-occupational-phenomenon-international-classification-of-diseases) [Accessed: 14 June 2021].



We also see that women are more likely to report strain to their mental health than men. Figure 3 below shows this is consistent throughout every survey wave.

**Figure 3: Women were consistently more likely to say they found it more difficult to maintain their mental health in the pandemic.**



On which factors were given as most likely to negatively affect mental health (see Table 7 below for a full list), men and women had similar levels of concern for many areas, but there are a few of significant differences:

- 37 percent of women give 'the people around me not following Covid-19 rules properly' as a concern, compared to 27 percent of men.
- 36 percent of women give 'fear of catching Covid-19 at work' as a concern, compared to 26 percent of men.
- 22 percent of women give 'not feeling able to talk about my personal problems (including mental health)' or 'not feeling listened to' as a concern, compared to 14 percent of men.
- Finally, 46 percent of women identified that 'stress and workload' were a problem, compared to 41 percent of men.

**Key finding:** Stress and workload were most commonly cited as a driver of poor mental health in the health and care sectors.

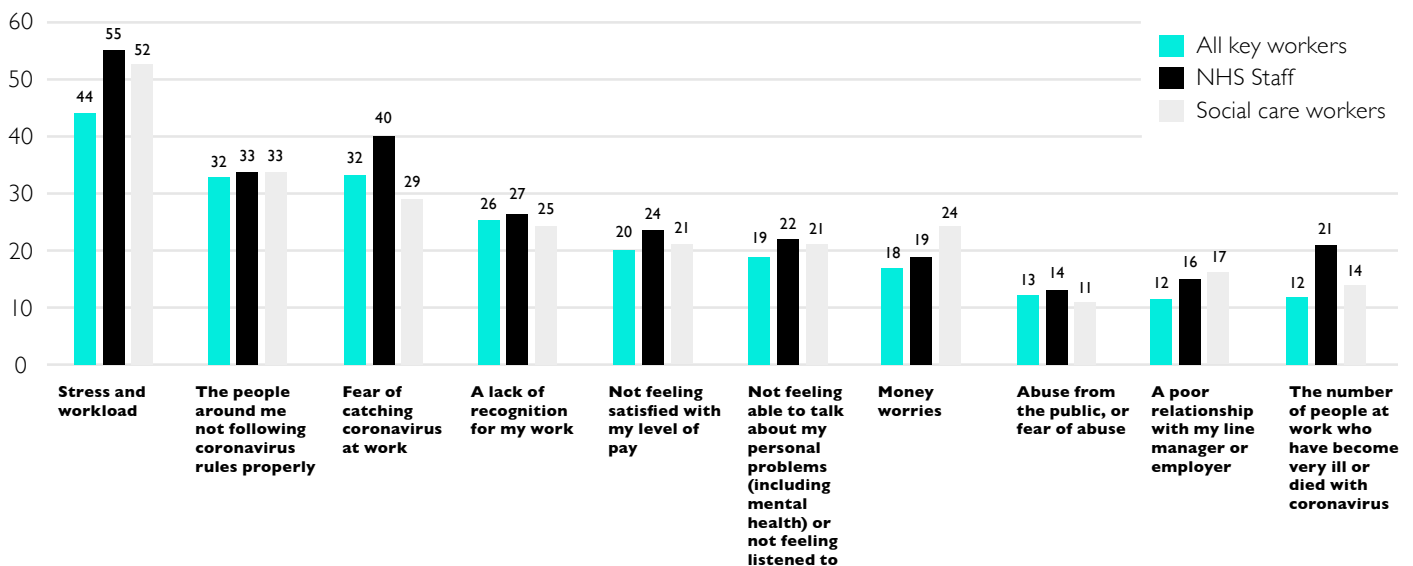
Our survey found that in March 2021 in the health and care sector, stress and workload were the most commonly cited factors specified as having negative impacts on mental health; ranked first for NHS staff and social care workers, second for school and nursery staff and third for supermarket workers (see Table 7).

**“It’s been stress and more stress. I wasn’t sleeping well or eating well”.**

—Janet, 38, paediatric nurse, Manchester.

**Figure 4:** Stress and workload were a particular issue for NHS staff and social care workers.

“Since the start of the pandemic, have any of the following issues around work negatively affected your mental health? Select all that apply”.



**Table 7 (Mar 2021): Stress and workload was the most common issue which negatively effected the mental health for most key workers.**

“Since the start of the pandemic, have any of the following issues around work negatively affected your mental health? Select all that apply”.

| Rank | Percent of all key workers   | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|------|--|-----------------|-----------|---------------------|---------------------------|---------------------|
| 1    | Stress and workload  | 44              | 55        | 52                  | 41                        | 36                  |
| 2    | The people around me not following Covid-19 rules properly   | 32              | 33        | 33                  | 34                        | 43                  |
| 3    | Fear of catching Covid-19 at work  | 32              | 40        | 29                  | 45                        | 45                  |
| 4    | A lack of recognition for my work  | 26              | 27        | 25                  | 27                        | 25                  |
| 5    | Not feeling satisfied with my level of pay   | 20              | 24        | 21                  | 17                        | 21                  |
| 6    | Not feeling able to talk about my personal problems (including mental health) or not feeling listened to | 19              | 22        | 21                  | 21                        | 17                  |
| 7    | Money worries  | 18              | 19        | 24                  | 19                        | 19                  |
| 8    | Abuse from the public, or fear of abuse  | 13              | 14        | 11                  | 11                        | 35                  |
| 9    | A poor relationship with my line manager or employer   | 12              | 16        | 17                  | 8                         | 14                  |
| 10   | The number of people at work who have become very ill or died with Covid-19                              | 12              | 21        | 14                  | 9                         | 8                   |
| 11   | Not feeling secure in my job   | 11              | 11        | 12                  | 9                         | 14                  |
| 12   | Inflexibility of hours   | 8               | 11        | 9                   | 6                         | 9                   |
| 13   | Variability of hours   | 7               | 11        | 5                   | 4                         | 11                  |
| 14   | Lack of hours  | 4               | 2         | 4                   | 3                         | 6                   |
| -    | None of these have impacted my mental health   | 23              | 20        | 17                  | 18                        | 20                  |
| -    | Something else has impacted my mental health   | 9               | 8         | 8                   | 10                        | 9                   |
| -    | Don't know   | 1               | 1         | 3                   | 1                         | 2                   |

A common mental image of the NHS during Covid-19 is that of nurses and doctors 'on the frontline' in high dependency units showing symptoms of serious trauma. This was a common sight in the news during peaks of the virus — especially in January 2021 — and a tragic consequence of the health crisis. When speaking to NHS workers we heard evidence of a more gradual grinding down of morale by over-work and stress, which many NHS staff 'off' the Covid-19 frontline, away from high dependency units, also faced. Table 7 shows that by a large margin the factor most commonly cited by NHS

staff to have a negative impact on their mental health was stress and workload, which applies to both those in the high trauma wards and elsewhere in the health sector.

While the issues facing NHS workers in relation to stress and workload were obviously exacerbated because of Covid-19, they also largely predate the pandemic, caused by a toxic mix of excessive workload, insufficient staff numbers and workplace cultural issues.<sup>17</sup> Data from NHS Digital shows that the most common reason for staff absence since at least May 2019 (when the data starts) is consistently "anxiety/stress/depression/other psychiatric illnesses".<sup>18</sup>

### **Julie, 44, district nursing sister, Yorkshire**

Since the January 2020 lockdown, Julie says that her workload has ramped up massively. While before Christmas she had the support of other nurses in different areas — such as sexual health nurses or school nurses — they went back to their normal roles by the time the new year began.

Julie said: "It's the way of working for us right now. Busy, busy, busy". She said that the difference between this lockdown and the first in terms of the impact on workload, is that there had been an unusual amount of retirements over the past year. Usually, the district nursing teams are very stable but, because of the stresses of the pandemic and structural changes, lots of people had retired a little early. In addition, it had not been possible to train junior staff in the same way and so they were not getting as much experience or learning as quickly as they should.

The impact on Julie has been increased stress. "As a district nursing sister, I should just be seeing the more complicated patients, but everyone's having to just muck in at the moment. I'm stretched and under pressure so do not get the same time with patients".

Equally this latest lockdown has been met with challenges because some of her colleagues have had to isolate. As Julie said: "A nurse's child might be coughing which means they need to isolate. This puts more pressure on the rest of us".

However, Julie reports that her workload has been steadily increasing since she started working in the community in 2012. "When I started it was about 6-7 patients per day, right now it's about 12-15 per day. I've got 165 on my load in about a 20-mile area and I probably get about 30 minutes on average with each patient".

Julie sees little respite when she looks ahead. "There will be a knock-on effect of those we haven't seen or who haven't come forward... It's been getting worse for me personally. I'm more and more tired, I'm more and more stressed, I'm more and more exhausted... But we're going to have to just get on with it".

17 The King's Fund (undated) NHS Leadership and culture: Our position. Op cit.

18 NHS Digital (2021). NHS Sickness Absence, January 2021. Provisional statistics. Interactive Dashboard [Reason for absence > select all months] [online] Available at: [app.powerbi.com/view?r=eyJrjoiYTY3MjE0NmEtYzY2Yi00MmY4LTg4NDQ0ZTM2ZTI5YjZiOGMyliwidCI6IjUwZjYwNzFmLWJiZmUtNDAxYS04ODAzLTY3Mzc0OGU2MjllMlslmMiOjh9](https://app.powerbi.com/view?r=eyJrjoiYTY3MjE0NmEtYzY2Yi00MmY4LTg4NDQ0ZTM2ZTI5YjZiOGMyliwidCI6IjUwZjYwNzFmLWJiZmUtNDAxYS04ODAzLTY3Mzc0OGU2MjllMlslmMiOjh9) [Accessed 11 June 2021]

**Key finding: For school, nursery, and supermarket staff it was a fear of the catching the virus, which drove mental health concerns.**

As can be seen in Table 7 above, for school and nursery staff, and for supermarket workers, fear of Covid-19 itself was the top-rated concern (more on the physical health of key workers, including with regard to the virus, can be read in section 1.2). This chimes with what we heard in interviews, which, for supermarket workers, consistently raised issues around some members of the public not following the rules, or following the rules with regard to each other but not in relation to staff.

The primary concerns of school staff were less about the following or not following of rules, but a fundamental reality of engaging students in close contact for prolonged periods of time. The (close) second most common concern was around the impact of workload and stress on their mental health. This could arise from several sources included the added burdens of live remote learning, and/or changes to the usual pattern of in-person learning. For example, in interviews several teachers identified the introduction of a new school policy, which moved teachers from classroom to classroom, instead of pupils, in order to minimise mixing. While clearly sensible for virological reasons, this created new burdens on teachers who could not rely on their usual room and equipment, which could not be carried.

### **Sara, 34, teacher and head of department, Coventry**

Sara has been a teacher for five years and said this is by some distance the hardest period she has ever faced. Even in the first lockdown, she speaks of working flat out with constant live lessons, lots of marking and feedback for students, and calls with children and parents. This is in contrast to other teachers who said the first lockdown was a comparatively light workload as their schools found their feet with the new teaching reality.

However, Sara, and all the other teachers we spoke to, said that the January 2021 lockdown has been hard to keep up with the education for their students. “I was regularly up to one or two in the morning to get everything marked and to give some decent feedback for the children. Our humanities teacher had 580 pieces of work to mark and respond to at the end of the week. In the end I told my senior leaders that I could not do it anymore”.

Sara also said that the mental health of the children had become more important to their contact. “Because we couldn’t see or be with the children, we had to check on their wellbeing in other ways. So, in the packs we sent to them there were journals and tips on feeling well. We’ve done a huge push on mental health this year”.

But she felt that for teachers it was often the fear of the virus more than anything that was a worry. Sara said, while she felt okay for her own physical health, she did avoid seeing family even when she was allowed, just in case. For other teachers it was much harder.

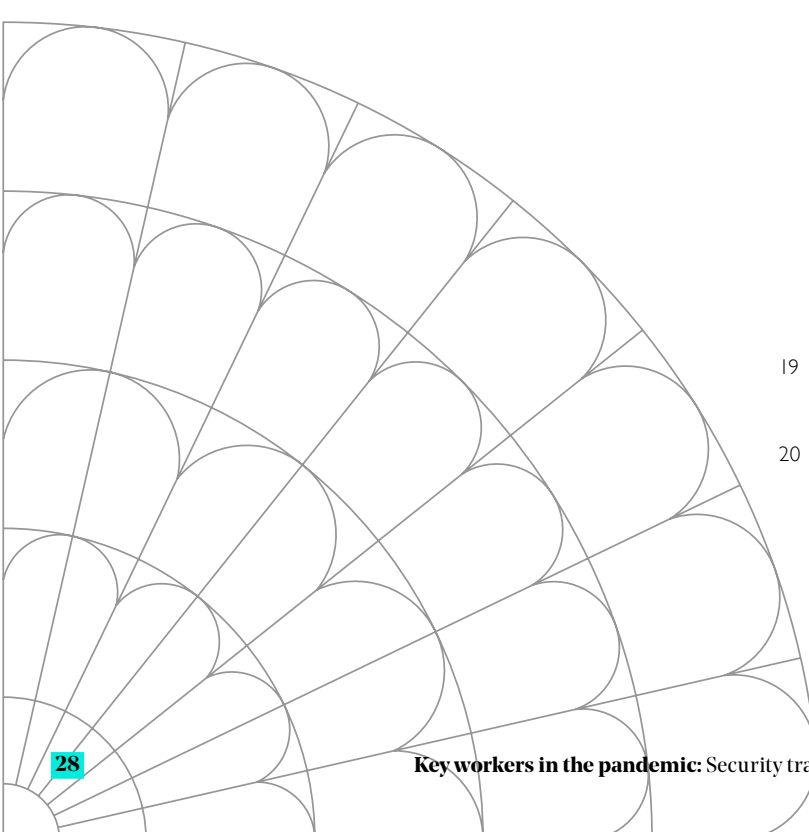
“I think the main mental health concern for other teachers at the school was the pandemic and the virus. They’d worry about going in and worry about who they’d give it to... Around Christmas I said to my family that I would not see them for a while because I was probably going to get Covid”.

## **Mental health in context: The effect of the pandemic on mental health varies significantly between groups.**

Given the array of experiences, direct comparisons between different groups and their respective mental health impact are difficult. However, the ONS does release data on the ONS4, which measure anxiety yesterday, happiness yesterday, life worthwhileness in general and life satisfaction in general across the country.

This data shows that across all of the ONS4 measures, Great Britain is still feeling worse than it did in February 2020. Within this, there were some specific trends. First, the two 'short-term' measures — anxiety and happiness yesterday — were at their worst in the March 2020 first pandemic wave, while two 'longer-term' measures — life worthwhileness and satisfaction — hardly moved. By the peak of the second wave, around January to February 2021, the reverse was true: short-term anxiety and happiness did not move as distinctly while longer-term measures reached their lowest ebb.<sup>19</sup>

Key workers, despite being in a relatively unique position, are not immune to some of the causes of these mental health challenges, such as anxiety about the direct impact of the Covid-19 virus on family or oneself, economic challenges and worries, uncertainty, boredom and problems with childcare. In particular, the closure of schools was a hugely stressful time for many parents, especially those with younger children. This includes both key workers (see Chapter 3) and non-key workers. Balancing work and childcare at home has proved a difficult juggling act disproportionately falling on women to manage. They'd worry about going in and worry about who they'd give it to... "Around Christmas I said to my family that I would not see them for a while because I was probably going to get Covid".<sup>20</sup>

- 
- 19 The Office for National Statistics (2021) Coronavirus and the social impacts on Great Britain: 28 May 2021. Op cit.
  - 20 The Office for National Statistics (2020). Parenting in lockdown: Coronavirus and the effects on work-life balance [online] Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/parentinginlockdowncoronavirsandtheeffectsonworklifebalance/2020-07-22](https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/parentinginlockdowncoronavirsandtheeffectsonworklifebalance/2020-07-22) [Accessed 2 June 2021].

## Physical health

**T**he risks of poor physical health or injury through work is another good example of a security trap; a trade-off where, in exchange for work and pay, workers can be expected to forgo an aspect of their physical health or safety. For many key workers, and workers in general, this could be a conscious trade-off for a job they love or for a 'fair' reward. For others it may be a sacrifice they do not feel adequately rewarded for, but are powerless to seek better, healthier work in the face of their current economic circumstances.

For key workers in the pandemic, the risk to physical health was clearly very extreme and unique; Covid-19 is a novel virus, which can be serious even for those not in the highest categories of vulnerability. But it is also worth reflecting that some risks to physical health and safety often precede the pandemic, for example:

- 1.** Muscular skeletal problems in the health and social care sectors are well known. Back pain or other MSK problems jointly rank second behind stress as the primary reasons for sickness absence in the NHS since at least May 2019.<sup>21</sup> Statistics for the social care sector are harder to come by but MSK issues are known to arise from improper lifting and moving and so on.<sup>22</sup>
- 2.** For supermarket staff, verbal and physical abuse to staff was a pre-existing problem and worsened through the pandemic (see Chapter 2).<sup>23</sup>
- 3.** School staff can also often face violence at work. In 2016 the BBC reported that four in 10 teachers had been "attacked by pupils".<sup>24</sup>

However, throughout the pandemic, the most pressing concern has unsurprisingly been Covid-19 itself, though how keenly this is felt varies between occupational groups.

- 21 NHS Digital, 2021. NHS Sickness Absence, January 2021. Provisional statistics. Interactive Dashboard. Op cit.
- 22 The Health and Safety Executive (undated) Moving and handling in health and social care [online]. Available at: [www.hse.gov.uk/healthservices/moving-handling.htm](http://www.hse.gov.uk/healthservices/moving-handling.htm) [Accessed: 11 June 2021].
- 23 Union of Shop, Distributive, and Allied Workers (2020) Campaign to end violence and abuse against retail workers: Survey results 2020. [PDF] Available at: [www.usdaw.org.uk/CMSPages/GetFile.aspx?guid=630d6f8e-73df-4ca2-a923-7f1251381614](http://www.usdaw.org.uk/CMSPages/GetFile.aspx?guid=630d6f8e-73df-4ca2-a923-7f1251381614) [Accessed 04 June 2021]
- 24 Richardson, H. (2016). Four in 10 teachers 'attacked by pupils', BBC News [online] 29 January 2016. Available at: [www.bbc.co.uk/news/education-35431782](http://www.bbc.co.uk/news/education-35431782)

**Table 8:** By March 2021 school and nursery staff and supermarket workers were the most likely to feel at risk of catching Covid-19 at work.

“Thinking about your life right now, how much risk, if any, do you think you face of catching the Covid-19...”

“...while carrying out work activities?”

| Percentage of those who said they had a 'large' or 'significant' risk. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers | Transport workers |
|--|-----------------|-----------|---------------------|---------------------------|---------------------|-------------------|
| Jul-20 <sup>25</sup>   | 54              | 62        | 57                  | 59                        | 65                  | 45                |
| Nov-20   | 50              | 56        | 47                  | 72                        | 66                  | 32                |
| Mar-21   | 48              | 50        | 47                  | 71                        | 60                  | 46                |
| PP Difference (Jul-Mar)  | -6pp            | -12pp     | -10pp               | +12pp                     | -5pp                | +1pp              |

**“At Christmas I told my parents that I wouldn’t see them for a while because I was probably going to get Covid”.**

—Sara, 34, teacher and head of department, Coventry.

**“My colleague with a mask like Darth Vader, she was really worried because her husband was vulnerable”.**

—Louise, 55, French teacher, East London.

In July 2020, at which time key workers were asked to think about the height of the pandemic (ie late March/early April 2020), the occupational group most likely to worry about the risk of Covid-19 while at work were supermarket staff. By March 2021 this had been replaced by school and nursery staff.

In Table 8, above, we also include transport workers, who despite being a relatively small group, have been identified by the ONS as one of the groups with the highest death rates for men of working age (particularly bus and coach drivers).

As of January 2021, men made up nearly two thirds of all the deaths involving Covid-19 of adults of working age (20-64) in England and Wales. Alongside transport workers, common roles to have high rates of death include the health and social care sectors and food production workers.<sup>26</sup> While we do include data on food production workers, the sample is too low to draw out significant findings.

25 In July we asked respondents to think about their risk of catching coronavirus at ‘the height of the coronavirus outbreak (that is, during late March and early April when the lockdown period had first been introduced)’ in later surveys we asked respondents to think about their ‘life right now’.

26 Office for National Statistics (2021) Coronavirus (COVID-19) related deaths by occupation, England and Wales [online] Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/datasets/coronaviruscovid19relateddeathsbyoccupationenglandandwales](https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/datasets/coronaviruscovid19relateddeathsbyoccupationenglandandwales) [Accessed: 11 June 2021].



The ONS data also show that teaching and educational professionals had a statistically significant lower chance of dying than other workers of the same age and sex.<sup>27</sup> Yet, as Table 8 shows, school staff felt most at risk and this grew as the pandemic continued. What could explain this divergence?

First, it could be that teachers felt the rules in place inherently could not keep them safe, due to their environment. Indeed, in Table 7 we can see that teachers are not significantly more worried than other occupations about rule breakers but were worried about this virus. This could indicate that the threat from the virus was felt to be inherent even if the rules were followed. This was a common theme in our interviews with teachers, although they did also express feeling better in the third lockdown due to the more widespread use of masks and testing.

Second, our interviews with teachers suggest that this could be a fear of spreading the virus to loved ones, which caused widespread worry.

Finally, and possibly most significantly, while schools were open, the rates of infection were often high. In early December 2020 the ONS showed that throughout October and the November lockdown, secondary school pupils and young adults had the highest rates of infection of any age group.<sup>28</sup> This continued through December and appeared to peak at the end of the year, shortly before schools shut, with those in secondary school the highest of any age group.<sup>29</sup>

**“In around September to December there wasn’t any masks in the classroom, there wasn’t anything really. You were meant to always keep two metres apart but in reality, that isn’t possible. It didn’t feel safe... this time around it has felt better. The tests have been great, and the use of masks did help teachers feel better”.**

—Louise, 55, French Teacher, East London.

### **Physical health in context: Risk of the virus was highest in key workers**

Feeling vulnerable and exposed to the virus was, as we have seen, a sentiment often felt by key workers on the ground. Moreover, there is also significant evidence from the ONS to say that key worker occupations, particularly those with high public contact, were of significantly greater risk of catching the virus and dying than the general working-age population. For men of working age, of the 10 occupations with reliable statistics, four occupations were key workers. For women six of the six occupations with reliable statistics were key workers.<sup>30</sup> The high level of natural exposure key workers had to Covid-19 did sadly equate to early death.

27 Office for National Statistics (2021) Coronavirus (COVID-19) related deaths by occupation, England and Wales: deaths registered between 9 March and 28 December 2020 [online]. Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/bulletins/coronaviruscovid19relateddeathsbyoccupationenglandandwales/deathsregisteredbetween9marchand28december2020](http://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/bulletins/coronaviruscovid19relateddeathsbyoccupationenglandandwales/deathsregisteredbetween9marchand28december2020) [Accessed: 14 June 2021].

28 Office for National Statistics (2020) Coronavirus (COVID-19) Infection Survey, UK: 4 December 2020 [online]. Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronaviruscovid19infectionsurveypilot/4december2020#age-analysis-of-the-number-of-people-in-england-who-had-covid-19](http://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronaviruscovid19infectionsurveypilot/4december2020#age-analysis-of-the-number-of-people-in-england-who-had-covid-19) [Accessed: 22 June 2021].

29 Office for National Statistics (2021). Coronavirus (COVID-19) Infection Survey, UK: 29 January 2021 [online]. Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronaviruscovid19infectionsurveypilot/29january2021#age-analysis-of-the-number-of-people-in-england-who-had-covid-19](http://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronaviruscovid19infectionsurveypilot/29january2021#age-analysis-of-the-number-of-people-in-england-who-had-covid-19) [Accessed: 22 June 2021].

30 Office for National Statistics (2021) Coronavirus (COVID-19) related deaths by occupation, England and Wales. Dataset [Table 6]. Available at: [www.ons.gov.uk/file?uri=%2fpeoplepopulationandcommunity%2fhealthandsocialcare%2fcausesofdeath%2fdatasets%2fcoronaviruscovid19relateddeathsbyoccupationenglandandwales%2fcurrent/reftablesfinal.xlsx](http://www.ons.gov.uk/file?uri=%2fpeoplepopulationandcommunity%2fhealthandsocialcare%2fcausesofdeath%2fdatasets%2fcoronaviruscovid19relateddeathsbyoccupationenglandandwales%2fcurrent/reftablesfinal.xlsx)



**ECONOMIC LIFE,  
FINANCIAL  
RESILIENCE  
AND WORKING  
CONDITIONS**

**I**n the United Kingdom today work does not always guarantee material financial security. Estimates vary but in 2019, the Institute for Fiscal Studies (IFS) calculated an in-work relative poverty rate of around 18 percent; in 2021, the IPPR and JRF calculated 17 percent and 13 percent respectively.<sup>31</sup> All agree that the percentage has been increasing over the last 20-25 years. For the most part, this is a trend that does not affect key workers, many of whom are unlikely to be living in poverty and are often in work with above average pay. However, there are still large pockets of economic insecurity within key worker occupational groups—amongst social care, supermarket and early years workers in particular—whilst part-time working patterns and household structure might also pull keyworkers towards insecurity.

Moreover, our research reveals that there are still security traps for those with above average pay, as well as those relatively worse off. NHS staff such as doctors and nurses may earn above average median wages but can also face burnout, MSK ailments and poor work-life balance.

On the other hand, for some key workers, including supermarket workers and many in the social care sector, chronic low pay means they may be trapped in insecure housing or may not be financially resilient. Furthermore, there is also a question of what are the terms, conditions and benefits that key workers face and whether they too can be creating a security trap dynamic.

We find that while many key workers have been able to save during Covid-19 due to lockdown reducing consumption, they have still faced significant working condition trade-offs for this increased financial resilience, from taking abuse from the public to finding it increasingly difficult to take time away from work, even when unwell. We also see that a significant minority, including key workers who are women, ethnic minorities and people who rent, remain financially insecure. We argue that such outcomes come at a cost not just to workers, but also employers and society. In overcoming these challenges, and in limiting the security traps of key workers, we benefit all stakeholders and make for better public services.

31 See: Bourquin, P et al (2019) Why has in-work poverty risen in Britain?. London: Institute for Fiscal Studies, p1; McNeil, C et al (2021) No Longer Managing: The rise of working poverty and fixing Britain's broken social settlement. London: IPPR, p4; Joseph Rowntree Foundation (2021) UK Poverty: 2020/21. York: Joseph Rowntree Foundation, p24.

**Key finding:** All key worker occupations have been able to save through the pandemic.

**Table 9:** Almost all key worker occupations have found it progressively easier to pay for an unexpected £100 bill through the pandemic.

“At the present time, how easy or difficult would your household find it to pay an unexpected bill of £100?”

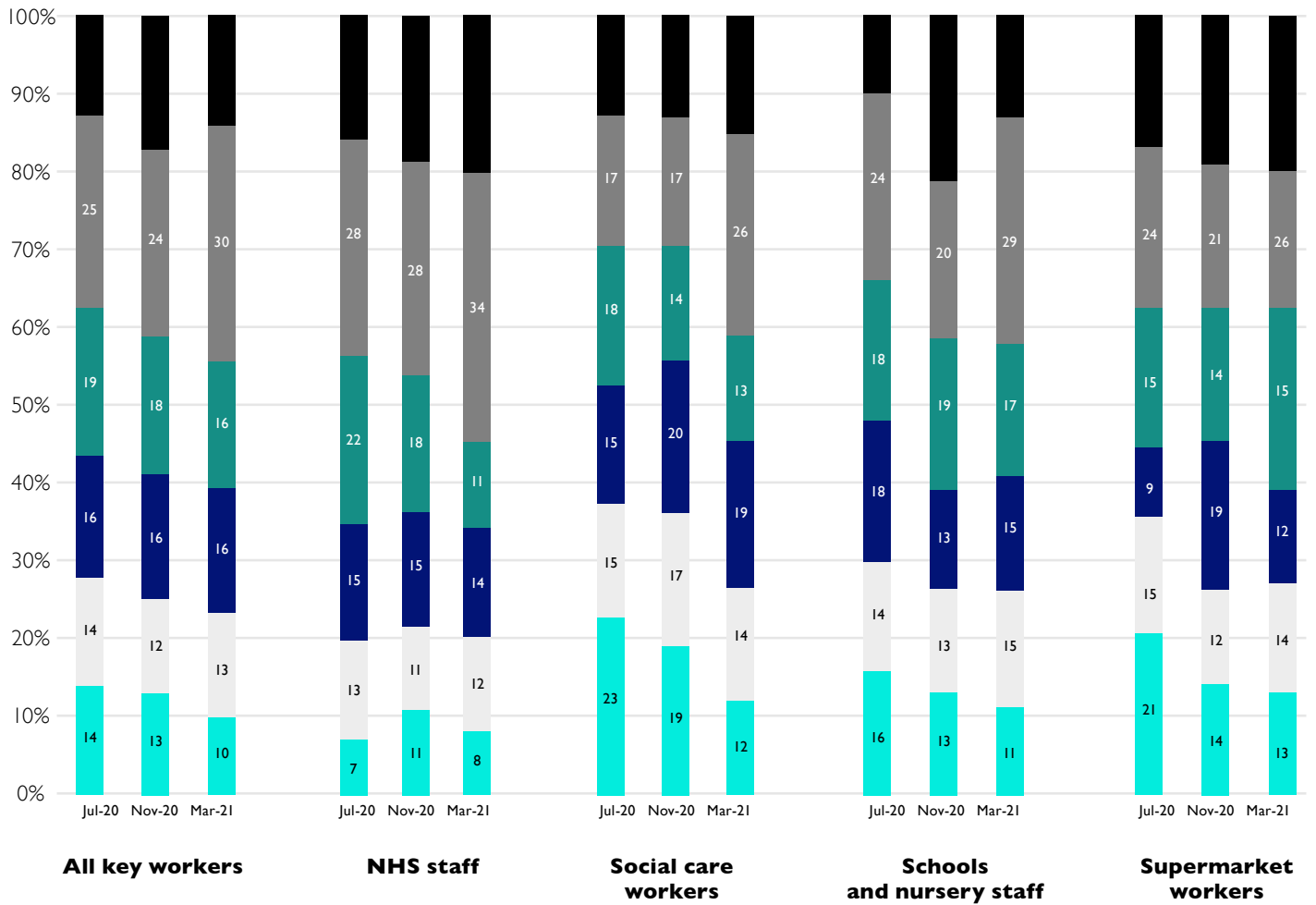
| Percentage who said ‘fairly difficult’ or ‘very difficult’. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20  | 17              | 13        | 22                  | 16                        | 27                  |
| Nov-20  | 17              | 15        | 20                  | 16                        | 29                  |
| Mar-21  | 14              | 12        | 17                  | 16                        | 16                  |
| PP difference (Jul-Mar)                                     | -3pp            | -1pp      | -5pp                | 0                         | -11pp               |

In July 2020 and November 2020 supermarket workers and care workers were, by our measures, the most financially precarious key workers, being the most likely to say they would struggle with an unexpected £100 bill (see Table 9). They were, in July, the most likely to say they had no savings in their household (see Figure 5 below).

But by March 2021 most key workers, including supermarket workers and care workers, had improved their financial resilience. For a bill of £500 a similar pattern is followed where 42 percent, 44 percent, and 39 percent of all key workers said they would struggle in July 2020, November 2020, and March 2021 respectively.

**Figure 5: All key workers were able to save more over the course of the pandemic.**

“Approximately how much does your household have in savings? Please do not include savings in a pension plan”.



- My household does not have any savings
- Less than £1,000
- Between £1,000 and £4,999
- Between £5,000 and £14,999
- More than £15,000
- Don't know

The improved finances is most pronounced for supermarket workers, where those who said they would struggle with a £500 bill decreased from one in three in November 2020, to around one in six in March 2021. Second to supermarket workers the biggest improvement was for care workers. While the data is a little turbulent, the overall direction by March is clear. There are a few possible explanations for this.

First, March came three months into a very strict and tight lockdown, which constrained spending across the board. In December 2020 the total amount saved in the UK economy was estimated by Andy Haldane, former Chief Economist of the Bank of England, to be at around £100bn, while Reuters put the figure at around £220bn by March 2021.<sup>32</sup> The Bank of England and the IFS both showed that those with higher household income saved more and that it was only the very lowest earners whose savings decreased on average.<sup>33</sup> This would largely accord with our findings which showed that those on less than £15,000 gross household income per year found it no easier to pay an unexpected £100 bill in March 2021 compared to July 2020, while those on incomes above this almost all found it easier.

Second, it is possible some of this improved savings for supermarket workers is a result of increased pay, following increased consumer demand. In April and May 2020 a surge in demand meant that supermarkets were forced to hire many new workers,<sup>34</sup> with some of the major supermarkets also giving bonuses and pay rises to staff.<sup>35</sup>

For the care sector it is harder to grasp the precise reasons why there was increased savings as there are competing factors. On the one hand there is increased demand from rising unmet need of those requiring care, yet some with care needs declined help due to concerns of the virus. The King's Fund summarise these tensions well and point out that the state of care will not be known properly until Autumn 2021, due to significant lags in data reporting on new requests for social care.<sup>36</sup>

Our data shows that supermarket workers especially, and care workers to a lesser extent, were more likely than the average key worker to report having their pay increased in both July 2020 and November 2020 (see Table 10 below). This is probably because the hourly rate of pay, which is more common in those sectors, means any additional hours are more likely to be compensated.

- 32 Kollewe, J (2020) UK public's £100bn Covid savings could help recovery, says Haldane [online]. Available at: [www.theguardian.com/business/2020/dec/07/uk-covid-savings-haldane-bank-of-england](http://www.theguardian.com/business/2020/dec/07/uk-covid-savings-haldane-bank-of-england) [Accessed: 11 June 2021]; Withers, I and White, L (2021) UK banks face savings glut on road to pandemic recovery, Reuters [online]. Available at: [www.reuters.com/business/finance/uk-banks-face-savings-glut-road-pandemic-recovery-2021-03-02/](http://www.reuters.com/business/finance/uk-banks-face-savings-glut-road-pandemic-recovery-2021-03-02/) [Accessed: 11 June 2021].
- 33 Davenport, A et al (2020) Spending and saving during the COVID-19 crisis: evidence from bank account data. London: Institute for Fiscal Studies. [PDF]. Available at: [ifs.org.uk/uploads/BN308-Spending-and-saving-during-the-COVID-19-crisis-evidence-from-bank-account-data\\_2.pdf](http://ifs.org.uk/uploads/BN308-Spending-and-saving-during-the-COVID-19-crisis-evidence-from-bank-account-data_2.pdf) [Accessed: 11 June 2021]. The Bank of England (2020) How has Covid affected household savings? [online]. Available at: [www.bankofengland.co.uk/bank-overground/2020/how-has-covid-affected-household-savings](http://www.bankofengland.co.uk/bank-overground/2020/how-has-covid-affected-household-savings) [Accessed: 11 June 2021].
- 34 BBC News (2020) Supermarkets Tesco, Asda, Aldi and Lidl go on hiring spree [online] Available at: [www.bbc.co.uk/news/business-51976075](http://www.bbc.co.uk/news/business-51976075) [Accessed: 11 June 2021].
- 35 See: Hawthorne, E (2020). How are supermarkets protecting and supporting their staff during the coronavirus crisis? The Grocer [online]. Available at: [www.thegrocer.co.uk/people/how-are-supermarkets-protecting-and-supporting-their-staff-during-the-coronavirus-crisis/603512.article](http://www.thegrocer.co.uk/people/how-are-supermarkets-protecting-and-supporting-their-staff-during-the-coronavirus-crisis/603512.article) [Accessed: 23 June 2021]. And: Ikonen, C (2021) How much do supermarkets pay? Wages for Tesco, Morrisons, Sainsbury's and more, News Shopper [online] Available at: [www.newsshopper.co.uk/news/19086938.uk-supermarket-wages-ranked-including-morrisons-tesco/](http://www.newsshopper.co.uk/news/19086938.uk-supermarket-wages-ranked-including-morrisons-tesco/) [Accessed: 23 June 2021].
- 36 Bottery, S (2020) How Covid-19 has magnified some of social care's key problems. The King's Fund [online]. Available at: [www.kingsfund.org.uk/publications/covid-19-magnified-social-care-problems#unmet-need](http://www.kingsfund.org.uk/publications/covid-19-magnified-social-care-problems#unmet-need) [Accessed: 11 June 2021].

**Table 10:** Supermarket workers were more likely than the average key worker to say their pay had increased as a result of the Covid-19 outbreak.

“How have the hours you work and the pay you receive changed as a result of the Covid-19 outbreak?”

| Percentage of those saying their hours and pay had gone up. |        | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|--------|-----------------|-----------|---------------------|---------------------------|---------------------|
| The hours you work  | Jul-20 | 24              | 27        | 29                  | 15                        | 26                  |
|   | Nov-20 | 24              | 30        | 29                  | 21                        | 21                  |
| The pay you receive   | Jul-20 | 13              | 17        | 16                  | 4                         | 31                  |
|   | Nov-20 | 11              | 12        | 15                  | 12                        | 16                  |

**Key finding:** Women, minority ethnic, and key workers who are single earner households felt the least financially secure.

**“I want the system to help people like me who are trying to help themselves. I really, really want to work but sometimes they [the council / the benefits system] make you feel like they want to help you, but then they take it away. The council cancelled my housing benefit in March but I don’t know why. If I work more and earn £1,300 a month, I get about £300 in Universal Credit. If I work less and earn £600, then I get £700/£800 and I do not pay as much for childcare”.**

—Memuna 37, healthcare assistant at a residential care home in London.

**“This year has been very hard financially. I’m a single mum with two kids and trying to manage my debt and being at home more has meant general household costs have increased”.**

—Julie, 50, district nurse sister, York.

While virtually all key worker occupations were able to save, and the majority feel comfortable being able to pay an unexpected £100 bill, there remains a significant minority of key workers who are more likely to feel insecure (see Table 11). This includes women, minority ethnic workers, single earner households, Londoners, and people who are renting.<sup>37</sup>

Some of these factors are interlinked. For instance, there are proportionately more minority ethnic key workers in London than elsewhere. Equally, London is more likely to have renters than any other region and minority ethnic communities are more likely to rent nationally both from social housing and privately.<sup>38</sup> This makes the factors hard to analyse and difficult to identify the dominant causes or drivers. In their analysis of in-work poverty, the IFS find that around half of the rise of in-work poverty over the last 25 years is due to rising housing costs relative to income for low earners.<sup>39</sup>

In 2019, the Resolution Foundation showed that for those claiming Universal Credit, there is often a high marginal deduction in benefits (ie how much money is lost in Universal Credit as income from work rises). For the lowest earners this is 63 percent or more, ie for every £1 extra they earn, they can expect to keep 37p of this after Universal Credit deductions.<sup>40</sup> This can in the end make it more costly to work more. This is one of the reasons why the RSA has been exploring the benefits of Universal Basic Income with a much lower withdrawal rate.<sup>41</sup> As Memuna's experience shows (see quote above), childcare costs are an additional factor to consider for working parents (see Chapter 3 for more on childcare).

Demographic factors, such as gender and ethnicity, are also more correlated with financial insecurity than a key worker's occupational group. However, it should be noted that this was not true as of just July last year, where supermarket workers in particular, and care workers second, were

significantly more likely than others to say they would struggle with an unexpected bill of £100 (see Table 9 above). But due to the savings gained in lockdown, these groups were in a comparatively better situation to their experience prior to lockdown.

Of course, compositional factors within groups could still be a causal factor on why certain groups experience higher insecurity. For instance, women are more concentrated within lower paid jobs within the NHS.<sup>42</sup>

We call on the government to target paying all key workers the Real Living Wage by the 2024 election. Doing so would not just improve outcomes for key workers, but also for care recipients, for local economies, and for productivity. This is a similar argument to that given by the Biden Administration. They propose paying care workers a living wage (within the \$400bn package for social care) and explicitly make the link between improved pay and wider mutual benefits (see Recommendation 3 for more detail).<sup>43</sup>

37 Caution, however, should be noted with all BME statistics because of the known problems in the polling community with reporting on BME groups, namely: reporting all non-white groups as homogenous; underreaching those with poor English, underreaching first generation immigrants. Also, BME respondents account for around 16 percent (n = 176) of the overall sample meaning our findings are also possibly constrained by sample size.

38 Gov.UK (2020) Renting from a private landlord [online] Available at: [www.ethnicity-facts-figures.service.gov.uk/housing/owning-and-renting/renting-from-a-private-landlord/latest#by-ethnicity](http://www.ethnicity-facts-figures.service.gov.uk/housing/owning-and-renting/renting-from-a-private-landlord/latest#by-ethnicity) [Accessed: 11 June 2021].

39 Bourquin, P et al (2019) Why has in-work poverty risen in Britain? Op cit. p1.

40 Corlett, A (2019) The shifting shape of UK tax: Charting the changing size and shape of the UK tax system. [PDF] London: Resolution Foundation, p34. Available at: [www.resolutionfoundation.org/app/uploads/2019/11/The-shifting-shape-of-UK-tax.pdf](http://www.resolutionfoundation.org/app/uploads/2019/11/The-shifting-shape-of-UK-tax.pdf) [Accessed 4 June 2021].

41 Painter, A et al (2019) A Basic Income for Scotland. London: The RSA, p20 [online] Available at: [www.thersa.org/globalassets/pdfs/rsa-a-basic-income-for-scotland.pdf](http://www.thersa.org/globalassets/pdfs/rsa-a-basic-income-for-scotland.pdf) [Accessed: 13 July 2021].

42 NHS England (2019) Gender Pay Report 2018. [PDF] NHS England, p4. Available at: [www.england.nhs.uk/wp-content/uploads/2018/03/gender-pay-gap-report-march-2019.pdf](http://www.england.nhs.uk/wp-content/uploads/2018/03/gender-pay-gap-report-march-2019.pdf) [Accessed 6 August 2021]

43 The White House (2021) FACT SHEET: The American Jobs Plan. [Online]. available at: [www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/](http://www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/) [Accessed: 10 August 2021].



**Table 11: Key workers who are Londoners, minority ethnic, in single earner households, or who rent are more likely to be financially insecure than their peers.**

“At the present time, how easy or difficult would your household find it to pay an unexpected bill of £100?”

Percentage of those who would find it 'very' or 'fairly' difficult.

|   | Jul-20    | Nov-20    | Mar-21    |
|---|-----------|-----------|-----------|
| <b>All key workers</b>                            | <b>17</b> | <b>17</b> | <b>14</b> |
| London  | 24        | 17        | 19        |
| White   | 16        | 15        | 12        |
| Minority ethnic                                   | 25        | 29        | 21        |
| I am the only income earner in my household       | 26        | 26        | 22        |
| There are multiple income earners in my household | 12        | 13        | 10        |
| Rent – from a private landlord                    | 24        | 27        | 19        |
| Rent from local authority / housing association   | 42        | 45        | 31        |

**Table 12: Key worker women consistently find it more difficult to pay an unexpected £100 bill than men.**

“At the present time, how easy or difficult would your household find it to pay an unexpected bill of £100?”

Percentage of key workers who said they would find it 'a little more' or 'much more' difficult.

|        | Male | Female |
|--------|------|--------|
| Jul-20 | 15   | 19     |
| Nov-20 | 14   | 20     |
| Mar-21 | 11   | 16     |

## Financial resilience throughout the labour market

While hours worked across the entire economy fell in 2020, the ONS state most industries had similar levels of weekly income compared to 2019. The significant exception to this was the accommodation and food services industry, which saw an 18 percent decline in weekly pay.<sup>44</sup> However, a report by the Living Wage Foundation in February 2021 showed that of those earning below the Real Living Wage, 67 percent said they had their incomes decline in the pandemic. The most common reason for this was that their income had not been topped up while being furloughed. The second most common reason given was that their hours had been reduced.<sup>45</sup>

Home workers, conversely, are reported as having mostly been able to save due to their secure employment and restricted spending. As we saw earlier, there has been between £100bn and £220bn estimated savings in the pandemic, as well as growing asset wealth driven by rising house prices.

It would appear then that for large parts of the economy incomes were kept at normal levels, but there were some significant losers who were those already on lower incomes or those within the accommodation and food services industry.

**Key finding: One in five key workers have found it more difficult to take time off if unwell. This appears to be correlated with financial difficulties and job pressures.**

Around 20 percent of all key workers have found taking time off work 'a little' or 'much' more difficult when they were unwell as a result of the pandemic (see Figure 6). Earlier in the pandemic, care workers were the most likely to say that they had found it more difficult to take time off if unwell. This appears to have been most associated with low financial resilience. As the pandemic continued, a key workers' occupations became the primary indicator for whether they felt they could take time off work if unwell, with NHS staff becoming the most likely to say they have increasingly found it difficult to take time away if unwell. This is probably linked to increased savings across all key workers, which reduced financial insecurity, but also increased job pressures specifically in the NHS.

Around 20 percent of all key workers have found taking time off work 'a little' or 'much' more difficult when they were unwell as a result of the pandemic (see Figure 6). Earlier in the pandemic, care workers were the most likely to say that they had found it more difficult to take time off if unwell. This appears to have been most associated with low financial resilience. As the pandemic continued, a key workers' occupations became the primary indicator for whether they felt they could take time off work if unwell, with NHS staff becoming the most likely to say they have increasingly found it difficult to take time away if unwell. This is probably linked to increased savings across all key workers, which reduced financial insecurity, but also increased job pressures specifically in the NHS.

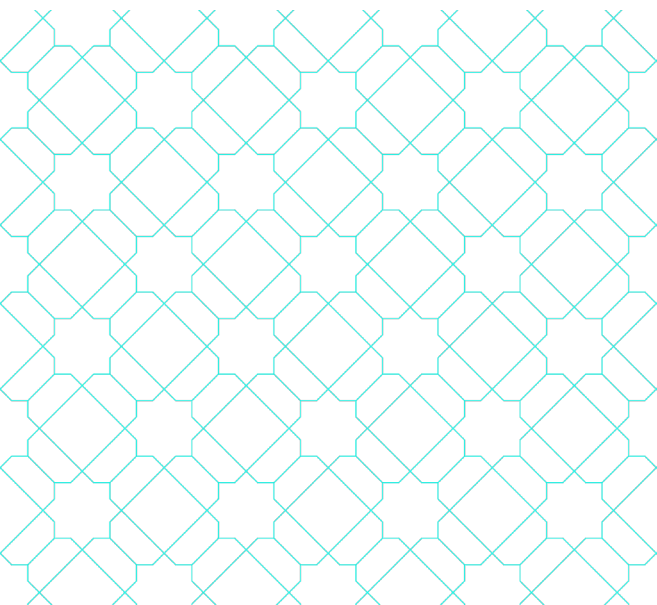
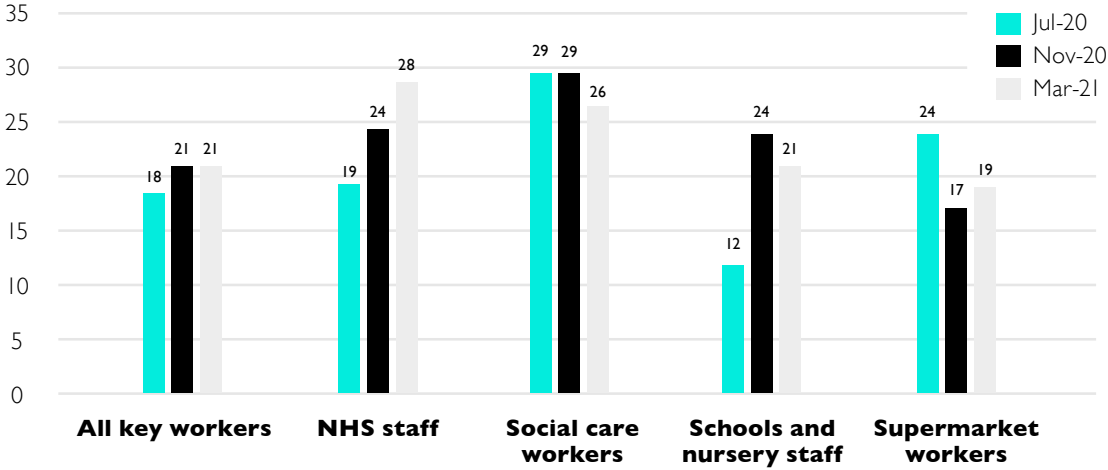
44 Office for National Statistics (2020) Employee earnings in the UK [online] Available at: [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2020](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2020) [Accessed 2 June 2021].

45 Living Wage Foundation (2021) Life on low pay in the pandemic. [PDF] London: Living Wage Foundation. Available at: [www.livingwage.org.uk/sites/default/files/LW\\_LifeOnLowPayPandemic\\_Feb2020.pdf](http://www.livingwage.org.uk/sites/default/files/LW_LifeOnLowPayPandemic_Feb2020.pdf) [Accessed 2 June 2021].

Inability to take time away from work even if unwell is one of the clearest examples of a security trap whereby, due to either work pressures or a lack of financial resilience, some key workers have felt the need to continue to work. This is bad for the health of the key worker, for productivity, but possibly also, in the case of care workers, bad for their client's health in a pandemic.<sup>46</sup> The ONS state there is 'some evidence' care homes who pay sick pay to their staff had lower levels of Covid-19 infection in residents.<sup>47</sup>

**Figure 6: Around one in five key workers found taking time off work when unwell more difficult.**

Percentage of key workers who found it 'a little' or 'much' more difficult "taking time off work if you are unwell as a result of the Coronavirus".



46 Demerouti, E et al (2009) Present but sick: a three-wave study on job demands, presenteeism and burnout. Career Development International. See also: Johns, G (2010) Presenteeism in the workplace: A review and research agenda. Journal of organizational behavior, 31(4), pp519-542.

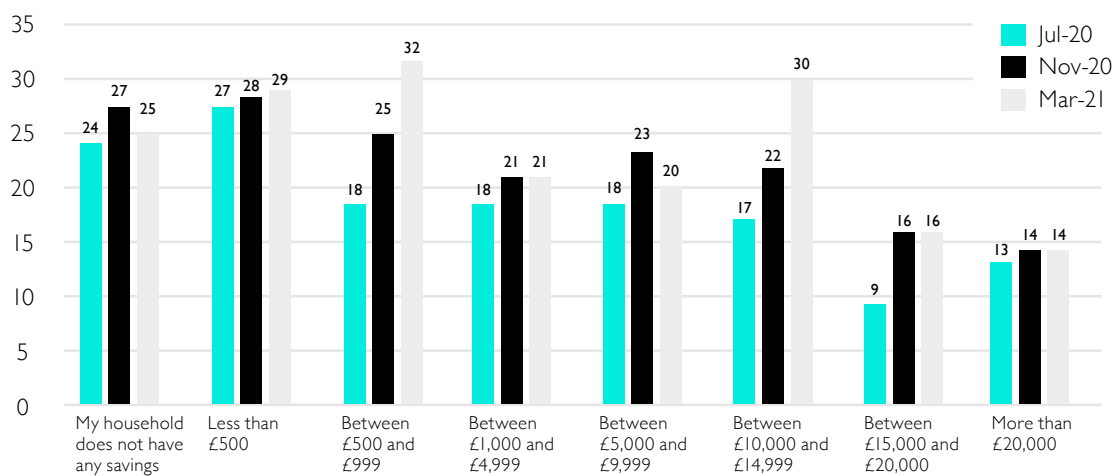
47 Office for National Statistics (2020) Impact of coronavirus in care homes in England [online] Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/impactofcoronavirusincarehomesinengland/valdi/26mayto19june2020](http://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/impactofcoronavirusincarehomesinengland/valdi/26mayto19june2020) [Accessed 10 March 2021].

Broadly, key workers who have the lowest financial resilience reported finding it most difficult to take time off work when ill. Of those who would struggle to pay an unexpected £100 bill, nearly one in three report finding it more difficult to take time off if unwell. Similarly with regards to levels of savings, there is a clear, though imperfect, relationship between levels of savings and perceived ability to take time off if unwell (see Figure 7). This relationship was seen throughout every survey wave but is most pronounced earlier in the pandemic. There does not appear to be a direct relationship between feeling able to take time off if unwell and income. Instead it is most closely linked to feelings of financial resilience, ie factors like savings or how a person would cope with an unexpected bill.

However, it does appear that job pressures are also a likely cause of the inability to take time off if unwell. By March 2021, NHS staff were the most likely occupational group to find it more difficult to take time away if unwell, despite consistently being the least likely to struggle with an unexpected bill of £100 (see Table 9 and Figure 6). This is most likely due to staffing and workload pressures and, possibly, workplace culture. This has potential consequences for people’s overall health; we know that workplace pressures are a significant cause of poor mental health in the NHS and taking sick leave can improve long-term health outcomes of the worker.<sup>48</sup>

**Figure 7: In general, those with lower savings found it more difficult to take time off if unwell as a result of the pandemic. But this relationship became less clear as the pandemic went on probably as key workers were able to save more and job pressures increased.**

Percentage of key workers who found it ‘a little’ or ‘much more difficult’ to take “time off work if you are unwell as a result of the Coronavirus” broken down by self-reported amount of savings (excluding pensions).



48 Aronsson, G and Gustafsson, K (2005) Sickness presenteeism: prevalence, attendance-pressure factors, and an outline of a model for research. p959. Journal of occupational and environmental medicine, 47(9), pp958-966.

We found that care workers were often highly likely to state that they have found it more difficult to take time off if unwell. Care workers have felt both increased workload pressures and, in the past, have been one of the least financially resilient. This once again highlights the traps that exist for many key workers trying to balance work, income, assets, health and family responsibilities.

Finally, it was the key workers who felt least financially secure who, in March 2021, told us that they, at some stage during the pandemic, continued to go to work when they should have self-isolated. Over one fifth of those who said they would struggle to pay an unexpected £100 bill, also said they failed to isolate when they should have, compared to just one tenth of the whole sample. Of minority ethnic key workers 18 percent failed to isolate when they should have, again higher than the national average. Interestingly, this question does not appear to be significantly correlated with more objective measures such as income, savings, housing tenure, family makeup or occupation. This could either mean that there is a crucial element we are missing, such as indebtedness, or that the perceived ability to isolate is correlated with subjective insecurity. Subjective insecurity here means taking into account an individual's self-reported experiences and perceptions, a good example of this would be their experiences based around their contract type. We know many care workers in particular are on zero-hours contracts, around 24 percent of the total workforce and 42 percent of those working in domiciliary care, and this can create both a real and perceived sense of insecurity, as Will's case study in the next section, demonstrates.<sup>49</sup>

Taking time away from work when unwell is not just good for the worker or employee, but good for business and productivity. As recent proposals by the Department for Work and Pensions and the Department for Health and Social Care, Health is everyone's business, state: improved health at work increases productivity and increases workplace retention.<sup>50</sup> There has been much research done on the effect of 'presenteeism', broadly defined as showing up to work when unwell.<sup>51</sup> Presenteeism reduces productivity and is estimated to cost more than absenteeism (being off work when in good health), by a factor of 2.8, costing between £17bn-£26bn for employers in the UK per year.<sup>52</sup> Reduced productivity from presenteeism meant that an estimated equivalent of 35 working days were lost per year per employee in the UK, compared to just 3 days from absenteeism.<sup>53</sup> More on this and our proposal to improve Statutory Sick Pay can be read in Recommendation 1.

49 Skills for Care (2020) The state of the adult social care sector and workforce in England. Leeds: Skills for Care, p40 [online]. Available at: [www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/The-state-of-the-adult-social-care-sector-and-workforce-2020.pdf](http://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/The-state-of-the-adult-social-care-sector-and-workforce-2020.pdf) [Accessed: 13 July 2021].

50 Department for Work and Pensions and Department for Health and Social Care (2021) Health is everyone's business: Government response to the consultation on proposals to reduce ill-health related job loss. London: HM Government, p3. Available at: [assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1004063/government-response-health-is-everyones-business.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1004063/government-response-health-is-everyones-business.pdf) [Accessed 9 August 2021]

51 Johns, G (2010) Presenteeism in the workplace: A review and research agenda. *Journal of organizational behavior*: p519. 31(4), pp519-542.

52 Hampson, E et al (2017). *Mental health and employers: The case for investment. Supporting study for the Independent Review*. London: Deloitte, p1 and 8

53 Financial Times and Vitality (2019) Health at work. London: Vitality, p6 [online]. Available at: [www.vitality.co.uk/media-online/britains-healthiest-workplace/pdf/2019/health-at-work-2019\\_uk.pdf](https://www.vitality.co.uk/media-online/britains-healthiest-workplace/pdf/2019/health-at-work-2019_uk.pdf) [Accessed: 24 June 2021].

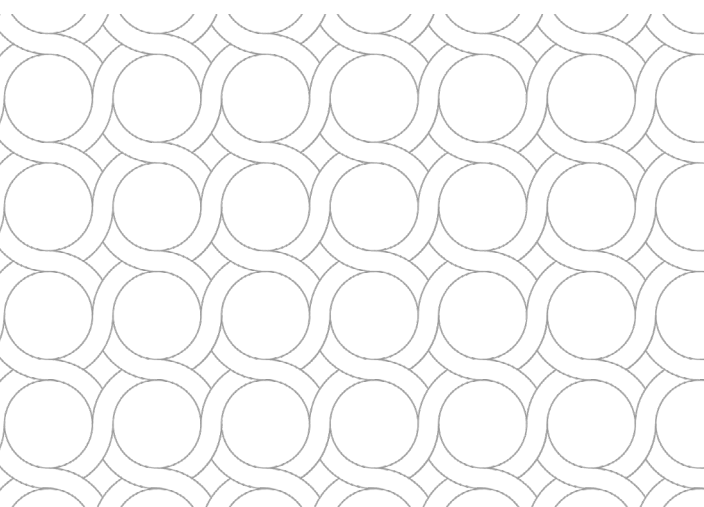
## Sickness and absence in the pandemic

Clearly, taking sick leave is particularly critical in the context of Covid-19, where self-isolation is a core element of pandemic management, both now and for the foreseeable future.

Several studies show that compliance with self-isolation is, on the whole, strong in the UK. But there remains uncertainty about whether economic factors affect compliance. The latest data from the ONS show that 86 percent of people adhere to the self-isolation rules, and that there was no statistically significant difference between Index of Multiple Deprivation (IMD) groups.<sup>54</sup> The IMD uses seven measures of deprivation (the most significant of which are income and employment) but none of these refer to financial resilience, such as savings or provision of sick pay.<sup>55</sup> As we saw earlier, the ONS indicated there was 'some evidence' care homes without sick pay had higher rates of infection in residents. The ONS also show that one third of those not self-isolating did so to go to work, school, or university.

Data from the Covid-19 Social Study by UCL show that, again, overall compliance with self-isolation is good at around 80 percent of those who have been in contact with someone with Covid-19. Yet, in contrast to our findings and those of the ONS, this study suggests income is an indicator as those who earn below £30,000 are almost twice as likely to not isolate at all, compared to those who earn above £30,000.<sup>56</sup> The study by UCL shows that self-reported 'complete compliance' with government recommendations (self-isolation, social distancing, mask wearing and so on) was consistently lower for key workers than all others throughout the whole pandemic. 'Majority compliance' was equal.<sup>57</sup>

To make self-isolation easier, in England the government introduced a £500 'isolation grant' for those unable to work from home and on benefits, and available to those on low incomes at the discretion of their local council. Data from the TUC showed that at the start of 2021, around 70 percent of applications were rejected for the discretionary grant.<sup>58</sup> The Welsh government introduced a Statutory Sick Pay enhancement scheme to pay the full wages of all care workers told to isolate, whether or not they qualified for SSP.<sup>59</sup>



54 Office for National Statistics (2021) Coronavirus and self-isolation after testing positive in England [online] Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandselfisolationaftertestingpositiveinengland/10mayto15may2021](http://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandselfisolationaftertestingpositiveinengland/10mayto15may2021) [Accessed: 23 June 2021].

55 Ministry of Housing, Communities, and Local Government. The English Indices of Deprivation 2019 (IoD2019). (2019). London: HM Government, p26.

56 Fancourt, D et al (2021) Covid-19 Social Study: Results Release 28. London: University College London, p73 [online] Available at: [b6bdc03-332c-4ff9-8b9d-28f9c957493a.filesusr.com/ugd/3d9db5\\_bf013154aed5484b970c0cf84ff109e9.pdf](https://www.filesusr.com/ugd/3d9db5_bf013154aed5484b970c0cf84ff109e9.pdf) [Accessed: 23 June 2021].

57 Ibid.

58 England, R (2021) Covid-19: Self-isolation support 'not working' in England, unions say. [online] BBC News. Available at: [www.bbc.co.uk/news/uk-england-56043487](http://www.bbc.co.uk/news/uk-england-56043487) [Accessed 11 March 2021].

59 Welsh Government (2020). COVID-19 statutory sick pay enhancement scheme [online] Available at: [gov.wales/covid-19-statutory-sick-pay-enhancement-scheme](http://gov.wales/covid-19-statutory-sick-pay-enhancement-scheme) [Accessed: 23 June 2021].

**Key finding:** The vast majority of key workers feel secure when thinking about the future of their jobs and income, but those who do not are already precarious.

**Table 13:** Key workers feel highly secure in their jobs and in retaining their level of pay. However, supermarket workers were most often those who felt least secure.

“Looking forward to AFTER the Covid-19 outbreak is over, how much of a risk, if any, do you think there is that the following will happen as a result of the longer term impact of the Covid-19?”

Percent of key workers who said they felt a 'large' or 'significant' risk of...  
“You will become unemployed?”

|                         | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|-------------------------|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20                  | 16              | 14        | 14                  | 11                        | 17                  |
| Nov-20                  | 17              | 12        | 18                  | 17                        | 20                  |
| Mar-21                  | 15              | 11        | 12                  | 12                        | 23                  |
| PP Difference (Jul-Mar) | -1pp            | -3pp      | -2pp                | -1pp                      | +6pp                |

Percent of key workers who said they felt a 'large' or 'significant' risk of...  
“You will see your working hours reduced?”

|                         |      |      |      |      |      |
|-------------------------|------|------|------|------|------|
| Jul-20                  | 15   | 18   | 10   | 12   | 22   |
| Nov-20                  | 16   | 11   | 20   | 15   | 16   |
| Mar-21                  | 14   | 12   | 13   | 14   | 25   |
| PP Difference (Jul-Mar) | -1pp | -6pp | +3pp | -2pp | +3pp |

Percent of key workers who said they felt a 'large' or 'significant' risk of...  
“You will see your pay cut?”

|                         |      |      |      |      |      |
|-------------------------|------|------|------|------|------|
| Jul-20                  | 17   | 18   | 14   | 14   | 15   |
| Nov-20                  | 17   | 14   | 18   | 14   | 13   |
| Mar-21                  | 15   | 13   | 12   | 16   | 18   |
| PP Difference (Jul-Mar) | -2pp | -5pp | -2pp | +2pp | +3pp |

The vast majority of key workers feel secure in their jobs (see Table 13). This sense of security has also largely stayed the same or increased throughout the pandemic. This is unsurprising given we know that most of these major roles are public sector (in the NHS and schools) or are in high demand (care work). The obvious exception to this is supermarket workers who started at an already higher base of perceived insecurity, and this slightly increased as time went on.

Beyond supermarket workers, perceived future insecurity appears to be largely correlated with savings, assets and, to a lesser extent, their housing tenure. Those most likely to fear future unemployment, reduced working hours and pay cuts have consistently been:

- Minority ethnic key workers.<sup>60</sup>
- Those with little or no savings.
- Single earner households.
- Those who rent from their local authority or housing associations.

The fact that minority ethnic groups and those with few assets both feel insecure could be correlated. In 2020, the ONS found that all minority ethnic communities in Great Britain, with the exception of British Indians, have lower property and financial wealth than their white counterparts; they are less likely to own their home and more likely to have fewer savings.<sup>61</sup>

Care workers are an interesting case because in spite of their apparent security in the table above, a degree of self-reported economic insecurity still pervades. The care workers we interviewed all described a feeling that they lack, or lacked, the agency to pursue good work. They explained that either they have, or have had, little choice but to work excessive hours, sometimes to the detriment of their own health, because there remains significant income uncertainty due to a combination of: an insecure contract with no guaranteed hours (zero-hours); what is felt to be precarious funding for social care; and sometimes their own existing financial insecurity. The case study of Will below highlights this well.

60 Caution, however, should be noted with all BME statistics because of the known problems in the polling community with reporting on BME groups, namely: reporting all non-white groups as homogenous; underreaching those with poor English, underreaching first generation immigrants. Also, BME respondents account for around 16 percent (n = 176 in November) of the overall sample meaning our findings are also possibly constrained by sample size.

61 Office for National Statistics (2020) Household wealth by ethnicity, Great Britain [online] Available at: [www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/articles/householdwealthbyethnicitygreatbritain/april2016tomarch2018#sources-of-household-wealth](https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/articles/householdwealthbyethnicitygreatbritain/april2016tomarch2018#sources-of-household-wealth) [Accessed: 11 June 2021].



## Will, 33, residential support worker, South Wales

Will is married and has two children; one aged five and a new-born who was three weeks when we spoke to him. Having grown up with parents who were foster carers and care workers themselves, Will spent many of his formative years alongside people with disabilities and has himself worked in care work most of his adult life. Right now, he cares for children with complex needs such as physical disabilities or severe learning difficulties. He loves looking after the children and the fact he can give their parents a break from what can be the highly complex needs of their children. "It was getting really challenging for the parents in lockdown, all the change in routine meant some of the children's behaviour got really bad".

While he loves his work, Will acknowledges that a career in care work has its challenges including uncertainties that can hold back some aspects of his life. Last year, after trying for over four years, Will and his partner were finally able to secure a mortgage to buy their house. Prior to this they had been consistently turned down, in part because Will was on a zero-hours contract in his old job. This meant his income could regularly fluctuate between £1,000 - £1,600 per month. Will often worked over 50-hour weeks because of the fear of having less work in the future and feeling he could ill-afford to say no to any shifts. Sometimes he was getting up before 6.30am and getting home after 10pm, six or seven days a week. He said: "Sometimes I would maybe see my family for half an hour a day, I had to take all the hours I could get because I never knew what was coming around the corner... [within the care sector] it's all about funding and you're never quite sure what's coming up, so you have to take all the hours you can now".

After a new manager joined his old workplace over a year ago, Will was put on a permanent contract of 37 hours per week. This was a huge amount of certainty and relief for Will and finally meant being able to get on the property ladder, with the greater sense of security this brought.

Will describes himself as "one of the lucky ones" because he thinks he was possibly the only member of the 46-strong care team not on a zero-hours contract. His permanent contract has been a particular relief, given so many care services were being cancelled early in the pandemic. The local councils involved in Will's area, promised to keep paying for contracted hours, meaning his zero-hours co-workers still got their usual pay, but he says many still feel really uncertain about what would lie ahead. For Will, having just secured a contract, he knew he would continue to get £1,300 a month at least.

All of this highlights the importance of taking a holistic approach to the security traps that people face. This approach would allow policymakers to investigate objective factors such as income security, assets and costs of living, and integrate them with people's self-reported perceptions and experiences, which can be just as critical.

Taking this holistic perspective has the potential to provide a realistic and nuanced perspective on the experience of economic life in modern Britain, compared to approaches that focus purely on the objective and only take into account single measure factors such as income.

## Job insecurity in the wider economy

While the number of job losses on the whole have been less than that predicted by early estimates due to successful policies such as the Coronavirus Job Retention Scheme (CJRS or furlough), data from the ONS show that short-term unemployment rose from 3.9 percent immediately before the pandemic to 5.2 percent in August-October 2020, falling back to 4.5 percent for February to April 2021.<sup>62</sup>

However, this macro figure disguises the level of unemployment that has been experienced by some groups. Those aged 16-24 had the highest increase in unemployment through 2020 compared to other ages. Young people are disproportionately likely to work in 'locked down' industries such as retail and hospitality, which have been hard-hit by the pandemic. The ONS data show that the food services industry had the highest increase and highest total unemployment of any industry, reaching a peak of 10.9 percent in November 2020 to January 2021, compared to 5.3 percent in November 2019 to January 2020. Many of these sectors may also have a workforce and/or suppliers who have fallen through gaps between CJRS and the Self-Employment Income Support Scheme (SEISS) eligibility. Bristol University estimate that around 3.8 million people have been unable to benefit from either CJRS or the SEISS.<sup>63</sup>

Looking ahead it is still unclear what will happen when the furlough system ends. The Office for Budget Responsibility (OBR) estimates that unemployment will peak at around 6.5 percent toward the end of 2021 before falling again. This represents half of the estimates made about the peak unemployment in the early stages of the pandemic and below the peak of the Great Recession in Q4 2011 of 8.4 percent.<sup>64</sup> Yet there is still great uncertainty owing to potential variants of concern, consumer confidence, and international economics. Early signs indicate however that, despite the uneven opening of the economy, the recovery could be strong with labour shortages expected in areas of the economy, including in social care (which is in-part linked to reduced EU immigration).<sup>65</sup>

62 Office for National Statistics (2021). UNEM03: Unemployment by previous industrial sector [dataset] Available at: [www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment/datasets/unemploymentbypreviousindustrialsectorunem03](https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment/datasets/unemploymentbypreviousindustrialsectorunem03) [Accessed: 14 July 2021].

63 Collard, S et al (2021) Who are 'the excluded'? Bristol: University of Bristol. [PDF]. Available at: [www.aberdeenstandard.com/docs?documentId=GB-180221-142931-1](https://www.aberdeenstandard.com/docs?documentId=GB-180221-142931-1) [Accessed: 14 June 2021].

64 Office for Budget Responsibility (2021) Labour market - Office for Budget Responsibility [online] Available at: [obr.uk/forecasts-in-depth/the-economy-forecast/labour-market/#unemployment](https://obr.uk/forecasts-in-depth/the-economy-forecast/labour-market/#unemployment) [Accessed 1 June 2021].

65 Narwan, G. (2021). Labour shortage is looming as EU workers stay at home. The Times (June 17 2021) [online] Available at: [www.thetimes.co.uk/article/0b6becb0-cedf-11eb-9bfa-a3bc386e6928?shareToken=7ef75c0f82bdc84b236a1779c1242d33](https://www.thetimes.co.uk/article/0b6becb0-cedf-11eb-9bfa-a3bc386e6928?shareToken=7ef75c0f82bdc84b236a1779c1242d33) [Accessed: 23 June 2021].

**Key finding:** Key workers in rented housing feel the least secure about their future.

**“Once I was offered a permanent contract and got off my zero-hours contract the bank would finally give us a mortgage, despite already having had the deposit... owning our house definitely helps us feel more secure”.**

—Will, 33, residential support worker, South Wales.

Since the start of the pandemic, UK house prices have risen substantially. Average house prices in the UK increased by 7.5 percent in the year to January 2021, despite unprecedented economic turmoil.<sup>66</sup> While for those who own property or have a mortgage this can mean substantial increases in the value of their asset, for those who rent this can mean rising costs or fear of rising costs.<sup>67</sup>

This rise in the relative cost of housing has real consequences, especially for those on lower incomes. The IFS has shown that around half of the rise of in-work poverty can be attributed to the rising relative cost of housing.

As Table 14 shows, this year has seen many key workers who rent increasingly struggle to meet their housing costs: 14 percent of those renting privately say their rent has increased. This rose to 44 percent of those renting from a local authority or housing association. For those who have a mortgage, 6 percent say their mortgage payments have risen.

**Table 14 (Mar 2021): Key worker who rent from a local authority or housing association were especially likely to say their rent had increased.**

“Thinking about your housing, have any of the following happened to you since the end of the first national lockdown (that is around end of June 2020)? Please select all that apply”.

| Percent of all key workers who said their rent had gone up or they had fallen behind on their rent. | Rent from a private landlord | Rent from local authority / housing association |
|---|------------------------------|---|
| My rent payments have gone up.  | 14                           | 44  |
| I have fallen behind on rent payments.  | 4                            | 7   |

66 HM Land Registry (2021) UK House Price Index for January 2021 [online] Available at: [www.gov.uk/government/news/uk-house-price-index-for-january-2021](http://www.gov.uk/government/news/uk-house-price-index-for-january-2021) [Accessed: 11 June 2021].

67 Bourquin, P et al (2019) Why has in-work poverty risen in Britain? Op cit. p3.

As we have previously argued in our briefing focused on London, Key workers in the capital, having key workers who are able to afford to live within the communities they serve is critical for collective levels of economic security.<sup>68</sup> Key workers are defined by their essential labour for the normal functioning of society and local communities. While this is most obvious in a crisis, it no less true in 'normal' times.

However, as Will describes above, having housing that is affordable is not just about having key workers serve the community but about offering security for the individual.

We might expect that having discounted housing, via a local authority or housing association, might offer added security, yet we find that it is these groups who feel least secure about their future (see Table 15). Those who owned their home outright or had a mortgage were equally as likely to feel confident about their future. Those who rented privately were twice as likely to feel insecure, while those who rented from a local authority or housing association were almost three times as likely to feel insecure, perhaps reflecting the higher needs that typically come with those given access to social housing tenures.

**Table 15: Key workers who rent felt the least confident about their ability to maintain a decent quality of life, both now and in the future.**

“How confident, if at all, do you feel that given your home, work and financial circumstances, you can maintain a decent quality of life both now and in the future?”

Percent of key workers who either felt 'very confident' or 'somewhat confident' and those who felt either 'not very confident' or 'not confident at all'.

|                     | <b>All key workers</b> | <b>Own outright</b> | <b>Own with a mortgage</b> | <b>Rent from a private landlord</b> | <b>Rent-local authority/housing association</b> |
|---------------------|------------------------|---------------------|----------------------------|-------------------------------------|---|
| Total confident     | 75                     | 85                  | 85                         | 69                                  | 57  |
| Total not confident | 20                     | 13                  | 13                         | 27                                  | 36  |

As has been clear for many years, the ever-rising cost of housing is acting as a systemic break on economic security for those on the wrong side of asset inflation. In Key workers in the capital, we argued that all key workers, including supermarket workers and care workers, should be offered priority for discounted housing to better allow them to live within their communities.

68 Jooshandeh, J (2021) Key workers in the capital: One year in London [PDF] London: The RSA. Available at: [www.thersa.org/reports/key-workers-london](http://www.thersa.org/reports/key-workers-london).

## Housing in context

Housing, its affordability and the effect of this on the rest of a person's life is one of the great dividers in society. In May 2021, IPPR reported that, compared to 1996-97, housing costs were 39 percent higher for poorer families and 19 percent for the median household in real terms.<sup>69</sup> As we have already seen, key workers who rent often feel the least economically secure.

Over the period of the pandemic, there have been significant shifts in housing. At one end, house prices rose dramatically in part due to stamp duty cuts by the chancellor. At the other, there was a freeze on evictions for private renters, which protected many; this came to an end at the end of May 2021. The Joseph Rowntree Foundation reported that when the freeze ended at the end of May 2021, 5 percent of all renters, around 400,000 households, have either been served an eviction notice or informed they would be evicted. Over one in 10 (11 percent) of all renters – half of which are families with children – fear eviction.<sup>70</sup>

Locked down industries are most likely to have high proportions of younger workers who are more likely to rent than own, and so have not benefited from the rise in house price. This group have also taken the brunt of the redundancies since the arrival of Covid-19; the OBR predicts that we will not see peak unemployment until late 2021.

**Key finding:** A key experience of the pandemic for supermarket staff is increased abuse from the public.

**“An older man while disinfecting his trolley was barged by a customer. When my colleague approached the customer about it, he shouted at my colleague to f\*\*\* off”.**

—Jane, 45, clothing assistant, superstore, Staffordshire.

**“At least once a day the security guard at my store would take abuse from a member of the public”.**

—James, 22, store assistant, local store, Manchester.

Between March and May 2020 one of the few remaining publicly accessible spaces were supermarkets, where staff found themselves thrust into the role of informal Covid-19 marshals. Despite assurances from the government that they would not be expected to ‘police’ the new regulations, this situation was virtually unavoidable, not least as supermarket workers sought to protect themselves from greater risk.

According to data from the Union of Shop, Distributive and Allied Workers, in 2020 there appears to have been a significant increase in abuse (both physical and verbal and including threats of violence) of supermarket workers by members of the public.<sup>71</sup> Our own data shows that in November 2020 supermarket workers were by far the most likely to state that the public had done ‘badly’ in supporting them in their role (see Table 16).

69 IPPR (2021) No longer ‘managing’: The rise of working poverty and fixing Britain’s broken social settlement [online] London, p4. Available at: [www.ippr.org/files/2021-05/no-longer-managing-may21.pdf](http://www.ippr.org/files/2021-05/no-longer-managing-may21.pdf) [Accessed 3 June 2021].

70 Hetherington, G (2021) As 400,000 renters face eviction, JRF warns the UK risks a ‘two-tier recovery’ [online] Joseph Rowntree Foundation. Available at: [www.jrf.org.uk/press/400000-renters-face-eviction-jrf-warns-uk-risks-%E2%80%98two-tier-recovery%E2%80%99](http://www.jrf.org.uk/press/400000-renters-face-eviction-jrf-warns-uk-risks-%E2%80%98two-tier-recovery%E2%80%99) [Accessed 3 June 2021].

71 Union of Shop, Distributive and Allied Workers (2021) Campaign to end violence and abuse against retail workers 2020. Manchester. Op cit.

**Table 16 (Nov 2020):** Supermarket workers are much more likely to think the public have done ‘badly’ in supporting them in their role, while school and nursery staff feel least supported by the government.

“How well or badly do you think the following have done in supporting you in your role at work?”

Percent of key workers who said ‘very’ or ‘fairly’ well and badly of...

**The government**

|             | <b>All key workers</b> | <b>NHS staff</b> | <b>Social care workers</b> | <b>Schools and nursery staff</b> | <b>Supermarket workers</b> |
|-------------|------------------------|------------------|----------------------------|----------------------------------|----------------------------|
| Total well  | 31                     | 30               | 27                         | 25                               | 39                         |
| Total badly | 53                     | 57               | 61                         | 66                               | 44                         |

Percent of key workers who said ‘very’ or ‘fairly’ well and badly of...

**The public**

|             |    |    |    |    |    |
|-------------|----|----|----|----|----|
| Total well  | 35 | 42 | 39 | 31 | 26 |
| Total badly | 45 | 43 | 41 | 51 | 67 |

Percent of key workers who said ‘very’ or ‘fairly’ well and badly of...

**Your employer**

|             |    |    |    |    |    |
|-------------|----|----|----|----|----|
| Total well  | 68 | 64 | 67 | 70 | 71 |
| Total badly | 26 | 30 | 26 | 24 | 27 |

In March 2021 we asked key workers whether a series of issues had negatively affected their mental health (see Chapter 1, Table 7 for full list and wider discussion on mental health). Abuse, or fear of abuse, was identified as a factor by only 13 percent of all key workers; however for supermarket workers this rose to 35 percent (see Table 17).

**Table 17 (Mar 2021): Supermarket workers were significantly more likely to state that abuse from the public, or fear of abuse, had negatively affected their mental health.**

“Since the start of the pandemic, have any of the following issues around work negatively affected your mental health?”

| Percent of all key workers              | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|-----------------|-----------|---------------------|---------------------------|---------------------|
| Abuse from the public, or fear of abuse | 13              | 14        | 11                  | 11                        | 35                  |

This was consistent with what we heard in our interviews with supermarket workers. All raised the issue of public abuse, highlighting that while this was not a new problem, public abuse had become a much bigger issue in the pandemic. This was especially true in the first lockdown where there was felt to be panic-buying of some items. When staff tried to enforce rules about how much could be bought, or on social distancing, this was sometimes met with fierce resistance from the public.

There was also a sense in interviews that supermarket leaders sometimes made poor policy choices when it came to confrontations with the public, due to fear of bad reviews or bad press. However, interviewees felt that management improved as time went on—which corroborates our findings (see Table 16 above)—and that vulnerable staff were supported well either to isolate or change their role to feel more comfortable at work.

Nevertheless, this issue was taken up by the Home Affairs Select Committee, which launched an inquiry in December 2020 and which led to Usdaw calling for the abuse of retail workers to be a specific offence, much like it is for emergency service personnel.

A similar, though less actively malign, issue is the extent to which members of the public respect safe personal space for supermarket staff. The supermarket workers we spoke to frequently commented that most members of the public were dutiful in maintaining social distance from other customers but could occasionally forget or actively not care when it came to safe space for staff.

**“Customers think if you’ve got a uniform on, you are immune”.**

—Jane, 45, clothing assistant, superstore, Staffordshire.

The issues outlined here, combine with the findings of fear of job loss (see section 2.1), to create a form of security trap: in exchange for immediate economic security supermarket workers have had to undergo public abuse and anger.

**“Abuse should never be seen as ‘part of the job’”.**

—Karen, 62, team leader, superstore, Shropshire.



**HOMELIFE**



**T**he RSA's definition of economic security is "the degree of confidence that a person can have maintaining a decent quality of life now and in the future, given their economic, financial, and social capital". This incorporates a range of issues beyond finances and takes a holistic view of a person's life; acknowledging that economic and non-economic factors can influence work, quality of life, or expectations about the future. This is central to the idea of a security trap, which is not just about work, or money, or your personal life but incorporates all of these factors and the relationships between them.

Clearly, issues such as stress and financial insecurity have a massive impact on both our work and private lives. Equally, factors around the home or family life can cause strain for our working lives. For example, the inflexibility of a lot of childcare provision in the UK means that the needs of shift workers or those working atypical hours—which includes many key workers—are often not catered for (see section 'Childcare in context'). Childcare is also expensive and this can mean people have to give up work or reduce their hours in order to care for their child.<sup>72</sup>

In addition to housing and balancing care responsibilities, work may impact on their life at home through, for example, issues around work-life balance, which can limit people's leisure time, including how much time they are able to spend with their family or pursuing interests outside of work.

Key workers' jobs, their economic situation, and aspects of their home life, can sometimes be incompatible, forcing them into unwanted trade-offs. Below we see that key workers in the pandemic have faced trade-offs between their workload and work-life balance, their struggle with childcare (despite having access to schools), and housing costs (for those that rent).

**Key finding: Workloads and work-life balance declined for many but were worst for NHS staff, care workers, and women.**

It is not surprising that many key workers have been putting in many extra hours through the pandemic. For some, this will be a choice but for other this was involuntary, although it is important to note that making the choice to put in overtime does not necessarily remove the potential for this to be damaging to our wellbeing. We saw in section 2 that stress and workload are given as the primary reasons for mental health strain among NHS staff and care workers.<sup>73</sup>

Key workers consistently told us that they were finding it hard to maintain their work-life balance, and this has got more difficult to do throughout the pandemic. These pressures were felt most by NHS staff, care workers, women, minority ethnic groups and those with children under 18.

72 OECD (2020) Is childcare affordable? Paris: OECD [online] Available at: [www.oecd.org/els/family/OECD-Is-Childcare-Affordable.pdf](http://www.oecd.org/els/family/OECD-Is-Childcare-Affordable.pdf) [Accessed 24 June 2021].

73 Stevenson, D and Farmer, P (2017) Thriving at work: The Stevenson/Farmer review of mental health and employers. p69. London. Department for Work and Pensions and Department of Health and Social Care.

**Table 18: Maintaining a healthy work-life balance has on average got harder for key workers, but especially for NHS staff and social care workers**

Percentage of key workers who found it 'a little' or 'much' more difficult in **“Maintaining a healthy work-life balance”**

|        | <b>All key workers</b> | <b>NHS staff</b> | <b>Social care workers</b> | <b>Schools and nursery staff</b> | <b>Supermarket workers</b> |
|--------|------------------------|------------------|----------------------------|----------------------------------|----------------------------|
| Jul-20 | 43                     | 51               | 51                         | 34                               | 36                         |
| Nov-20 | 48                     | 57               | 55                         | 51                               | 34                         |
| Mar-21 | 48                     | 58               | 58                         | 44                               | 36                         |

**Table 19: Women, those with younger children and minority ethnic key workers found maintaining a healthy work-life balance more difficult than others.**

Percentage of key workers who found it 'a little' or 'much' more difficult in **“Maintaining a healthy work-life balance”**

|        | <b>All key workers</b> | <b>Male</b> | <b>Female</b> | <b>White</b> | <b>BME</b> | <b>With child(ren) who are below 18</b> |
|--------|------------------------|-------------|---------------|--------------|------------|---|
| Jul-20 | 43                     | 39          | 46            | 41           | 54         | 51                                      |
| Nov-20 | 48                     | 40          | 53            | 47           | 50         | 50                                      |
| Mar-21 | 48                     | 44          | 51            | 47           | 56         | 55                                      |

As the Industrial Strategy Council points out, the nature of many key worker jobs has become more complex and stressful, given the sheer increase in volume and breadth of work to be done.<sup>74</sup>

74 Industrial Strategy Council (2021) Annual Report. London: Industrial Strategy Council, p10 [PDF] Available at: [industrialstrategy.org/sites/default/files/attachments/ISC%20Annual%20Report%202021.pdf](https://www.industrialstrategy.org/sites/default/files/attachments/ISC%20Annual%20Report%202021.pdf) [Accessed 22 April 2021].

## Workload and work life balance in context

As we have seen from our own analysis as well as that of others, key workers' workload has increased and their work-life balance has suffered throughout the pandemic. At the same time, hours worked across the economy, unsurprisingly, declined on average through the pandemic because of the effects of Covid-19 restrictions and furlough. Workers in the accommodation and food industry worked on average just 13 hours per week per person between April and June 2020 (this rose to just over 14 hours per week per person in the period between January and March 2021), while immediately before the pandemic the average stood at around 25 hours.<sup>75</sup> By February to April 2021) hours worked per week across the whole economy was 30, the third highest seen in the pandemic but still shy of 31.2 in January to March 2020.

According to the Annual Survey of Hours and Earnings (ASHE) nurses' hours fell in 2020 compared to 2019 by 1.4 hours per week. This fall was driven almost entirely by less hours being worked by part-time nurses, as hours worked by full-time nurses on average remained flat. For care workers the total hours worked fell by 0.4 hours on average per week. For health professionals, median weekly hours remained flat.<sup>76</sup>

The intensity and nature of work are more difficult to understand from statistics, though some surveys give clues. For instance, CIPD find that key workers are particularly likely to be dissatisfied with their workload and work-life balance, compared to non-key workers, which holds true when accounting for occupation, sex and occupational characteristics.<sup>77</sup>

75 Office for National Statistics (2021). Average hours worked by industry [online] Available at: [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/averagehoursworkedbyindustryhour03](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/averagehoursworkedbyindustryhour03) [Accessed 24 June 2021].

76 We compared ASHE data from the ONS on median total paid hours worked (ie base hours + overtime), using SIC codes 6145 (care workers and home carers), SIC 2231 (nurses), and SIC 22 (health professionals). For the data see: Office for National Statistics (2020) Earnings and hours worked, region by occupation by four-digit SOC: ASHE Table 15 [Online] Available at: [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/regionbyoccupation4digitsoc2010ashtable15](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/regionbyoccupation4digitsoc2010ashtable15) [Accessed 24 June 2021].

77 CIPD (2021) CIPD Good Work Index 2021: UK Working Lives Survey. Survey Report: June 2021. London: CIPD, p39. Available at: [www.cipd.co.uk/Images/good-work-index-survey-report-2021-1\\_tcm18-96105.pdf](http://www.cipd.co.uk/Images/good-work-index-survey-report-2021-1_tcm18-96105.pdf)

**Key finding:** Even key workers, who had access to schools throughout the pandemic, found childcare much more difficult

**“In the first wave there were some childminders but everyone was scared of the virus so there were less around, and they wanted more money. When they found out I worked with elderly people then even less became available, they all thought I would have the virus and give it to them”.**

—Memuna, 37, healthcare assistant, residential care home, London.

The Covid-19 pandemic has both exposed and exacerbated gender inequalities.<sup>78</sup> Women’s position in the labour market is still disproportionately impacted by having children and by childcare. Specifically, women with children under 14 are more likely to work part-time in the UK than the OECD or EU average (though overall rates of maternal employment are in line).<sup>79</sup>

There is also evidence to suggest that responsibility for childcare has fallen disproportionately on women during the pandemic and that this was particularly disruptive to their working day and productivity.<sup>80</sup> Exploring the impact of childcare on key workers, who themselves are much more likely to be women but retained access to schools, is there an important line of enquiry.

Despite key workers having exclusive access to schools throughout the entire pandemic, we still see that between half and 60 percent of key workers with children under 18 found it more difficult to ‘balance work and childcare’ in the pandemic (Table 20). Interestingly, this does not appear to differ significantly across key demographics such as gender, location or occupation. The fact that gender does not appear a significant influencing factor for key workers is in contrast to what is known among the wider population.

78 See ONS here: Office for National Statistics. (2021). Coronavirus (COVID-19) and the different effects on men and women in the UK, March 2020 to February 2021 [online] Available at: [www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/coronaviruscovid19andthedifferenteffectsonmenandwomenintheukmarch2020tofebruary2021/2021-03-10](http://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/coronaviruscovid19andthedifferenteffectsonmenandwomenintheukmarch2020tofebruary2021/2021-03-10) [Accessed 14 July 2021]. See also: Fawcett Society: Fawcett Society (2020) The Coronavirus Crossroads: Equal Pay Day 2020. London: Fawcett Society [online] Available at: [www.fawcettsociety.org.uk/Handlers/Download.ashx?IDMF=dbel5227-4c02-4102-bbf2-dce0b415e729](http://www.fawcettsociety.org.uk/Handlers/Download.ashx?IDMF=dbel5227-4c02-4102-bbf2-dce0b415e729) [Accessed: 14 July 2021].

79 OECD. (2020). LMFI 2. Maternal employment rates. Paris: OECD, p2 [online] Available at: [www.oecd.org/social/family/LMFI\\_2\\_Maternal\\_Employment.pdf](http://www.oecd.org/social/family/LMFI_2_Maternal_Employment.pdf) [Accessed: 24 June 2021].

80 The RSA and Vitality (2021). Healthy Hybrid: A blueprint for business. Vitality, p23.

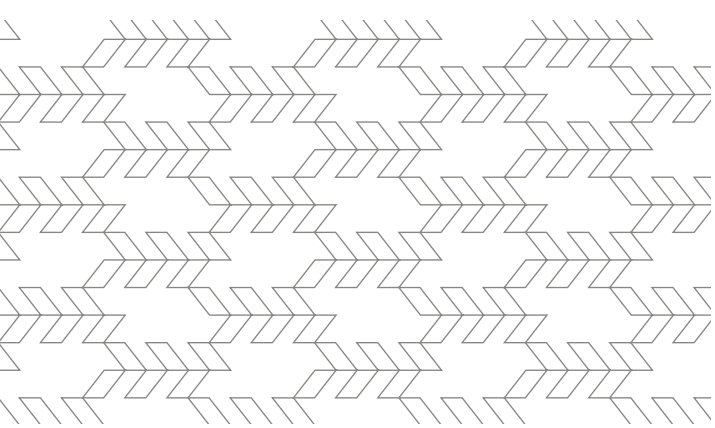
Finally, we see that key workers with children were slightly, though consistently, more likely to report finding it more difficult to maintain their mental health as a result of the pandemic. By March 2021, 71 percent of key workers with children agreed they had found it 'much' or 'a little' more difficult to maintain their mental health compared to 65 percent of all key workers. In November 2020 the figures were 63 percent and 58 percent respective, in July 2020 the figures were 65 percent and 58 percent respectively.

**Table 20: Half or more of key workers with children under 18 say they had found childcare more difficult as a result of the pandemic.**

“Have you found it more or less difficult to deal with the following as a result of the Covid-19?”

“Balancing your work and childcare”.<sup>81</sup>

| Percentage of key workers with children under 18. | Jul-20 | Nov-20 | Mar-21 |
|---|--------|--------|--------|
| Total more difficult                              | 55     | 49     | 60     |
| Has made no difference                            | 21     | 34     | 23     |
| Total less difficult                              | 13     | 8      | 8      |



- 81 Sample numbers of key workers who live with child(ren) who are below 18 are n=310, n=316, n=392, for July 2020, November 2020, and March 2021 respectively.
- 82 The Office for National Statistics (2019). Families and the labour market, UK [online] Available at: [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/familiesandthelabourmarketengland/2019](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/familiesandthelabourmarketengland/2019) [Accessed 3 June 2021].
- 83 Jarvie, M, Shorto, S and Parlett, H (2021) Childcare Survey 2021. Coram Family and Childcare, p5.
- 84 It should also be noted that the level of 'data not held or cannot tell' in England was 33 percent, 62 percent in Scotland, and 0 percent in Wales. Ibid p19, 22, 23.
- 85 OECD (2020) Is childcare affordable? Paris: OECD, p2. Op cit.
- 86 The Office for National Statistics (2020) Personal and economic wellbeing in Great Britain [online] Available at: [www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/personalandeconomicwellbeingintheuk/june2020](http://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/personalandeconomicwellbeingintheuk/june2020) [Accessed 3 June 2021].
- 87 The Office for National Statistics (2020). Parenting in lockdown: Coronavirus and the effects on work-life balance. Op cit.

## **Memuna, 37, healthcare assistant, residential care home, London**

Memuna is 37, originally from West Africa and works in a residential care home in London. She is a single mother to a 10-year-old son, and has little to no reliable informal support network.

Since moving to the UK 11 years ago, the area Memuna has worked in most is social care. Before her current role as a healthcare assistant in a residential care home she worked as a healthcare assistant at a London hospital. She left this job shortly before the pandemic because her job started at 7am, which meant she had to get a child minder in the morning for her son. She said: "I pay the childminder £10 per hour but I earn £9 per hour so it wasn't worth it". Memuna's hours now allow her to put her son in the breakfast club at school which is cheaper.

Early in the pandemic she was finding it difficult to find adequate childcare; she told us that some childminders were working but they were worried about Covid-19 and so less were available. She also said that they were less likely to offer her help because she was a care worker, as they feared she would be more likely to have the virus and pass it to them.

Recently, Memuna's son was ill and had to miss school for a few days while they waited for test results. Because it was her son that was ill, not her, Memuna believed she was not entitled to any sick pay; whether you are paid for family emergencies is at the discretion of the employer and Memuna was not entirely sure what her contract said (she had heard from her co-workers that you do not get paid if your child is ill). Because she has no reliable support network, she had to miss work, and because of a lack of clear regulatory protection, she had no income. Memuna's son tested negative to Covid-19 but was still too ill to go to school, so in total she lost one week's wages.

Memuna also talks about the fact that if she works more, she gets less in Universal Credit. So, despite actively wanting to work, the gains from working more are minimal, especially when she factors in childcare costs, as was seen in the quote from Chapter 3:

"I want the system to help people like me who are trying to help themselves. I really, really want to work but sometimes they [the council/the benefits system] make you feel like they want to help you, but then they take it away. The council cancelled my housing benefit in March but I don't know why. If I work more and earn £1,300 a month, I get about £300 in Universal Credit. If I work less and earn £600, then I get £700/£800 and I do not pay as much for childcare".

## **Childcare in context**

In 2019, 75 percent of mothers with dependent children worked compared to 93 percent of fathers, while 28 percent of women with children under the age of 14 reduced their working hours for childcare reasons compared to just 5 percent of men.<sup>82</sup> Key challenges for parents are often the availability of affordable childcare, the flexibility of provision and the number of hours that are paid for by the government.

Availability in some local authorities can be restricted. The Coram Family and Childcare Trust find that 32 percent of local authorities do not have enough childcare for parents working full-time.<sup>83</sup> The research also found that just 16 percent of local areas in England have enough childcare 'in all areas' for parents working atypical hours (the group with the highest shortfall in suitable provision). In Scotland the figure was 10 percent and in Wales it was 6 percent.<sup>84</sup> Cost is also a significant issue; the UK has the highest average cost across the OECD for full-time childcare, after benefits and reliefs, for two earner household or for single parents.<sup>85</sup>

During the pandemic, the ONS calculate that parents were financially worse off than non-parents as they were more likely to see a reduction in their income and were, as a result, less likely to be able to save. Parents were also twice as likely to be furloughed, some of which is likely to be explained by voluntary furlough to care for their children.<sup>87</sup>

**Key finding: Key worker renters feel less secure and feel they have poorer quality housing than those who own.**

In Chapter 3 we show that key worker renters felt the least secure about their future financial position. But as well as a cost of living, housing is also a fundamental contributor to quality of life. This can be understood through assessing the quality of the housing itself, how secure people feel in their home and its suitability in relation to factors such as family size and proximity to schools.

Key workers who rent face a poorer quality of life than those who own their own home with a mortgage or outright, and those who privately rent are much more likely to say that they do not feel

secure in their housing. One in five private sector renters described their housing security as 'bad' or 'very bad' compared to one in 20 mortgage holders and about one in eight of those renting socially, from a housing association or from the local authority. This is unsurprising given what we know about the wider private rental market (see Housing security and quality in context box below) and that private renters are the least financially secure (see Chapter 3 above).

We also asked key workers about housing quality and it was, again, renters who felt worst about this, although the differences were less extreme; 14 percent of those renting socially felt their housing quality to be bad, compared to 11 percent of those renting privately and 4 percent of those with a mortgage. However, comparatively few private renters say their housing needed some kind of repair; 9 percent, compared to 19 percent of those who own outright.

## Housing security and quality in context

To protect renters in the pandemic, the government introduced a moratorium on eviction of renters from March 2020 to the end of May 2021. Yet the Joseph Rowntree Foundation warned that 5 percent of all renters either had been served an eviction notice or told they might be evicted, which equated to 400,000 renters. Of key workers in March 2021, we found that one percent of private renters and 3 percent of non-private renters said they had been given an eviction notice.

The English Homes Survey shows that overcrowding was at its highest level in 2019/20, particularly for social (9 percent) then private renters (7 percent), and has been broadly rising for renters since at least 1995 when statistics started.<sup>88</sup> By contrast, one percent of owner occupier households are overcrowded and 52 percent 'under-occupied'. Overcrowding is known to be associated with higher prevalence and worse outcomes from Covid-19, and has disproportionately affected minority ethnic communities and London.

88 Ministry for Housing, Communities, and Local Government (2020) English Housing Survey Headline Report 2019-20. London: Ministry for Housing, Communities and Local Government.

4

**TACKLING  
ECONOMIC  
INSECURITY**



**O**ur research has uncovered multiple security traps key workers face, both during and prior to the pandemic, and how similar security traps are felt right across the labour market. In this chapter, we outline six recommendations, which would help to minimise these traps for key workers, across the three broad pillars of economic security we have explored in this report—**health and wellbeing, economic life**, and **home and family life**—as well as provide a stronger critical infrastructure for tackling insecurity throughout society.

## Recommendations for government

### **1 Enhance Statutory Sick Pay:**

The government should look to bring SSP in-line with the OECD average for Western Europe. For instance, it could set SSP at 60 percent of normal wages (OECD average) in the first six weeks, which would be paid by employers as with the current model. This would mean a worker on the full-time median annual pay of £31,461 (£2,620 per month pre-tax) would earn £1,573 per month from SSP instead of the approximate £415 on the current SSP model. For serious infectious diseases (such as Covid-19) the rate should be 80 percent - in line with what has been the replacement rate of the government's job retention furlough scheme for most of the pandemic. SSP should also last 52 weeks instead of the current 28, again bringing our regime into line with Western European averages.

### **2 A Good Care Work strategy for the care sector.**

The government should work with cross-sector partners to develop a detailed Good Care Work strategy alongside a wider funding settlement. This could provide a blueprint for other key worker and non-key worker industries. Improving conditions within social care is good for workers, but also good for productivity, staffing retention and recruitment.

The Good Care Work strategy should have provisions to: end unfair one-sided flexibility; review pay, wellbeing, professional development and staff retention as part of the critical criteria within Care Quality Commission inspections; and professionalise the sector. To support good work within social care, other innovations in policy could be supportive:

- **Trial Personal Learning Accounts** within the care sector to aid and quicken the professionalisation of the sector.
- **Trial Universal Basic Income** in locations with high proportion of key workers, particularly care workers.

### **3 Create a target to ensure that all key workers are paid the Real Living Wage by the 2024 election.**

This can be done via a procurement commitment for those paid by the public purse, including care workers, as well as incentivising and encouraging private sector businesses to commit too. In the relevant retail sector, this could be measured through enforced transparency on pay by every essential retailer of more than 100 staff and workers. Improving pay is a central pillar of Biden's \$400bn package for home and community-based care, which would not only improve outcomes for workers, but for care recipients, local economies, and care providers through increased productivity, staff retention and recruitment.

## Recommendations for government continued

This would cost an estimated £455m per year for the care sector in the UK. A care worker earning below the Real Living Wage would gain on average an estimated £2,200 per year in pre-tax income in London and £990 per year in the UK overall. This must be met with improved central funding. For the entire supermarket sector, it would cost an estimated £262m extra per year in total, with each worker currently below the Real Living Wage earning an average £410 extra in pre-tax annual income.

### **4 To support mental health in the NHS, and relieve pressure on the health system, the government should work to increase staffing numbers, meeting the 108,000 FTE nurse shortfall expected by 2028/29.**

It is estimated this would cost an additional £900m to the annual budget of Health Education England by 2023/24 to fill these gaps, excluding staffing costs.<sup>89</sup> To enhance retention of non-medical staff, a pay rise of 12.5 percent over three to four years should be introduced; this would have a net cost of an estimated £820m.<sup>90</sup> This could be paid for by bringing capital gains tax rates in line with income tax.

### **5 To support supermarket staff, the government should legislate to make the abuse of retail staff a specific offence.**

This would give supermarket staff the same protection as afforded to other key workers by the Assaults on Emergency Workers (Offences) Act 2018.

### **6 Support working parents and reduce gender inequality in the workplace by treating childcare as infrastructure,**

making childcare affordable and flexible for all. Similar proposals are again being touted as a means to boost the US economy within Biden's administration. Steps include to:

- Fully fund reasonable childcare costs for those working while on Universal Credit.
- Enhance the flexibility of childcare for the benefit of key workers and other shift workers.
- Fully fund reasonable costs for childcare providers. In return, require providers to sign up to a 'good childcare work' compact.
- Set a maximum childcare outlay per household of no more than 10 percent of household income.
- Abolish separate financial and provision support for nought to two-year-olds and three to four-year-olds to end market distortions.

Below we give more detail about these recommendations.

<sup>89</sup> Beech et al (2019) Closing the gap: Key areas for action on the health and care workforce. The Health Foundation, The King's Fund, Nuffield Trust, p115.

<sup>90</sup> Halterbeck, M et al (2021) The net Exchequer impact of increasing pay for Agenda for Change staff: A Report for the NHS Trade Unions. London: London Economics.

## Recommendation 1: Enhance Statutory Sick Pay.

**Table 21:** One in five key workers have found it more difficult to take time off work if unwell, this rises to around one in four care workers and nearly 30 percent of NHS staff.

Percentage of key workers who found 'Taking time off work if you are unwell' 'a little' or 'much' more difficult because of the pandemic.

|        | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|--------|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20 | 18              | 19        | 29                  | 12                        | 24                  |
| Nov-20 | 21              | 24        | 29                  | 24                        | 17                  |
| Mar-21 | 21              | 28        | 26                  | 21                        | 19                  |

**“My son was feeling ill a few weeks ago so I had to take him out of school to get a Covid test and so I couldn’t get a childminder for him. I’m not sure what my contract says but my co-workers told me that if my son is ill then I do not get any sick pay so in the end I lost nearly a whole week’s pay”.**

—Memuna, 37, healthcare assistant, residential care home, London.

The inadequacy of the UK Statutory Sick Pay (SSP) has been underlined not just by its failure to mitigate more of the impacts of the pandemic but also because Covid-19 has shone a light on how ungenerous it can be in normal times. The OECD shows that, pre-pandemic, the UK had the lowest level of SSP among OECD countries, except for the USA and South Korea, which had no SSP at all.<sup>91</sup>

When looking at levels of ‘enhanced’ SSP during the pandemic itself (as at July 2020) the UK again had the lowest level of any OECD country. The UK government introduced a £500 ‘isolation grant’, but this was only for those unable to work

from home and on Universal Credit, Housing Benefit, Working Tax Credit or other benefits for those on low incomes.<sup>92</sup> For those not on benefits another £500 isolation support payment was offered, on the discretion of local authorities.<sup>93</sup> Data from the TUC showed that around 70 percent of applications were rejected for the discretionary grant, as at the start of 2021.<sup>94</sup>

91 OECD (2020) Paid sick leave to protect income, health and jobs through the COVID-19 crisis. [PDF] p9. Paris: OECD. Available at: [read.oecd-ilibrary.org/view/?ref=134\\_134797-9iq8wlfjnu&title=Paid-sick-leave-to-protect-income-health-and-jobs-through-the-COVID-19-crisis](https://read.oecd-ilibrary.org/view/?ref=134_134797-9iq8wlfjnu&title=Paid-sick-leave-to-protect-income-health-and-jobs-through-the-COVID-19-crisis)

92 Department for Health and Social Care (2021) Claiming financial support under the Test and Trace Support Payment scheme. HM Government [online]. Available at: [www.gov.uk/government/publications/test-and-trace-support-payment-scheme-claiming-financial-support/claiming-financial-support-under-the-test-and-trace-support-payment-scheme#Eligibility](https://www.gov.uk/government/publications/test-and-trace-support-payment-scheme-claiming-financial-support/claiming-financial-support-under-the-test-and-trace-support-payment-scheme#Eligibility) [Accessed 6 July 2021].

93 Ibid.

94 England, R. (2021) Covid-19: Self-isolation support ‘not working’ in England, unions say. Op cit.

It is also even possible that the UK's sick pay arrangement exacerbated the pandemic. Dido Harding, head of NHS Test and Trace, warned that she feared many were not coming forward for testing because they were worried about loss of income from isolating. As infection rose in the second wave, the problem only became more pronounced.

In contrast to some comparable countries, the UK does have a high non-mandatory sick pay (up to 100 percent replacement rate). However, a 2019 report from the Department for Work and Pensions and Department of Health and Social Care estimate that 26 percent of British workers rely on SSP alone, and so did not receive any top up from their employer.<sup>95</sup> But those in care work, women, people with long-term mental or physical disabilities, and those in temporary or casual contracts, are all more likely to rely on the minimum statutory rate of sick pay.<sup>96</sup>

But none of the above counts if an individual is ineligible for sick pay. Current SSP rules state that a person must earn a minimum of £120 per week to qualify. This means that the lowest earners, including some care workers and other key workers, do not have any legal right to sick pay.

Inadequate protection for people when they are ill is bad for business and the economy. Financial insecurity and limited access to sick pay are associated with higher presenteeism,<sup>97</sup> which is broadly defined as 'showing up for work when one is ill', and can result in reduced productivity.<sup>98</sup> This report shows higher presenteeism amongst key workers facing financial insecurity.

Research by Vitality and the Financial Times showed that the 'presenteeism equivalent' of days lost – in other words the 'equivalent' of days lost through poor productivity from presenteeism – has risen from 20 to 35 days per employee in the UK between 2014 and 2019, while

absenteeism (not working while in good health) stayed mostly flat, rising from 2.7 to 3 per year.<sup>99</sup> Presenteeism represents a bigger cost to employers and productivity than absenteeism by a factor of 2.8; in 2016 the average cost of presenteeism per employee per year was £851, while for absentees this figure was £299. In 2017, Deloitte estimated that the total cost of presenteeism was calculated as between £17bn–£26bn for employers.<sup>100</sup> In the case of serious infectious diseases, both individuals and the economy suffer when SSP undermines effective control of the virus. While SSP is clearly not the only means of reducing presenteeism, it remains an area that is uniquely weak in the UK.

Disappointingly, the government recently published its response to a consultation on SSP, *Health is Everybody's Business*, which concluded that "the pandemic was not the right time to introduce changes to SSP or its eligibility criteria".<sup>101</sup>

95 Department for Work and Pensions and Department for Health and Social Care (2019). *Health in the workplace—patterns of sickness absence, employer support and employment retention* [online]. London: HM Government. Available at: [www.gov.uk/government/statistics/health-in-the-workplace-patterns-of-sickness-absence-employer-support-and-employment-retention](http://www.gov.uk/government/statistics/health-in-the-workplace-patterns-of-sickness-absence-employer-support-and-employment-retention) [Accessed 10 March 2021].

96 Ibid.

97 Johns, G (2010) Presenteeism in the workplace: A review and research agenda. *Journal of organizational behavior*. p524. 31(4), pp519-542.

98 Ibid. p519. Op cit.

99 Financial Times and Vitality (2019) *Health at work*. London: Vitality, p6 [online]. Available at: [www.vitality.co.uk/media-online/britains-healthiest-workplace/pdf/2019/health-at-work-2019\\_uk.pdf](http://www.vitality.co.uk/media-online/britains-healthiest-workplace/pdf/2019/health-at-work-2019_uk.pdf) [Accessed: 24 June 2021].

100 Hampson, E et al (2017). *Mental health and employers: The case for investment. Supporting study for the Independent Review*. London: Deloitte, p1 and 8.

101 DWP (2021) *Government Response: Health is everyone's business*. London: HM Government [online]. Available at: [www.gov.uk/government/consultations/health-is-everyones-business-proposals-to-reduce-ill-health-related-job-loss/outcome/government-response-health-is-everyones-business](http://www.gov.uk/government/consultations/health-is-everyones-business-proposals-to-reduce-ill-health-related-job-loss/outcome/government-response-health-is-everyones-business)

We disagree—the current SSP mechanism is a security trap that can mean a person's ill-health can be exacerbated by their need for financial security without an appropriate safety net. This can in turn increase a person's financial insecurity by reducing their long-term ability to work. The current system of SSP can also undermine productivity in the economy precisely because of the insecurity it creates. Reform of SSP should:

- Make SSP flexible, whereby sick pay and normal income can be paid simultaneously in a pay period rather than a state of 'one or the other', as recommended by the Stevenson/Farmer Review and recommended within the Department for Work and Pensions and Department of Health and Social Care original consultation *Health is everyone's business*.<sup>102</sup>
- Remove the minimum income threshold (currently those earning below £120 per week are ineligible for SSP), as recommended by the Taylor Review.<sup>103</sup>
- Give a guaranteed 'right to return', whereby a worker can return to their job or similar job after a period of absence, as recommended by the Taylor Review.
- This would mean a worker on the full-time median pay of £31,461 (£2,620 per month pre-tax) would be given £1,573 per month from SSP instead of the approximate £415 on the current SSP flat rate of £96.35 per week.<sup>104</sup>
- We propose an SSP cap of £2,500 per month before tax. This would mean that anyone earning below £50,000—anyone on the lower rate of tax—would receive the full 60 percent of their wage.
- SSP should last 52 weeks, up from the current 28. This would align with other Western European nation averages.<sup>105</sup>
- Following the initial six weeks, the rate should then be tapered down. We recommend the taper rate should be at 50 percent until six months, then 40 percent for the remaining six months.
- Set a minimum remuneration of the National Minimum Wage, so that no ill workers would receive below the minimum wage.
- SSP should be paid from day one being off work and ill and the concept of 'linking periods' should be abolished. This would reduce the administrative burden on employers while offering greater protection to employees.

But we also recommend that the SSP is enhanced across the board to reduce presenteeism and to ensure no-one is forced into a security trap, having to choose between caring for their own or their families' health and losing significant pay:

- Set SSP at the pre-pandemic OECD average of 'mandatory paid sick leave' at 60 percent of the worker's pay for the first six weeks of absence paid by the employer. Employers may still top this up if they wish. The wage level should be determined by an average of the last three months, which should help those in zero-hours contracts to not unfairly miss out.

<sup>102</sup> DWP & DHSC (2019) *Health is everyone's business: proposals to reduce ill health-related job loss*. London: HM Government [online]. Available at: [www.gov.uk/government/consultations/health-is-everyones-business-proposals-to-reduce-ill-health-related-job-loss/health-is-everyones-business-proposals-to-reduce-ill-health-related-job-loss](https://www.gov.uk/government/consultations/health-is-everyones-business-proposals-to-reduce-ill-health-related-job-loss/health-is-everyones-business-proposals-to-reduce-ill-health-related-job-loss) [Accessed: 14 July 2021].

<sup>103</sup> Taylor, M (2017) *Good Work: The Taylor Review of Modern Working Practices*. London [online]. Available at: [assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf) [Accessed: 14 July 2021].

<sup>104</sup> We use ONS data on the median full-time wage for the UK in 2020. We calculate the amount from current SSP by multiplying £96.35 × 4.3. See: Office for National Statistics (2020) *Employee earnings in the UK*. Op cit.

<sup>105</sup> Gaffney, D. (2015). *Welfare States: How generous are British benefits compared with other rich nations?* TUC, p28.

- The government should consult businesses, unions and charities on the introduction of a government SSP subsidy for businesses with strong ill-health preventative measures and return to work programmes, and on potential SSP subsidies for those who employ people with disabilities or other long-term conditions. A more generous SSP model should not worsen the employment prospects of those with long-term conditions.
- A system that keeps the onus of payment on employers is one which should encourage employers to take precautionary measures to minimise staff ill-health, whether physical or mental.
- In the case of severe infectious diseases, such as a resurgence of Covid-19 variants or similar, the UK government should foot the bill and the remunerative amount should be set at 80 percent of wages for the length of the self-isolation period up to a limit of £2,500 per month pro-rata, mimicking the rates given for furlough, for those who must self-isolate as per the government's latest guidance.

## **Recommendation 2: A Good Care Work strategy for the care sector.**

**“I was on a zero-hours contract but I feel much safer with a contract. I’m paid even if my hours are unfulfilled”.**

—Will, 33, residential support worker, South Wales.

There has been endless debate about how to fix the care sector. Broadly we believe there should be at least two primary objectives when improving social care. First, it should support the health of those receiving care while not costing them a large percentage of the money they or their family earn or have saved.

Second, it should focus on good work for those working in the care sector. Below we focus on the latter, although these two objectives should not be seen as independent of each other. As a good employer, the care sector would lead to better outcomes for its clients and patients.

To achieve good work within social care, the government should work alongside employee representative groups, civil society, employers/suppliers and local authorities to produce a detailed Good Care Work strategy for the sector. The aim of this would be to encourage firms to adopt best practice through funding, financial incentives, logistical support, and information.

The strategy would first scope in detail what good work means in the sector, using resources such as the Taylor Review, the Stevenson/Farmer Review, and the RSA and Carnegie work on measuring good work. Second, it would assess in detail the barriers to good work in the sector using the many research pieces in existence on the subject.

Third, it would set priorities, timelines and success metrics against which it will hold itself to account.

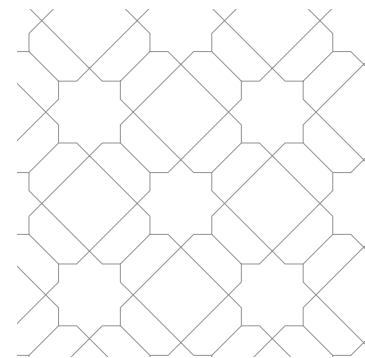
It is critical that this strategy be developed alongside a funding settlement for the sector. Many of the problems with good work come from insufficient and insecure funding for suppliers, which pushes insecurity onto workers.

Below are some goals we believe should be included:

- An end to permanent one-sided flexibility in the sector. This should be done through an employers', ie care providers, obligation to offer a contract of the usual hours to workers in zero-or-low-hours contracts, after three months of employment. The offer should be made to anyone who regularly works significantly above their contracted hours. A negotiated mid-point should also be offered to retain some flexibility if desired. This would put us more in line with the law in Wales where, since 2018, providers are obliged to offer a permanent contract to care workers. This goes further than the Taylor Review and the Good Work Plan's right to request, as well as the plans expected in the anticipated Employment Bill, which have not yet materialised. But it is close to the Low Pay Commission (2018) recommendation: a 'right to switch'.<sup>106</sup>
- It would set goals for pay, which we recommend as a minimum should be the Real Living Wage (see below for more detail).
- It would include a strategy to professionalise the sector; a way of offering genuine means at promotion and reward through pay and title for experienced staff. As the APPG on social care inquiry into professionalisation in 2019 wrote, and from our conversations with charities and experts concurred, this should

include national standard training certificates, which are transferable, and better-defined career progression routes.<sup>107</sup> Work done by the RSA and Carnegie UK in 2018 stated pay and job design as two of the seven key factors when defining good work.

- The government should explore making the inclusion of good work a part of the Care Quality Commission's 'fundamental standards' of care, in order to embed good work, promote a sizeable and stable workforce, and promote a robust market. Care providers should be assessed on pay, wellbeing, professional development, and staff retention.



<sup>106</sup> The Taylor Review (2017) recommended a 'right to request' a permanent contract reflecting genuine hours, which was the proposal in the BEIS Good Work Plan (2018) also what was expected in the Employment Bill. The Low Pay Commission's 'A Response to Government on 'One-sided Flexibility' (2018) suggested a statutory 'right to switch' to a contract which reflects genuine hours. This was stronger than the 'right to request' as the LPC noted that workers worried about raising issues in the workplace are less likely to raise a "request" than to invoke their statutory right, with which we agree. The November 2019 Queens Speech promised the 'right to request a stable contract', which was delayed by Coronavirus, but the anticipated Employment Bill did not materialise in the 2021 Queens Speech. For more information, see the reports mentioned or see: Chamberlain, J and Cliff, C (2021) Zero-Hours Employment Contracts in Great Britain | Practical Law, Thomson Reuters Practical Law [online]. Available at: [uk.practicallaw.thomsonreuters.com/w-019-4444?transitionType=Default&contextData=\(sc.Default\)#co\\_anchor\\_a999491](https://uk.practicallaw.thomsonreuters.com/w-019-4444?transitionType=Default&contextData=(sc.Default)#co_anchor_a999491) [Accessed: 18 June 2021].

<sup>107</sup> Independent Age (2019) APPG on social care: Inquiry into the professionalisation of social care workers.

The Good Care Work strategy could be supported by other innovations in policy that can be trialled within the care sector, which we think the government should investigate further. More details on these are below.

### **Trial Personal Learning Accounts**

within the care sector to aid and quicken the professionalisation of the sector to allow care workers to upskill or reskill as part of the wider professionalisation agenda.

**“In my old job, there was no real progression route. They were a massive provider and employer and didn’t really care. They just wanted you to do your hours and stay in your role”.**

—Will, 33, residential support worker, South Wales.

The UK government recently introduced the ‘lifetime skills guarantee’, which offers all those without up to level 3 qualifications (A Level equivalent) access to gaining a level 3 qualification for free. This is a significant step but is limited in some critical ways for those looking to retrain or upskill (ie those already with level 3 qualifications). First, a loan must be sought. A Department for Business, Innovation and Skills evaluation of the transfer of grants to loans for learners aged 24+ in 2013/14 showed a 31 percent drop in uptake compared to the year before.<sup>108</sup>

Second, for those who qualify there is still no form of maintenance support, meaning those already working full-time, possibly with children, would have to take time out of work to retrain (see recommendation for Universal Basic Income for our solutions to this).

Personal Learning Accounts are accounts offered to all workers to which the government pays a fixed sum on a regular basis, up to a maximum cumulative amount, which can be then used for training with approved training programmes. PLAs offer a means of genuine lifelong learning, retraining, and upskilling, not merely a one-time offer for those without qualifications already. Previously, higher education institutions focused on pre-employment education, but they now gear themselves to deliver lifelong learning through stackable, modular courses.<sup>109</sup> The importance of the courses being modular is demonstrated by Memuna’s experience shared above.

PLAs were trialled in the UK in the early 2000s, but were cancelled due to abuse and fraud. The key learning of this is the need to strictly monitor the approved courses.<sup>110</sup> With this slight caveat noted, we believe the care sector should be a prime candidate for a redesigned PLA piloting, responding to the evidence of this report and calls by the Care Workers Charity, the APPG on social care and many others, for the need to fully fund and professionalise the sector. PLAs could be an excellent means of providing this professionalisation and, if successful, could be further trialled in other sectors such as essential and non-essential retail.

**Trial Universal Basic Income** in locations with high proportion of key workers, particularly care workers.

108 Department for Business Innovation and Skills (2016) Evaluation of 24+ Advanced Learning Loans: An assessment of the First Year. BIS research paper number 263. London, p16.

109 Lockey, A and Wallace-Stephens, F (2020). A blueprint for good work: Eight ideas for a new social contract. London: The RSA, p79.

110 Ibid. p79.



**Table 22:** How confident, if at all, do you feel that given your home, work and financial circumstances, you can maintain a decent quality of life both now and in the future?

| Percentage of key workers | NHS staff | Social care workers | Schools and nursery staff | Delivery workers | Supermarket workers |
|---------------------------|-----------|---------------------|---------------------------|------------------|---------------------|
| Total not confident       | 21        | 26                  | 20                        | 29               | 20                  |

Universal Basic Income would transform the welfare state by offering everyone, regardless of income, a basic level of support. UBI is a welfare model whereby the majority of benefits, though not all, are replaced with a universally eligible fixed monthly payment to every citizen, regardless of income or employment status. Over the last few decades, the idea growing has been growing in popularity. In May 2021, the Welsh First Minister, Mark Drakeford, announced that the Welsh government would trial Universal Basic Income,<sup>111</sup> while the Scottish First Minister, Nicola Sturgeon, recently announced that “the time had come” for UBI.<sup>112</sup>

UBI would deliver three primary benefits for good work. First, it helps to promote good work by ending the current means-tested and sanction-driven welfare model.

Second, it works to mitigate the negative and circular nature of bad work, financial insecurity and anxiety. A 2018 qualitative study concluded: “Benefit sanctions do little to enhance people’s motivation to prepare for, seek, or enter paid work. They routinely trigger profoundly negative personal, financial, health and behavioural outcomes”.<sup>113</sup> A recent Finnish trial showed that of a (non-universal) basic income had no effect on a person’s desire to pursue work but did relieve anxiety and insecurity.

For Memuna, the punitive nature of the current system under Universal Credit actively disincentivises her to work more, despite the fact that she is adamant she wants to work for her living.

**“If I work more and earn £1,300 a month, I get about £300 in Universal Credit. If I work less and earn £600, then I get £700/£800 and I do not pay as much for childcare”.**

—Memuna, 37, healthcare assistant, residential care home, London.

Third, UBI would work to renew and evolve the current social contract, and community capacity; two issues that the RSA have repeatedly showed in need of revitalisation.<sup>114</sup>

UBI would be new to England and would require testing and iteration to meet its promises. Such a trial could be in two or three locations in England with high degrees of key workers, especially care workers and supermarket staff.

111 Williams, J (2021). Universal basic income to be tested in Wales [online] BBC News. Available at: [www.bbc.co.uk/news/uk-wales-politics-57120354](http://www.bbc.co.uk/news/uk-wales-politics-57120354) [Accessed 8 June 2021].

112 Paton, C (2021) ‘Time has come’ for universal basic income, says Sturgeon. [online] The Independent. Available at: [www.independent.co.uk/news/uk/home-news/universal-basic-income-ubi-scotland-uk-nicola-sturgeon-coronavirus-a9498076.html](http://www.independent.co.uk/news/uk/home-news/universal-basic-income-ubi-scotland-uk-nicola-sturgeon-coronavirus-a9498076.html) [Accessed 8 June 2021].

113 Economic and Social Research Council. (2018) Welfare Conditionality Project, Final Findings Report. York: University of York.

114 See RSA report on renewing the social contract: Lockey, A and Wallace-Stephens, F (2020). A blueprint for good work: Eight ideas for a new social contract. Op cit.

Looking to the long-term, the RSA has advocated a UBI model set at £5,000 per person (adults and children) per year to replace Universal Credit entirely, whilst retaining other benefits including disability, housing, childcare and incapacity entitlements. This model would obviously have a much bigger price-tag, with an estimate net cost to the exchequer of £9.6bn annually in Scotland, around £90bn for the whole UK.

Following a Good Care Work strategy, similar proposals could be created for other industries, including supermarket workers, delivery drivers, childcare industry and the hospitality sector. The key to these strategies should be to not rely too heavily on blunt statutory regulation but to use government as a leader to co-create strategies through industry actors to create targeted and specific regulation and guidance.

### **Recommendation 3: Create a target to ensure that all key workers are paid the Real Living Wage by the 2024 election.**

**Table 23: The pandemic and lockdowns increased the financial resilience of all major key worker occupational groups, but pockets of insecurity remain.**

“At the present time, how easy or difficult would your household find it to pay an unexpected bill of £100?”

| Percent of key workers who answered 'very difficult' or 'fairly difficult'. | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20  | 17              | 13        | 22                  | 16                        | 27                  |
| Nov-20  | 17              | 15        | 20                  | 16                        | 29                  |
| Mar-21  | 14              | 12        | 17                  | 16                        | 16                  |

In December 2020, the RSA called for the Real Living Wage—a policy that the Prime Minister has consistently supported throughout his political career - to be paid to all key workers, including care workers, supermarket staff and delivery drivers.<sup>115</sup>

Since then, all key workers have been able to save, improving their financial resilience. Yet this could easily be seen as an outlier, given the wider economic context of mass constrained spending: only in our March 2021 survey wave were there significant improvements, which was three months into a tight lockdown constraining spending. It took a near shut down of the economy to improve the financial resilience of key workers.

To support all key workers better financially in the future, they should be paid the Real Living Wage as a minimum, which currently stands at £10.85 per hour in London and £9.50 per hour for the rest of the UK. No worker providing essential public services, whether privately run or public, sub-contracted or self-employed, should be paid below a liveable wage. This includes care workers, supermarket workers, food delivery drivers, as well as cleaners and other outsourced services in the health sector.

<sup>115</sup> Jooshandeh, J (2020) Frontline Fatigue - Key workers living through lockdown: Phase 2. London: The RSA, p15 [online] Available at: [www.thersa.org/globalassets/\\_foundation/new-site-blocks-and-images/reports/2020/12/frontline\\_fatigue.pdf](http://www.thersa.org/globalassets/_foundation/new-site-blocks-and-images/reports/2020/12/frontline_fatigue.pdf) [Accessed: 14 July 2021].

Separate polling by the RSA and Yonder from June 2021 also shows that, of the options given to improve employment in the UK, the government ensuring all workers are paid the Living Wage was the top priority for the British public, with 50 percent of the public agreeing. This was ahead of cracking down on employers paying below the minimum wage (45 percent). Paying the Living Wage was also a top priority for Conservative voters, with 47 percent agreeing.

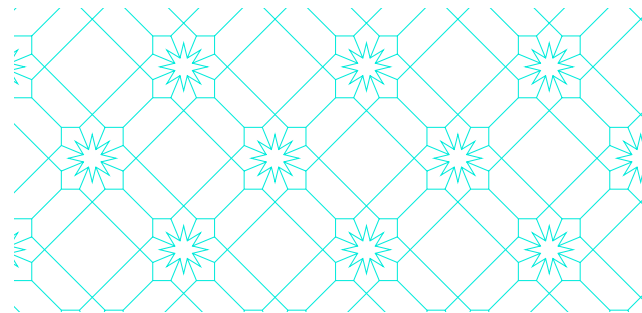
Currently, all those in direct employment of the NHS in London are above the Real Living Wage threshold but, for those outside London, the rate of pay for the most junior staff would need to rise from £9.21 per hour to £9.50.<sup>116</sup> But NHS cleaners or other staff who are sub-contracted should also look to be included precisely because they provide an essential service within a critical point of infrastructure for society.

Given that roughly one third of all workers are key workers, our hope is that to pay the Real Living Wage to all key workers would also work to raise the floor for other low wage sectors such as hospitality and non-essential retail.

We appreciate, given the wider economic fallout of the pandemic, that this cannot be achieved instantly. The RSA is therefore calling on the government to commit to a policy goal of all key workers being paid the Real Living Wage by the next general election, presumed to be 2024.

To do this the government should use its procurement leverage and funding of public services to enforce a Real Living Wage minimum. For instance, it could require all those in receipt of state money — such as the care sector, early years childcare and procured services in the health sector, such as cleaners — to pay the Real Living Wage as standard.

Paying the Real Living Wage to care workers in particular, combined with an improving quality of work through the Good Care Work strategy above would improve recruitment and retention, strengthening the market, which for adult social care was described as 'fragile' by the Care Quality Commission.<sup>117</sup> Better recruitment and retention would also lessen disruption for providers and give more time for care workers with each client. This could help to meet unmet needs and improve the quality of care.<sup>118</sup> The Biden-Harris Administration explicitly make the link between pay and quality of care in their 2021 American Jobs Plan, which includes \$400bn for home and community-based care.<sup>119</sup>



116 NHS Employers (2020) NHS Terms and Conditions (AfC) pay scales - including High Cost Area Supplement [online] Available at: [www.nhsemployers.org/pay-pensions-and-reward/agenda-for-change/pay-scales/including-hcas](http://www.nhsemployers.org/pay-pensions-and-reward/agenda-for-change/pay-scales/including-hcas) [Accessed: 15 June 2021]; NHS Employers (2020) Hourly pay scales [online] Available at: [www.nhsemployers.org/pay-pensions-and-reward/nhs-terms-and-conditions-of-service---agenda-for-change/pay-scales/hourly](http://www.nhsemployers.org/pay-pensions-and-reward/nhs-terms-and-conditions-of-service---agenda-for-change/pay-scales/hourly) [Accessed 15 June 2021].

117 Care Quality Commission (2020). Adult social care remained very fragile [online] Available at: [www.cqc.org.uk/publications/major-report/soc201920\\_Id\\_adult-social-care-fragile](http://www.cqc.org.uk/publications/major-report/soc201920_Id_adult-social-care-fragile) [Accessed 11 June 2021].

118 Atkins, G. et al, (2019). Performance Tracker 2019: A data-driven analysis of the performance of public services. Institute for Government, p50.

119 The White House (2021) FACT SHEET: The American Jobs Plan. [online]. available at: [www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/](http://www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/) (Accessed: 10 August 2021).

The American Jobs Plan cites two papers, one by the academic Ruffini and another by the aging services representation group Leading Age. The paper show that providing higher pay for care workers was found to not only improve financial outcomes for the workers, but also improve health outcomes for those in receipt of care, improve worker retention and recruitment, thereby offsetting some increased costs, and to boost local economic growth and business productivity.<sup>120</sup>

Recognising the link between pay and the quality of care, providing liveable pay should be an explicit part of the 'fundamental standards of care' of the Care Quality Commission. As the recent Unfair To Care report by Community Integrated Care points out, pay is so low in the care sector that care workers might be expected to be paid up to £7,000 a year more, if they worked in skill and responsibility equivalent roles in other public services, such as the NHS.<sup>121</sup>

**But any proposals must be met with a funding settlement for the sector; raising wages without improving funding would further endanger an already fragile, but essential, sector.**

To raise the wages of those in the private sector, such as supermarket workers and delivery drivers, we propose the government should work with retailers, both digital and physical, to create agreements on meeting the Real Living Wage as a sectoral goal for their direct and contracted workers, including piece-work equivalents for self-employed workers. This would be measured through enforced transparency on pay by every essential retailer of more than 100 staff and workers. The pay report would include as a minimum detail on the proportion of workers who are paid below the Real Living Wage.

Without sufficient progress by 2024, we propose a 'low pay levy', which would be calculated in proportion to the percentage of staff who are paid below the Real Living Wage and to revenue.

Paying key workers the Real Living Wage as a minimum would cost an estimated £455m extra per year for the care sector in the UK. A care worker earning below the Real Living Wage would gain on average an estimated £2,200 per year in pre-tax income in London and £990 per year in the UK overall. For the entire supermarket sector, it would cost an estimated £262m extra per year in total, with each worker currently below the Real Living Wage earning an average £410 extra in pre-tax annual income.<sup>122</sup>

120 See here: Ruffini, K (2021) Worker Earnings, Service Quality, and Firm Profitability: Evidence from Nursing Homes and Minimum Wage Reforms. SSRN Electronic Journal. [Online]. available at: [drive.google.com/file/d/1d6vYu\\_uN9keb9iiT2R5UjihA\\_61K0Fce/view](https://drive.google.com/file/d/1d6vYu_uN9keb9iiT2R5UjihA_61K0Fce/view). And see here: Weller, C. et al. (2020). Making Care Work Pay: How Paying at Least a Living Wage to Direct Care Workers Could Benefit Care Recipients, Workers, and Communities. Washington, DC: Leading Age. [Online]. available at: [www.ltsscenter.org/wp-content/uploads/2020/09/Making-Care-Work-Pay-Report-FINAL.pdf](http://www.ltsscenter.org/wp-content/uploads/2020/09/Making-Care-Work-Pay-Report-FINAL.pdf) [Accessed: 10 August 2021].

121 Community Integrated Care (2021) Unfair to Care. Available here: [www.unfairtocare.co.uk/wp-content/uploads/2021/07/Unfair-To-Care-Summary-Report-Single-Pages.pdf](http://www.unfairtocare.co.uk/wp-content/uploads/2021/07/Unfair-To-Care-Summary-Report-Single-Pages.pdf) [Accessed 23 July 2021].

122 These figures have been calculated using data from ASHE, analysed by the Living Wage Foundation and the RSA. The average extra earning is calculated using the median wage of those earning below the Real Living Wage and the average hours workers. We use SIC 4711: 'Retail sale in non-specialised stores with food, beverages or tobacco predominating' for the supermarket sector. We use SOC 614: 'Caring personal service' for the care sector.

**Recommendation 4:** To support mental health in the NHS, and relieve pressure on the health system, the government should work to increase staffing numbers, meeting the 108,000 FTE nurse shortfall expected by 2028/29. This could be paid for by bringing capital gains tax rates in line with income tax.

**Table 24:** Maintaining their mental health got progressively harder for key workers as the pandemic went on.

Percentage of key workers who found 'Maintaining your mental health' 'a little more' or 'much more' difficult as a result of the pandemic.

|        | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|--------|-----------------|-----------|---------------------|---------------------------|---------------------|
| Jul-20 | 58              | 64        | 61                  | 58                        | 61                  |
| Nov-20 | 58              | 67        | 63                  | 65                        | 49                  |
| Mar-21 | 65              | 73        | 67                  | 68                        | 62                  |

**Table 25 (Mar 2021):** Stress and workload was the most cited factor which negatively affected the mental health of NHS staff and social care workers.

“Since the start of the pandemic, have any of the following issues around work negatively affected your mental health? Select all that apply”.

Percent of key workers who ranked 'stress and workload' as number 1.

|                     | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---------------------|-----------------|-----------|---------------------|---------------------------|---------------------|
| Stress and workload | 44              | 55        | 52                  | 41                        | 36                  |

**“It was eat, sleep, work, repeat”.**

—Janet, 38, paediatric nurse, Manchester.

**“Last year [2020] I took no annual leave from February to August”.**

—Wendy, 52, advance nurse practitioner, Sheffield.

In *Frontline Fatigue*, published in November 2020 shortly before the January peak of the second wave, the RSA called for a £250m 'benevolent fund' to support NHS and social care mental health, through the provision of direct mental health support, such as counselling services, and other benefits including extra holiday days and gym memberships. This policy was intended as a stopgap. It was to relieve some of the worst effects on mental health during the first wave of the virus. With the opening up of society, longer-term support should be prioritised in order to stem a tide of endemic poor mental health in the NHS and social care. A recent YouGov poll found that of the 9 percent of NHS staff who say they intend to leave the NHS, 30 percent cite mental health as a reason.<sup>123</sup>

Problems with mental health in the NHS have been known for many years now and the pandemic has merely exacerbated existing issues, albeit by a significant amount. As the King's Fund points out, a well-known cause for the poor state of mental health in health and care services has been chronic understaffing and excessive workloads; issues only likely to be exacerbated by the unmet demand that has accumulated. Other issues include workplace culture issues with management and presenteeism.<sup>124</sup>

To tackle the systemic mental health problem in the NHS, a major focus must be recruitment. The 2019 Conservative Party election manifesto promised to increase the number of nurses by 50,000. This is a welcome target.

However, we support calls from the King's Fund and others for long-term investment in the recruitment and training of domestic NHS staff.<sup>125</sup> In 2019 the King's Fund, in conjunction with the Nuffield Trust and the Health Foundation called for an additional 5,000 nurses to be trained domestically and 5,000 nurses recruited internationally each year to fill an estimated vacancy gap of 108,000 full-time equivalent

(FTE) nurses by 2028/29. In addition, there is an estimated 5,000 FTE GP gap to fill. The organisations mentioned above estimate that this will cost an additional £900m to the annual budget of Health Education England by 2023/24, which is purely for training and not for increased wage costs or other costs needed for increased employment.<sup>126</sup> The urgency of such proposals is only likely to have grown given the backlog created by the pandemic, yet the fallout on staffing levels as a result of Covid-19 is still unclear.

Also, given that the YouGov survey mentioned above stated that the top reason for NHS staff wanting to leave was pay and benefits, a key point of retention must be adequately rewarding health staff.

The government has recently offered NHS staff, including nurses, a 3 percent pay-rise — a welcome advance on its initial one percent offer. However, we support the Royal College of Nursing's calls for a 12.5 percent pay rise for all non-medical (Agenda for Change) staff. This is not just a reward for the pandemic, but the new reality of what is needed to fight Covid-19 in perpetuity. If, as the government says, we will need to learn to live with the virus, then we must have a health service that is sustainably staffed to tackle it alongside its other duties. After all, the likelihood is that we will henceforth have to battle at least two endemic winter respiratory viruses a year — Covid-19 and flu epidemics.

123 YouGov (2021) One in eleven NHS workers plan to leave healthcare sector after pandemic. [online] Available at: [yougov.co.uk/topics/economy/articles-reports/2021/05/05/one-eleven-nhs-workers-plan-leave-healthcare-secto?utm\\_source=twitter&utm\\_medium=website\\_articles&utm\\_campaign=nhs\\_workers\\_after\\_pandemic](https://yougov.co.uk/topics/economy/articles-reports/2021/05/05/one-eleven-nhs-workers-plan-leave-healthcare-secto?utm_source=twitter&utm_medium=website_articles&utm_campaign=nhs_workers_after_pandemic) [Accessed 6 May 2021].

124 Charles, A and Ewbank, L (2021) The road to renewal: five priorities for health and care [online] The King's Fund. Available at: [www.kingsfund.org.uk/publications/covid-19-road-renewal-health-and-care#workforce](https://www.kingsfund.org.uk/publications/covid-19-road-renewal-health-and-care#workforce) [Accessed 7 June 2021].

125 The King's Fund (2021) NHS Workforce: Our position [online] Available at: [www.kingsfund.org.uk/projects/positions/nhs-workforce](https://www.kingsfund.org.uk/projects/positions/nhs-workforce)

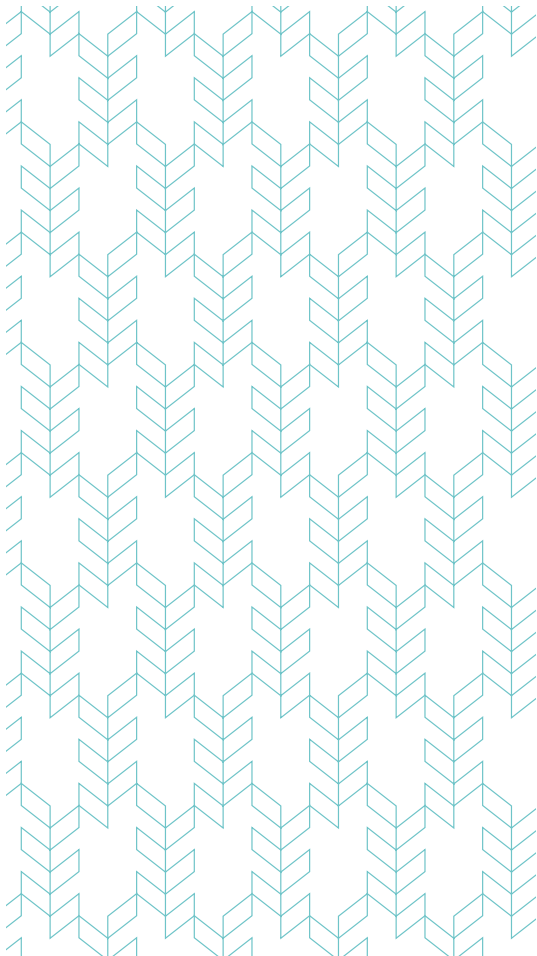
126 Beech et al (2019) Closing the gap: Key areas for action on the health and care workforce. Op cit.

This measure would have an initial estimated cost of £4.25bn per year.<sup>127</sup> To pay the enhanced wages of an additional 108,000 FTE nurses required would have a further initial cost of £4.1bn per year.<sup>128</sup> In addition to the £900m health education budget increase, this would have a total estimated initial cost of £9.27bn.

Of course, much of these wage costs would be recouped by the exchequer. London Economics for instance demonstrate that an estimated 81 percent of the costs of wage increases of existing health staff would be recouped by the Treasury through increased direct (income tax, national insurance) and indirect (VAT through increased consumption) tax receipts, and through other cost benefits such as higher worker retention.<sup>129</sup>

Furthermore, these costs can be met through increased tax revenue. One option that would be both progressive and revenue raising would be the equalisation of capital gains taxes and income taxes, which the Chancellor Rishi Sunak requested the Office of Tax Simplification to review in July 2020.<sup>130</sup> IPPR estimated that equalisation between capital gains and income taxes could raise £90bn over five years, or £18bn per year—roughly double the estimated initial yearly cost required for the training, hiring, and pay rises for 108,000 nurses, before any recouped benefits to the exchequer.<sup>131</sup>

Overall, if we want to improve the health outcomes of citizens, as well as show value to health workers and minimise the security traps they face when worsening their health to work, we must support them to minimise burnout and workload pressures.



127 Royal College of Nursing (2021) Royal College of Nursing Submission to the NHS Pay Review Body: 2021/22 Pay Round.

128 This figure is calculated by the RSA using the 2020 median wage for a full-time nurse (SOC 2231) in the UK, according to ASHE and provided by the ONS. We then increase this wage by 12.5 percent and multiply by 108,000.

129 Halterbeck, M et al (2021) The net Exchequer impact of increasing pay for Agenda for Change staff: A Report for the NHS Trade Unions. Op cit.

130 Office of Tax Simplification. (2020). Capital Gains Tax review—first report: Simplifying by design. London: HM Government.

131 Nanda, S and Parkes, H (2019) Just Tax: Reforming the taxation of income from wealth and work. London: IPPR, p19.

**Recommendation 5:** To support supermarket staff, the government should legislate to make the abuse of retail staff a specific offence, affording them the same protections as other key workers from the Assaults on Emergency Workers (Offences) Act 2018.

**Table 26:** Supermarket workers are much more likely to have faced abuse from the public.

|   | All key workers | NHS staff | Social care workers | Schools and nursery staff | Supermarket workers |
|---|-----------------|-----------|---------------------|---------------------------|---------------------|
| Percentage of key workers stating the public have done 'fairly' or 'very' badly in supporting them in their role (Nov-20).  | 45              | 43        | 41                  | 51                        | 67                  |
| Percent of key workers stating that, since the start of the pandemic, 'Abuse from the public, or fear of abuse' has negatively affected their mental health (Mar-21). | 13              | 14        | 11                  | 11                        | 35                  |

Alongside financial insecurity for supermarket staff, one of the biggest issues that has come to the fore throughout the pandemic has been the disrespect and abuse of retail staff by the public. Both our polling and qualitative interviews demonstrate this as a particular concern among supermarket staff.

**“People do not see us as deserving respect [...] it’s been here since I started working in a supermarket 15 years ago, but it definitely got worse through Covid”.**

—Karen, 62, team leader, superstore, Shropshire.

**“There is some kind of incident at least once a day”.**

—James, 22, store assistant, local store, Manchester.

**“I was on the social distancing team, wiping down surfaces, queue management and making sure people kept two meters apart. I was sworn at, shouted at. I would go upstairs crying”.**

—Jane, 45, clothing assistant, superstore, Staffordshire.



As Karen above points out, abuse or disrespect of retail staff is a longstanding problem and one difficult to fix. Indeed, Usdaw have been running their campaign, Freedom From Fear, for almost 20 years. However, we believe that the repeated calls for abuse of retail staff to be a specific offence, supported by Usdaw and others, should be strongly considered by the government.

In their evidence to the Home Affairs Committee investigation into violence and abuse towards retail workers, Usdaw points out that emergency service workers are protected by specific legislation: Assaults on Emergency Workers (Offences) Act 2018. We have argued repeatedly that supermarket staff should equally be considered key workers permanently, and it therefore follows that they should have similar protection.

Such legislation against abuse of supermarket staff would have several benefits:

- It would give a clear warning to members of the public who abuse staff.
- It would give reassurance to staff to know that abuse and disrespect are not part of their role.
- It would give much clearer boundaries and incentives to employers when dealing with such cases. As we have seen, while supermarket staff overall feel strongly positive about the efforts of their employers, there can occasionally be tensions between the desire to avoid public criticism while defending staff. Legislation would help to minimise this tension.

## **Recommendation 6: Support working parents and reduce gender inequality in the workplace by treating childcare as infrastructure.**

**Table 27: Even key workers, who exclusively access to schools throughout the pandemic, on average found balancing work and childcare more difficult as a result of the pandemic.**

“Have you found it more or less difficult to deal with the following as a result of the Coronavirus?”

“Balancing your work and childcare”.

| Percentage of key workers living with child(ren) who are below 18. <sup>132</sup> | Jul-20 | Nov-20 | Mar-21 |
|---|--------|--------|--------|
| Total more difficult  | 55     | 49     | 60     |
| Has made no difference  | 21     | 34     | 23     |
| Total less difficult  | 13     | 8      | 8      |

<sup>132</sup> Sample size of key workers living with children under 18 was: 310 in July 2020, 316 in November 2020, and 392 in March 2021.

Despite key workers being the only group of workers with guaranteed access to schools throughout the pandemic, around 50 to 60 percent with children below the age of 18 found it more difficult to balance work and childcare. The reasons for this are likely to be because of a lack of access to other usual channels: grandparents, other family or friends, after-school clubs, professional childcare and so on.

The pandemic has revealed that care services, including childcare, are critical economic infrastructure that allow people to be productive.<sup>133</sup> One reason we do not historically see these industries and services in this way could be gendered in nature and this would go some way to explaining why roles that are typically male dominated — for instance, transport drivers — often have far better pay and conditions. Seeing such services as critical infrastructure would be good for workers because it can empower them to level up their pay, benefits, and conditions at work.

Currently childcare services in the UK are not designed to work as critical infrastructure and productivity boosters. Childcare is often: inaccessible for large parts of the year (outside of schooling hours and term time, for example); limited in supply (32 percent of local authorities do not have enough childcare to supply all full-time working parents);<sup>134</sup> and expensive (the UK is equal first for the highest cost of childcare for a two-parent household, after benefits, as a percentage of household income of all OECD countries, tied with the Slovak Republic).<sup>135</sup>

To support all families within work, and to ensure that working parents do not have to work any less than they want to, the UK government should set itself an aim to provide universally affordable childcare and enhance flexibility. It should:

- Support the expansion of flexible weekend and evening provision for key workers and other shift workers where demand exists.

The current system is skewed against many key workers and in favour of those working more 'typical' hours and who already benefit from flexible working arrangements.

- Fully fund childcare costs for those working and on Universal Credit.
- Support the expansion of lower-cost, higher-quality local authority provision accessible to all who choose it.
- Set a maximum childcare outlay per household of no more than 10 percent of household income (the current £100,000 income limit should remain). Costs above the 10 percent level would be topped up by the state via the existing government childcare platform, this platform already includes income assessments to ensure provision is fair.
- Abolish separate financial and provision support for nought to two-year-olds and three to four-year-olds in order to end the effective subsidising of childcare by working parents of younger children. This would open up the pool of parents able to use the system and therefore able to work, which — when combined with higher funding for providers — should help control childcare cost inflation.<sup>136</sup>
- Fully fund reasonable costs for childcare providers. In return the government should require providers to sign up to a good work compact, which can follow the lead of the pilot Good Care Work strategy.
- The funding formula for the budget given by government to local authorities to provide free early years care should be changed from a 38-week year to 52-week year. School term patterns are not suitable for the vast majority of parents.

Once this is all in place, a universally affordable and high-quality childcare system could be realised.

133 See: The RSA and Vitality (2021). *Healthy Hybrid: A blueprint for business*. Op cit.

134 Jarvie, M, Shorto, S and Parlett, H (2021) *Childcare Survey 2021*. Op cit.

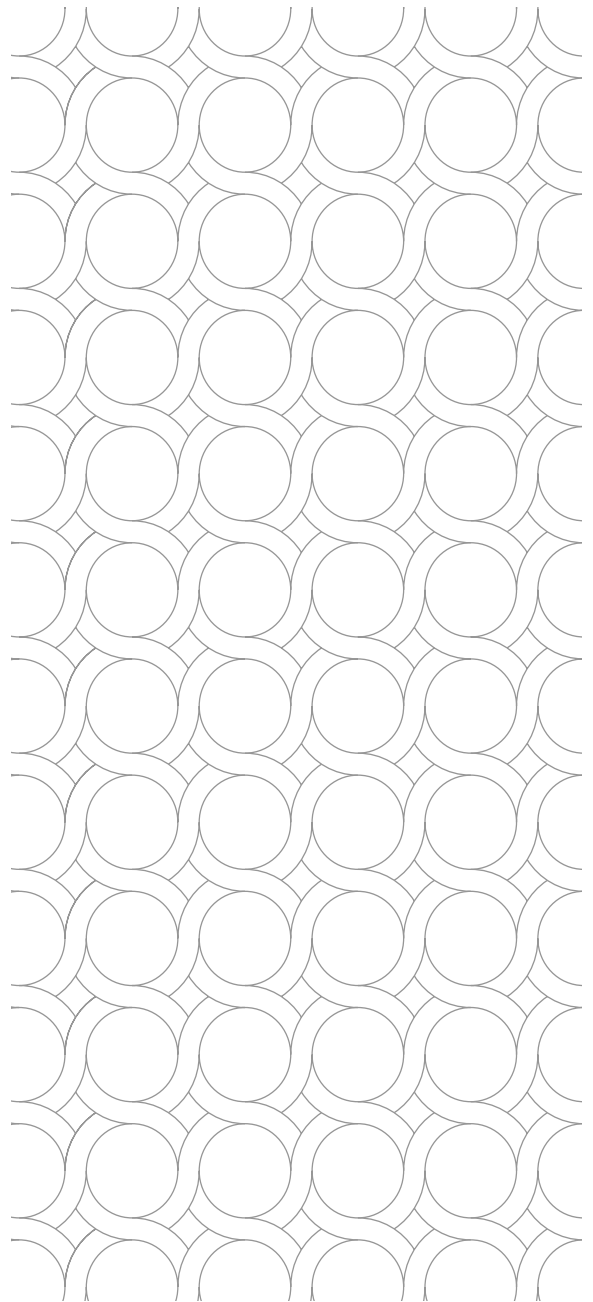
135 OECD (2021), Net childcare costs (indicator). doi: 10.1787/e328a9ee-en [Accessed on 09 June 2021]

136 Siddique, H (2017) Childcare costs in England rise up to seven times faster than wages. *the Guardian* [online]. Available at: [www.theguardian.com/money/2017/oct/20/childcare-costs-in-england-rise-up-to-seven-times-faster-than-wages](http://www.theguardian.com/money/2017/oct/20/childcare-costs-in-england-rise-up-to-seven-times-faster-than-wages) [Accessed 16 June 2021].

# CONCLUSION

## Conclusion

We hope this agenda can tackle economic insecurity as it is experienced by Britain's key workers, alleviate the security traps they face and fairly reward the many sacrifices they have made to save lives and livelihoods during Covid-19 pandemic. We also argue alleviating economic security for key workers would be beneficial not just for the key workers themselves, but for wider society, the public they serve, their employers, and the British economy. However, once again, we should stress that alongside this practical ambition we are also making a broader argument about the nature of policymaking and how we tackle economic insecurity as it is experienced by citizens. That mission requires a holistic approach to policymaking that understands how our experience of economic life is supported by systems that are not always considered as 'economic' by policymakers. Moreover, if we choose to explore public policy choices through this wider definition of economic security, we believe it can help to deliver for the deprived communities that the government and its levelling up agenda explicitly prioritises — delivering, not just on financial indicators, but also on the 'dignity and respect' the Conservative Party's 2019 manifesto rightly argued is necessary for people to fulfil their potential.<sup>137</sup>



<sup>137</sup> The Conservative Party (2019) The Conservative and Unionist Party Manifesto 2019. London: The Conservative Party, pp37-38 [online]. Available at: [assets-global.website-files.com/5da42e2cae7ebd3f8bde353c/5dda924905da587992a064ba\\_Conservative%202019%20Manifesto.pdf](https://assets-global.website-files.com/5da42e2cae7ebd3f8bde353c/5dda924905da587992a064ba_Conservative%202019%20Manifesto.pdf) [Accessed: 2 July 2021].

## Who do we mean by ‘key worker’?

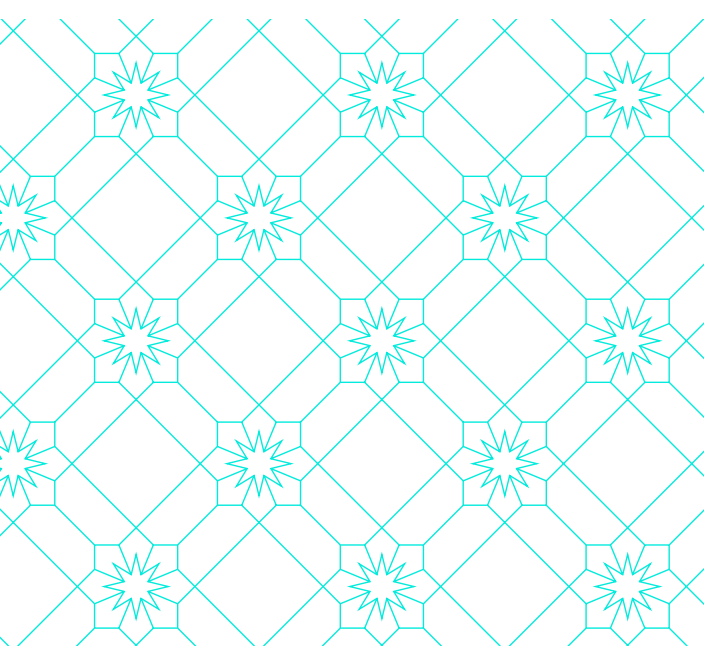
The definition of key worker by the government was purposefully broad to allow businesses to decide who were essential workers and who were not. In 2020 the ONS created a more definitive list, which used the government’s list of workers who continued to have access to nurseries and schools during lockdown and is the basis of their statistics on key workers.<sup>138</sup>

Working with YouGov, we used the ONS list to create a representative sample of key workers throughout Great Britain. The sample was made representative across gender (58 percent female), ethnicity (14 percent Black and minority ethnic), location, occupation (see below), and age. The total sample size was 1,200 key workers in March and November 2020. In March 2021, the total sample size was 1,600. Each survey wave had a London boost of at least 100.

The full list of occupations includes:

**Table 28: Occupation**

|  | Percentage of sample |
|--|----------------------|
| NHS staff  | 19                   |
| Social care workers  | 13                   |
| Schools and nursery staff  | 21                   |
| Police officers  | 2                    |
| Court staff  | 1                    |
| Religious staff  | 1                    |
| Delivery workers   | 4                    |
| Supermarket workers  | 10                   |
| Food production workers  | 5                    |
| Army and Ministry of Defence staff   | 2                    |
| Firefighters   | 1                    |
| Prison and probation workers   | 1                    |
| Transport workers  | 6                    |
| Infrastructure workers (eg gas, electric, telecommunications)                | 5                    |
| Journalists or broadcasters providing public service broadcasting            | 1                    |
| Some government staff (only those critical to the corona response)           | 5                    |
| Some financial services workers (only those critical to the corona response) | 4                    |



<sup>138</sup> The Office for National Statistics (2020). Key workers reference tables. [online] Available at: [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/keyworkersreferencetables](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/keyworkersreferencetables) [Accessed 10 June 2021].

The RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) believes in a world where everyone is able to participate in creating a better future. Through our ideas, research and a 30,000 strong Fellowship we are a global community of proactive problem solvers. Uniting people and ideas to resolve the challenges of our time.



8 John Adam Street  
London WC2N 6EZ  
+44 (0)20 7930 5115

Registered as a charity  
in England and Wales  
no. 212424

Copyright © RSA 2021

[www.thersa.org](http://www.thersa.org)

ISBN 978-1-911532-54-5