



Liaison Committee

Corrected oral evidence: Special inquiry committee proposals: home-based working in the UK

Monday 2 December 2024

3.05 pm

Members present: Lord Gardiner of Kimble (Chair); Lord Bach; Lord Bichard; Lord Collins of Highbury; Baroness Garden of Frognal; Earl Howe; Earl of Kinnoull; Lord Purvis of Tweed; Lord Taylor of Holbeach.

Evidence Session No. 1

Heard in Public

Questions 1 – 6

Witness

[I](#): Baroness Watkins of Tavistock.

USE OF THE TRANSCRIPT

This is a corrected transcript of evidence.

Examination of witness

Baroness Watkins of Tavistock.

Q1 The Chair: A very warm welcome to you, Lady Watkins. The meeting is now being recorded for the purpose of producing a transcript. An uncorrected version of the transcript will be published on the committee website. The proposer and committee members will be invited to amend the transcript, and the corrected transcript will then be published.

During this session, I invite any member of the committee with relevant interests to declare these before speaking. The proposer is invited to have three minutes, followed by five minutes of questions. Lady Watkins, the floor is yours.

Baroness Watkins of Tavistock: Thank you very much, Chair. Research demonstrates that being in good work promotes health. Twenty-eight per cent of working adults are currently hybrid working, with some working entirely from home, yet we know little about the positive and negative impacts between different socioeconomic and ethnic elements of the workforce.

The inquiry would examine different groups and policy areas that homeworking affects: for example, specific physical and mental health issues, which can lead to significant long-term health problems from a lack of activity and the inability to properly switch off from work. Younger people lose out on access to training and networking and are showing some of the worst health impacts, although some parents gain financially from reduced childcare costs.

Working from home appears to have a worse mental health impact on women, arguably due to the unequal balance of childcare and domestic duty expectations concurrently. The effect on single men, particularly of loneliness, has not been made available. Homeworking may disproportionately benefit those with higher educational qualifications and income who are afforded this flexibility. Further study on socioeconomic and other ethnic groups needs to be conducted.

The inquiry would explore how to enhance the positive impacts and mitigate the negative impacts of homeworking on these different groups, as well as how we can best implement and evaluate productivity in terms of the GDP per hour. It will complement the existing work of both Houses. The COVID-19 Committee of our House produced three reports. *Beyond Digital: Planning for a Hybrid World* was one of them, and it highlighted the need for further work.

Last week's *Get Britain Working* White Paper from the DWP acknowledges the importance of skills training for young people through apprenticeships. Of course, homeworking impacts young people's access to this but maybe could be addressed.

Further work needs to be done, as outlined by the Work and Pensions Committee, which discussed the importance of in-work support for those

not only entering the labour market but those re-entering it, it and identified the mixed success of remote working for disabled people.

The Treasury Committee mentioned economic opportunities for deprived suburban and rural areas where remote work may be feasible. Both the Industry and Regulators Committee's inquiry into skills for the future and the Employment Rights Bill will probably complement this work.

The Housing, Communities and Local Government Committee examined preventive health measures in terms of employment and the costs of working from home, both emotionally and financially.

I argue that this is the right time to conduct the inquiry. Many stakeholders have expressed interest in the topic, from businesses that have successful hybrid working, trade unions such as the TUC and UNISON, and charities and think tanks, including the Royal Society for Public Health and Roffey Park Institute. The focus will need to be achieved in a ten-month timeframe, and I suggest this could be embraced through examining it through a lens of health impacts.

As the Government push to get people into work for the first time or after long-term absence, now is the time to identify policy recommendations for apprenticeships and skills development, mentorship, fair and equitable working practises, and health at work as an environment, including rights for working from home. I believe that the results of such an inquiry would benefit working people and productivity in the long term, and reduce work-related health and social inequalities.

Q2 The Chair: Thank you very much for your proposal. Mindful that at the end of this we need policy recommendations for government and so forth, could you perhaps embellish a bit on the areas where you think the research is very lacking and which you think should form part of an inquiry?

Baroness Watkins of Tavistock: I think the research is severely lacking between socioeconomic groups. A lot of work has been done showing that the more highly educated you are, the more likely you are to be able to undertake hybrid working. There are exceptions: for example, surgeons have to be in a theatre, but radiologists can now read things from home. That is just an example of two branches of a very highly qualified workforce.

We have not looked at the people doing jobs that were very well described in the newspapers this week. Quite a lot are very boring, and a lot of those cannot be done from home. You can obviously do telephonic answering at home when working for a bank or whatever, but people who work for Amazon, in a supermarket, or as a hospital porter all have to work in an environment that requires them to be present.

Very little has been done on the costs to those two different groups as employees, so there is a big piece of work to do there, but especially, for me, on the health situations. We know that lifting heavy bundles in a hospital or an Amazon warehouse has to be very well protected, and people have rights about how much they have to lift. On the other end of the

spectrum are musculoskeletal disorders for people working from home and sitting in a badly placed chair in perhaps a bedsit, and their employer has never gone to look at the environment in which they are working. No work like that has been done, and if it has been it is minuscule, so we would have the opportunity to go and look at things like that and possibly visit a couple of centres outside London, because there can be real advantages to remote working for some.

Q3 Lord Bichard: The issue of productivity really concerns me. You have not said a lot about it. There is not much research linking homeworking and productivity, but what there is suggests that there is more of a decrease than an increase, and there is quite a lot of instability. Can you reassure us perhaps that you want to see productivity feature strongly?

Baroness Watkins of Tavistock: I definitely do, particularly given the hourly rate of productivity in particular areas. That is fundamental. Just to personalise this, my son works in America. He was told to go back to the office four days a week almost the day that Covid ended. There was no question. It appears that that is much more common in many countries than ours, and it seems to be based on the idea that productivity is better in an office, but it may not be for everybody.

We ought to know the answer. There might be, not a perfect solution, but a solution whereby hybrid working increases productivity compared to completely home-based work.

Lord Bichard: Would you want to see that being core?

Baroness Watkins of Tavistock: Absolutely core. Otherwise, we run a risk of people just thinking it does not matter either way, but there are clearly some businesses that feel that productivity is severely hampered by full-time working at home.

Q4 Earl of Kinnoull¹: Is there potentially any benefit from such an inquiry looking at people who are currently not economically active, and might it provide some sort of pointers as to a route where some of those people might become economically active again, because we would understand more about what good homeworking looked like? Did that form part of your thinking?

Baroness Watkins of Tavistock: It certainly does. That is why I talked about re-entering the workforce as well as having never entered it: that we have this big group who have not entered it. If we could look carefully at how that would work to the best advantage of keeping people in work, we might identify some very helpful indicators.

I use the example of work that is dull, because some people working from a bedsit work in a totally dull role where they never meet anybody. If you work out the differential cost of being on some kind of social benefit, it is relatively small financially for people who are on low or minimum salaries.

¹ The Earl of Kinnoull's declared interests are published on the Liaison Committee's website.

Somehow, we have to make work interesting. I have a feeling—it is a feeling; I do not have the proof yet—that at least one or two days a week feeling part of a team and reducing loneliness, et cetera, would get a lot more people back to work than working entirely from home.

- Q5 **Earl Howe:** You have made it clear, and I fully accept, that there is little point in making blanket judgments about homeworking versus working in the workplace, and you have outlined some particular areas where you would want to see some better evidence produced, such as the division between socioeconomic groups, the young and the old, and so on.

Do you think that a sufficient body of evidence could be collected by the committee in the time available? It strikes me that quite a lot of this could become anecdotal rather than evidential, if we are not careful, and would require taking evidence from a great many people to reach any sort of conclusion. I am talking about the practical aspects of this.

Baroness Watkins of Tavistock: There is little doubt that it would also result in further questions, but I think there is sufficient evidence from firms. HSBC, Curries, Boots and ASDA, which have big HR departments that I think would be really interested in coming to talk to us, have all said that hybrid working is the way they want to go; that they do not want entirely home-based workers. There will be exceptions to that. I have spoken to Frances O’Grady, who thinks that the TUC and UNISON would have quite a lot to offer the committee if approached.

I mentioned think tanks. The Royal Society for Public Health is already fairly convinced—based on evidence, not on anecdote—that musculoskeletal diseases and obesity are probably contributed to by working from home. There will be exceptions to every rule. We know that loneliness is a major cause of anxiety and depression, and we have a huge problem with that in this country. Some quite simple evidence to talk even anecdotally to some people who are expected by their employer to work entirely from home would give us some pretty good situation relationships theory to suggest that entirely homeworking at the dictat of your employer is not particularly productive, in terms of GDP output and mental health.

- Q6 **Lord Collins of Highbury:** This is a difficult question. It is really about the scope. This could be such a wide-ranging inquiry, because homeworking can cover such a broad area. Are there ways in which you think you could narrow it down and be more specific, bearing in mind the time limit and the evidence base that you might need to seek? Do you think there might be a risk that this could be more politicised, bearing in mind that we have focused on the Civil Service in recent times and too many people not turning up to the office? Those two points could impact your ability to produce an evidential base.

Baroness Watkins of Tavistock: That is why I suggested that we look through the health lens, because I do not think that is political, and we would get some really good data from that. From a politicisation perspective, obviously I am a Cross-Bencher, but different elements of our working population are being treated extremely differently at the moment, and I do not think that is politically sound either.

To try to identify what increases productivity and reduces health inequalities would give us a sound way of looking through the lens without too much politicisation. I accept that there would be some strong recommendations on the health side. I am sure there is enough evidence there. I accept that it will open other questions, but when you think that we have had the biggest change to our working approach as a result of an external shock rather than through planning, is there any other way of looking at it?

The Chair: Thank you very much. I am conscious that we have asked more questions than our time available, but it was most absorbing. Thank you very much indeed.