



HOUSE OF LORDS

Home-based Working in the UK Committee

Corrected oral evidence

Monday 28 April 2025

3.10 pm

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Members present: Baroness Scott of Needham Market (The Chair); Lord Farmer; Baroness Featherstone; Lord Fink; Baroness Freeman of Steventon; Lord Fuller; Baroness Manzoor; Lord Monks; Baroness Nye; Lord Parker of Minsmere; Lord Stevenson of Balmacara.

Evidence Session No. 10

Heard in Public

Questions 103-112

Witnesses

I: Charlie Marchant, CEO, Exposure Ninja; Luke Fay, Managing Director, Treework Environmental Practice; Steve Tellwright, People and Quality Director, Capula.

Examination of witnesses

Charlie Marchant, Luke Fay and Steve Tellwright.

Q103 **The Chair:** Good afternoon and welcome to the second evidence session of the Home-based Working Committee. We have three more witnesses to answer our questions this afternoon. We are being broadcast live and our witnesses will receive a transcript of the evidence to check for accuracy within a few days. I will kick off; when you answer me for the first time, maybe you could say a word or two about who you are and what you do. I start with a very general question: what is your current thinking and how is it evolving towards virtual and hybrid working?

Steve Tellwright: I am the people and quality director for a company called Capula, which is based in Stone in Staffordshire. We are part of the Dalkia Group in the UK, and we make fairly sophisticated control systems mainly for the energy production and energy distribution businesses in the UK—critical national infrastructure. We work in the energy sector and the nuclear sector in both civil and defence.

On our policy, we were just on the border of going into hybrid and remote working prior to Covid anyway because we had seen the opportunity that existed for Capula. We had already gone down that road but, as soon as Covid hit, that obviously pushed it forward a bit and we were probably not as prepared for it as we might have been when we did it. We have found that it has been successful for us and we have no intention of returning to an office mandate. However, there are jobs that Capula has to do in the office and there are jobs that we have to do on the client site. Remote working is not possible for some of our employees, but we allow some flexibility where we can. As we have a very remote workforce in some places—Edinburgh and various other places—allowing people to work remotely and use digital technology has been very good for us.

The Chair: With a mixed workforce, do you come across people saying, “It’s not fair. I have to go in and they work from home”? Do you hear anything around that equity kind of issue?

Steve Tellwright: We did in the early days, but I do not think we do now. I think it is accepted that the role is the role and that, if you are applying for that role, that is the skill set you come with and that is what you are employed to do. If you are employed as a site manager, the clue is in the title—you are on site. So, no, we have not really come across any of that. We do get some, “I need to work from home on Friday because”, “I’d like to work from home” or “I’d like to nip off early”—things like that—and we try to accommodate it where we can.

Luke Fay: I am the managing director of Treework Environmental Practice. We are arboriculturists—tree experts—so quite a lot of that happens in the field, but a lot of it also happens at the desk.

We actually went to home working in the previous crisis of 2008. It hit us in 2010, in fact, and we did it initially to save money. We got rid of our

office at that point. We were a much smaller organisation then. There are 18 of us now, so we are still not big. We found that, during that time, it took a long time for us to get used to what it really meant, but we provided as much infrastructure for everybody to work with as possible. Some people hated it and some people really thrived with it. Over time, it has just become the norm. We did open an office for a while, where just the office manager and the finance manager worked, but, when Covid hit, they found that they quite enjoyed working from home.

Our approach has been to set everyone up for success. If you need a standing desk or a specific type of chair—whatever it is you need to work successfully—we will provide it, including what you need to work successfully in the field or on the move; for instance, a second screen that you can plug into your laptop when you are on a train or something like that. We have no office now—we have a storage facility for some of our stuff—which has enabled us to recruit the right people in the right place around the country for the work that we do.

We have 10 tree experts, three people doing mapping, and five people doing management and admin and those kinds of things. The issues we have had are around connectivity—how to make sure that people feel included in everything, how to communicate properly and how to avoid people feeling isolated. There are definitely issues to do with being aware of people's mental health, and health more generally, and those kinds of things. You cannot just pick up the phone and say, "Oh, are you feeling depressed?"

Our people—we recruit for this—are project and delivery focused, so they are interested in what they can deliver. That is what drives them, so we do not count their hours. They drive themselves in that sense, so micromanagement does not really work. Does it ever work? I do not know. There is a type of character that really works with that. A difficulty that I have had is that, if people are not performing, knowing how or why is really tricky. I do not know if that has answered your question enough; I have a lot more to say.

The Chair: That is great; thank you.

Charlie Marchant: I am the CEO of Exposure Ninja. We are a UK-based digital marketing agency, but we also have a representative office in the Philippines, so we employ a small team of Filipino staff as well. We have been remote since our inception in 2011 so, prior to Covid, we were already a fully remote team. The whole workforce is remote. They work from home the majority of the time. We have some client meetings from time to time, but the majority of our clients are also remote so do not require us to be in an office very often; in those cases, we have team members who travel to meetings at our clients' places of choice.

Q104 **Baroness Freeman of Steventon:** Do you have any evidence or data on how your policies affect the recruitment and retention of staff? When you advertise positions, how do you describe them? Are you overt about

whether there is a possibility of hybrid or do you leave it open then have a discussion with candidates?

Steve Tellwright: We are very clear in the advert that we allow it and that hybrid working is possible. I heard talk earlier about contracts for home working. We have very few of those. We have wording in our contracts that says home working is possible and that, if you are in a role that allows home working, we encourage it. It is very good for the employee, as you have heard. They can do their childcare, care for elderly relatives and things like that, and they can make their hours suit themselves. There is a lot of advantage in that for the employees.

It has allowed us to recruit on a national, rather than regional basis. There is a huge shortage of engineers in the UK—we know that—particularly of electrical engineers. Some of the challenges that our clients face include getting those engineers, so it is a “We’re all in it together” type of thing. We are trying to widen our reach so that we can recruit from different areas of the country; that has been very successful. I recruited 106 people last year, so that was 33% of my headcount just last year.

We found that there are no barriers to us now because of this remote working. They can log into work, and we have the digital capabilities to allow them to do that. Sure, they come and visit: they come down for meetings now and again, and we have employee comms meetings where they come and are face to face, so they have those contacts. It has been a really positive approach by us to allow this and state in the advert that home working and hybrid working are possible.

Luke Fay: I agree with everything that Steve said. We offer only home working, so that goes straight on the advert from the start. I ask at appraisals what people like and dislike about Treework. People like the flexibility, the autonomy, the trust and the ability to build their day or week around what they need to achieve for Treework and what they need to achieve for themselves. So far, we have had very good retention. Arboriculture is a very difficult market to recruit in. There are not enough people coming through, just like with engineers. I think that that has been fortunate.

I have also asked in appraisals what people do not like about Treework. Isolation sometimes comes up as an issue. People say, “Could we get together more?”, so we get together as an entire team every two months. That is a business development and training day normally, with a general getting together, and we break bread together at the end of the day. Also, the consultants get together in the months in between, and we have regular meetings of our teams.

Charlie Marchant: Last year, we recruited for 18 roles. For every role, we had 200 to 250 applicants per job. We say that we are fully remote because there is no office working option, so we are very clear about it. We are also a flexible working employer, so the majority of our team have core work hours: it is usually five hours between 9 and 5 in the UK,

but it varies across different roles. We make that clear on our job adverts as well. We attract a lot of working from home parents and carers, as well as those living in rural areas and those with disabilities or conditions that they better manage by working from home, which are some of the key reasons why we do it.

In the data that we have, our employee retention rate is really high: it was 88% last year and 86% the year before. According to CIPD, which has the most recent figures that I saw, the UK average is 65%. The majority of our team feed back that this is because we have remote and flexible working that works with their lives, allows them to focus on the things that they care about outside of work and allows them to deliver their best when they are at work, but I am sure there is also a cultural side. We are the kind of employer who is very strict with how working hours work—not allowing our work to seep into people’s evenings at home and that kind of thing.

Q105 Lord Fink: I am interested in the management techniques that you use to manage people remotely or hybrid. They are clearly different from the traditional managing by walking around that often happens in office-based environments. Do you provide training on that for your managers?

Steve Tellwright: Capula has a very dedicated, professional and highly educated workforce. As Luke said, we do not feel that we need to be over them all the time. These are professional people. Most have some form of higher education; they are dedicated to work in the engineering world and they work on projects. They have time to do that project and they know what the delivery aspects are. Like everything else, we have to retrain our managers in slightly different techniques over Teams. We make sure that we bring the teams together as frequently as we need to. There is some social isolation for those in very remote parts but we do bring them together.

On whether there is a difference, the basic techniques of leadership, management, fairness and equality—all those things—still exist over Teams. What you do miss, sometimes, is probably that interpersonal aspect of looking people in the eye closely, but, generally speaking, we find that the people who are working at home are as happy as those who work in the office, and vice versa. I think that, because we give that freedom for people to decide for themselves what their working time should be over the day, the week and the month, that brings the engagement we are looking for and allows them to manage their lives as much as it allows us to run our business.

Going back to recruitment, our attrition has dropped to 6%. It has halved in the past 12 months when we have fully gone to the hybrid model of letting people choose for themselves. There is good evidence for Capula that this is a model that we will want to continue to use. It depends on the people when you bring them in—the cultural fit and making sure that they are the right people for you. If you do all those things, you get joy out of it, and leadership becomes a lot easier because they are in the mindset of the company and what the company is trying to achieve.

Luke Fay: The management techniques are probably not vastly different from being a good manager in any organisation in that you need to set clear objectives; you need to be very clear about what is expected of people; and you need to be able to measure if that is not being achieved. Where I have had problems in the past or where I have not managed well, I have allowed things to roll on without addressing the issues. That could have happened in an office, to be honest. It is important to be on top of the issues. When you see them arising, find ways to communicate and to address them. There was something else I wanted to say, which has gone out of my head; I will come back to it.

Charlie Marchant: Some 77% of our management and senior leadership team are internal promotions so, for us, the majority of our managers are used to working remotely. They have had the experience of being an employee and being managed remotely as part of that. It definitely helps to have a background where working remotely was your normal.

On the training that we offer them, I agree that, to be a good manager, whether you are in person or remote, you have to be personable and empathetic. You must be able to manage things decisively and find the right line—the right balance—all of the time, but we do additional training for our managers on how to do that kind of thing through video calls. We have an internal policy that the camera is always on, assuming that there are no internet connection issues. We are very fortunate that, most of the time, we are not disturbed too much by that. We do training on how you can empathise and ask questions in the right way when you are doing so remotely because, sometimes, there may be challenges in terms of how to manage things through a camera rather than face to face.

Luke Fay: Can I come back? The other thing—I absolutely agree with Charlie—is that compassion is essential. Also, the numbers will tell you something, but, for individual people, understanding the narrative is essential. That is really important for managers. Do we train in it? There are not many of us, so yes, but we are such a small company. These guys have much bigger corporate structures than we do.

Lord Farmer: Luke, when you mentioned earlier breaking bread at the end of the day, I was not properly listening. Can you clarify that? Do I get the idea that you try to get together at the end of the day, or have a national get-together and a cup of tea over the internet?

Luke Fay: No. It is when we all come together once a month. The root words of “company”—*com* and *panis*—mean “to break bread”. We come together and we have dinner or some drinks—ideally, dinner, if we have time before we get on our trains and go away.

Lord Farmer: So you do that once a month?

Luke Fay: Yes. We have not always done that but it is really important.

Q106 **The Chair:** Do any of you have a sense of the relative financial benefit of not having to keep recruiting people, with these extraordinarily high levels of retention?

Steve Tellwright: Recruitment costs are hugely expensive. If somebody leaves, you get the disruption of being off the project. Somebody else has to fulfil that work, and they get stressed out because they have too much work to do. We then have to employ people to do the recruitment. We have to take time to do the interviews and the assessments. It is very disruptive. Giving people the freedom to be in a business that they want to be—one that is nice and looks after them—is a very positive thing. Recruitment is very expensive.

The Chair: Following on from that, I asked the question because the reality is that, when you look at people being absent or leaving, during the pandemic, it was quite stable. There were no jobs to go to so people did not leave. Then there was a rise in people leaving after the pandemic, and it stabilised again. Are you finding that your figures are drastically different from before to what they are now?

Steve Tellwright: We always ran at about 12% attrition in the business. Some of that was desirable, in dealing with people who were not productive, but it was very small. It was mainly voluntary because the energy distribution market and the electrical engineering market are very buoyant still because there is such a shortage. We found that people are stabilising: they want to stay local and they want local work. We are offering them that and the flexibility of employment, so they are staying. The figure last month was 6.7% in our business, which is historically the lowest we have ever had.

It might not all be to do with just remote working or hybrid; there may be other factors in there as well. We are very busy. The market is very buoyant for us in the nuclear industry, particularly in National Grid, but it is a big contributory part. We have certainly had people come to us from other companies saying, "It is because of your hybrid policies and flexibility policies that we want to join you", so they have openly stated that in the recruitment process.

Q107 **Lord Monks:** Congratulations go to all three of you on the very positive stories that you are telling us about your own experiences. I am interested to know how that could change. Supposing your businesses get a lot bigger and you grow them—you are doing well at the moment—if they take a leap forward and become bigger, would that cause some changes in the way you do things? Secondly, if you took on more locations and more remote centres from which you work, would that have an impact? I have one other question about sick pay and sickness absence, but we will come to that in a moment. What would change from the successes you are having so far?

Steve Tellwright: Remote working has allowed us to be more successful. We have premises in Stone but, without remote working, we would not have been able to accommodate everybody. We have grown so

rapidly over the past two years—by about 30%. Allowing hybrid working and people to work from home negated the need for us to find property immediately. We are now coming to that stage where we will have to look for property because we have grown so much but, without hybrid working, we would not have been able to accommodate the 100 people I took on last year. It has been very beneficial for us in that respect, allowing us to grow very quickly.

Luke Fay: It is a great question. It would be a great problem to have if we were to grow so fast that we needed to consider getting new premises. We would probably manage that through increasing the number of managers rather than getting new premises, if that were the case. I can see scenarios where that could change—very specific ones—such as us getting a contract that doubles our size or something that is very local and requires management in a local area. Business is very much about, as you probably know, being resilient and flexible, and being able to respond to scenarios when they happen. I can see how that might happen; it is not our current trajectory. Does that answer your question?

Lord Monks: Yes.

Charlie Marchant: I had the privilege of joining the business I work for now 11 years ago. We were a team of nine. We are a team of just over 70 now, but we built the company to be remote first. We have structures and processes that work because we are remote; that is how we built ourselves operationally. We are already built with the idea that we will expand and grow as the digital sector—especially with the advent of AI—expands and grows.

Our process would be easily flexed to see this increase in employees that we have already had. We expect the same. For us, it would be almost like pulling the rug out to try to go into the office, because that is not how we were originally built or structured. All of our team is located across the nation. We have team members across England, Wales, Scotland and Cornwall, as well as living abroad. For us, it is much more important to be able to find and recruit the most talented and skilled people in our sector because it is a very competitive and saturated sector. To be able to do that, we need to be remote and to recruit from a much wider talent pool than we would have if we were in one, two or three specific cities.

Q108 **Lord Monks:** My other question is that sickness absence seems to be quite a problem. People carry on when they do not have to go out to work and do not have to commute. They may be working while not very well, and you may not know that if you are in the central administration. Have you any interesting experiences of handling that in your three firms?

Steve Tellwright: Yes, it is a bit of a problem. We have people who even come into the office when they are ill, and we have to send them home. We have got the staycaters as well, who want to be there. I can name two whom I need to send home more regularly than others because they do not go home; they do not like being sick. It is a problem

to manage the more remote employees because some people carry on working when they are ill and they should not be working. They should be off sick and getting better; that is my view of it.

However, there are some bits of sickness where people feel queasy in the morning but they improve and, therefore, log on in the afternoon. We benefit from things like that. Plus, sometimes, they just cannot face the commute—they do not want to do it—so they stay at home and log on from there. On serious illnesses, we are very fortunate that our sickness rate is only about 2%; again, we have professional, dedicated people. We do not have a major problem with sickness like you would have in a call centre, say, but we try to manage it as best we can.

We are a nice employer, I think. We are fair. We will tell people to log off and stop working because they do not look well. We do all those things that you have probably heard about from other employers as well. We extend trust to the employee; we want them to extend trust back and to tell us the truth about how they are feeling. We manage around that when we know.

Luke Fay: I agree with Steve. Having a compassionate approach was mentioned earlier. If someone says they are not feeling well, be inquisitive about what is going on for them, and, if they should not be working, encourage them not to work until they are well again. Make sure that they do not feel that they are being judged for that. That is how we handle it. I do not know if this is a good stat or a bad stat but we were looking at this earlier today. In 2023-24, we had an average for most of the people in the company, with some exceptions, of between one and two days of sick leave. Last year, it was an average of just over two days for most people, with some exceptions. I do not know whether that is good, but it seems very few days to me.

Charlie Marchant: Our sick leave is somewhere near the national average figures. I am not sure whether the question intends to address whether people take advantage of sick leave and policies when they are remote working. From personal experience, that is absolutely not true. People who take advantage of sick policies will do so whether they work in an office or remotely, and hard-working, dedicated employees will call in sick when they absolutely need to do so; that is the experience we have had. We have a very generous sick pay policy modelled on the UK teachers' sick pay policy, which is highly unusual for a company in our sector. We also have not seen significant increases in sick leave.

The other problem we have, though, is that, because we can recruit many people who have disabilities or conditions where they may not work in offices, many of those people require more than average sick leave in a year to manage conditions such as Crohn's or fibromyalgia, as well as various other conditions. Employers who are fully remote working will have issues with that, just as with being a place that is able to offer—and rightly should offer—opportunities for employment to those people.

Q109 **The Chair:** I want to use the Chair's privilege to go off on a complete tangent here. It is a question for you, Charlie. You are in a creative industry. We have heard a lot of evidence from other organisations about how important it is to get everybody together physically in order to get the ideas flowing and all of the collaboration that is necessary. What do you do to keep that creativity alive when you are completely virtual?

Charlie Marchant: That is a great question. We have a lot of time in calls together and significant periods where we run things. For example, last year, we ran an AI hackathon internally. We set competitions and fun things for the team to get them to bring ideas about certain things. We put them in brainstorming groups together and mixed them up so that they were not in their own departments all the time. We have systems such as bi-weekly process improvement meetings for our services; we also have client feedback systems and loops that we implement creative ideas from, as well as general brainstorming sessions. We also work on the branding and positioning sides for businesses, which they might have prior to launch or if they are having a rebrand, for example; this is a highly creative area, although it also requires technical expertise.

We do not have any issues with needing to be there in person to get ideas out and get them shared. It is more the case that you can create the space for it by doing so with time and with good systems, whether that is Google Meet, Zoom, Slack or whatever. You then allow people to have the time and the space that they need to share the ideas they have.

Q110 **Baroness Featherstone:** I am in awe of you. I would mistrust all my staff, but I last had staff about 30 years ago and things may have changed. How do remote working and hybrid working impact your organisational productivity, and how do you monitor this with respect to different types of work? Shall we start at your end this time, Charlie?

Charlie Marchant: As I mentioned earlier, we have systems and tools in place for this. We use a project management system called Teamwork where all of our tasks are tracked. When we have a client come in, for example, we break down all of the deliverables that they are going to have. We know what we are delivering in the month, we assign it to the team, and then they are expected to complete it. We know how many working hours they have, how much annual leave they have, et cetera. Everyone has a manageable workload, and it is all tracked in there.

Then we have a time-tracking system—it is similar to a start-stop timer—called Hubstaff, which is akin to the clock in, clock out-type system that you might have in an office and which allows people to track their total working hours for the day. It is important for us, as an employer, to ensure that people are doing the work they are supposed to do.

Baroness Featherstone: Can they fiddle it?

Charlie Marchant: No, they cannot, but that does not mean people would not attempt to. In the 11 years I have been there, two people have attempted that. It is very difficult to fiddle it.

Baroness Featherstone: So it is tracked pretty closely. It is not like they can pull the wool over your eyes.

Charlie Marchant: No, unfortunately not. The tech has surpassed that standard these days. However, many of our team feed back that they appreciate having a timer like that because they reach their seven and a half or eight hours of the workday and they know that they are done and are not expected to be back at work. In particular, we have many parents who work flexibly for school runs either side of the day.

Baroness Featherstone: Right—so they can use the hours to fit their lives?

Charlie Marchant: Exactly, yes. Many of our systems work to allow that flexibility for our team members but also to allow us, as an employer, to understand that the hours are being worked. Like all organisations, remote or not, we measure clear KPIs and have deliverable outcomes; we deliver to our clients every month the performance and results that we expect to get. For us, that is much more important than the hours.

Baroness Featherstone: Luke, it was interesting when you said that understanding the narrative is as important as anything else, and that the narrative has never been false.

Luke Fay: Yes. I have had one employee in the last few years where it took me a while—I should have been quicker on this—to realise that they were not telling the truth.

Baroness Featherstone: But that can happen whether you are remote or not, no?

Luke Fay: Yes.

Baroness Featherstone: It is not above the average to have one over the last however many years you said.

Luke Fay: I just want to add to that. The following year, someone came in not in a similar role but in a similar situation—as in, it was a maternity cover role. We just managed that much more closely. Things were not going in the right direction, and we stopped it straightaway. We learned from our mistake, I hope.

Baroness Featherstone: You have answered a lot of my questions. Steve, what would you like to add?

Steve Tellwright: Capula works on projects for a client. The client will set out a project and we will have a description of what work needs to be done, whether that is a digital software input or a hardware electrical input. The project manager then runs a core team, which is given the number of hours it has to achieve the output of that project and to find the solution for the client. That is recorded on the time sheet.

Is there some tinkering? There may be. Does it matter? Probably not. As long as it is within the boundaries for Capula, that is okay. We monitor that closely. Productivity is a key metric for both us and the group to measure. It is not a perfect system but we are starting to get better with it, in terms of how to understand it. Our engineers—the professionals—want to do a good job for the client. They like engineering and producing digital solutions.

Baroness Featherstone: Engineers are different.

Steve Tellwright: They are very good at that, and we have become very efficient at working in the office, on-site and remotely. All that comes together to make the growth that we have had, with the contracts that we have won and the number of tenders that are already sitting on our desks. It is very positive at the moment.

- Q111 **Lord Farmer:** You mentioned technological problems. You are fairly accomplished at handling technology, obviously, but modern technology is evolving the whole time. Do you find that remote and hybrid working raise particular problems that you would not otherwise have—for instance, in project management or with online access breaking down the whole time or in terms of cybersecurity? We heard that Marks & Spencer had a massive problem over the weekend. Surely this imparts a huge anxiety into companies.

Connected to cybersecurity, in terms of the whole area of who else is in the office, I think that it would affect you, Steve, a bit in your business—maybe even Charlie as well—because there will be lots of companies wanting to know what you are doing. Maybe the tree business would not be so competitive. Do you have any answers to that? What would you recommend for the Government's role in this area?

Steve Tellwright: We work in the nuclear industry so we are regulated extremely heavily, obviously. Even our minority groups of employees have to be distant and away from the nuclear stuff, so we have to put that in a separate building. We have some very sophisticated blocking systems in our IT; our IT manager could tell you about that much better than I can. We have an internal cyber team that helps clients but also helps us. We have all those protections there. We have lots of policies and ways of working that prevent those effects, but we do see them. If I talk to Mark, my IT manager, he will tell me how many times we are bombarded per day by these kinds of things, but we have some very sophisticated software that allows us to protect ourselves from that.

There are some minor concerns when people working from home are working on nuclear industry things but, again, they are professional people with clear expectations around how they manage the data. I have a security officer who reports to me; she makes sure that the business remains secure as far as we are able—as good as anybody in the UK, I would say.

Luke Fay: To be honest, it does not matter how big or small a company is: cybersecurity is now a massive issue and a major threat. I know someone with a micro-business who was shut down for over a month by a cyberattack. I am sure that it is the same here in the House. We are cyber secure—and we have to be. This means that we must have two-step authentication on everything, and all these kinds of things. Everybody has to be really concerned about that.

On the technological stuff around connectivity for remote working, one of the benefits—probably the only benefit—of the pandemic was that the IT caught up with us and started delivering what we have been trying to do since 2010. Does that answer your question?

Lord Farmer: Yes.

Charlie Marchant: Cybersecurity would be an issue in digital services whether we were in the office or remote because we deliver digital services and that means that we use platforms such as Google Ads and Meta Ads to deliver the work we do for our clients. Having robust cybersecurity systems is essential in our sector as a whole.

On how we manage our own tech, we have remote access to all of our MacBooks. If there was a breach of some kind, we would be able to locate it and shut it down remotely without needing to be in a literal office with everyone's PCs and MacBooks available to us. With the right technology, businesses can operate effectively; we have certainly found that we can. I think that cybersecurity will be an issue for many businesses.

On support, I definitely think that, for small businesses, support from the Government—potentially subsidies for doing a cyber essentials certification—would be very helpful because, at the moment, it is very much an optional certification. It is not necessarily the first thing when a business owner sets up a business and is thinking about their revenue and their profit, although it would certainly become top of the pile if something were to happen. That would be fantastic.

We do not have too many problems with internet connectivity in the main but there is certainly a disparity between the regions, because we employ nationwide and internationally. There are disparities in internet speeds, and it is clear that some people have access to better internet than others. There is also an affordability issue with the cost of internet, depending on where people live and what providers are available. I think that support from the Government in terms of infrastructure and ensuring that there is good equity across our nation is really important.

Q112 **The Chair:** To finish off, I want to ask each of you something. If there is one thing, or possibly two things, that you would like us to ask the Government about—or that we should think about recommending to the Government—what might they be?

Steve Tellwright: It is a tricky one. I agree on internet speeds and connectivity. It is not a big thing but, in Cumbria, where we have Sellafield and people working remotely there, the IT infrastructure is not as good as it possibly could be for those remote places. As we go into Scotland, working for SPEN and SSE, it could be a challenge in the remote parts of that country.

My other thing is this: we should be careful how much we legislate over this and what we want to achieve from it in terms of unintended consequences and things like that. Businesses have to be free to employ the model that suits them. Ours is definitely hybrid. We have people who work in the office—some have to work in the office but some want to come into work; they like the discipline and structure of coming in—but we like the people who work from home and those who, like me, have the flexibility to choose. I would just caution on whether legislation is necessary for this or whether it is a “let the market find itself” situation.

Luke Fay: First, do not make it an ideological issue. The horrible culture war-type stuff around it is really not helpful. As everyone else has said, please invest in the infrastructure.

Training is much more difficult when you are remote working. It requires a lot more investment and time. Anything that goes towards supporting companies with training to support internal succession would be very welcome. It could be a similar thing to how you get R&D tax credits; training tax credits or something like that might be helpful.

Charlie Marchant: Fast and affordable internet access for everyone nationwide would be huge—particularly in our sector because we have the opportunity to employ from anywhere in any area for digital skills. It should not mean that people who live in cities have more access to employment when, in a sector like ours, which is growing and in a really exciting time, we could create work opportunities for people living in rural areas or areas where there is less on-location employment.

I would encourage a right-to-disconnect policy, particularly for employers who work mostly remote or hybrid; this may mean having guidelines for employers around when the workday starts and ends so that it avoids any digital seepage, with people constantly on Slack or on the messaging systems for employees. That is a cultural thing but I think that the Government can definitely give guidelines, which would be helpful there.

Also, it is about encouraging remote when it works for the business. There is a lot of implication that people may try to take advantage of remote systems but there will be situations where certain people try to take advantage of any system irrelevant of what that system is, remote or not. The vast majority of people who work remotely want to do excellent, brilliant work and be utilised—that is, be part of the workforce and contribute to the economy. It is important that they have the opportunity to do so.

The Chair: That is great. I thank the three of you very much indeed for coming along this afternoon and giving us such interesting evidence—and some real food for thought. Thank you very much and good luck to your businesses.