

London's Living Hours Landscape: Exploring Insecure Work in the Capital

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April 2024



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1. Executive Summary

- There are over 800,000 insecure jobs¹ in London. While the capital has a slightly lower overall incidence of insecure jobs (17.5 percent) compared to other regions of the UK, it remains the region with the highest total number of workers in insecure jobs, highlighting the scale of the issue in the capital.
- The sector in London with the highest proportion of insecure jobs is 'Accommodation and food services' (Hospitality) with 49.1 per cent of jobs being insecure. London sectors with a high number of insecure jobs include 'Health and social work' with over 94,000 insecure jobs, and 'Wholesale, retail, repair of motor vehicles' with over 91,000 insecure jobs.
- London workers are more likely to have jobs that involve variable working hours or shift work compared to the rest of the UK, with 64.2 per cent of Londoners working variable hours compared to 54.2 per cent of workers outside London.
- London workers with variable hours are more likely to have shorter shift notice periods compared to workers outside of London. 63.9 per cent of London workers who work variable hours get one week's notice or less for shifts - including 12.5 per cent who receive less than 24 hours' notice - compared to 52.6 per cent of workers outside of London.
- London workers with variable hours are more likely to experience unexpected shift cancellations than workers outside London. 35.3 per cent of Londoners whose hours vary experienced unexpected shift cancellations compared to 24.9 per cent of workers outside London.
- 91.7 per cent of workers in London receive less than their regular pay when they experience unexpected shift cancellations, compared to 85.4 per cent of workers in the rest of the UK.

¹ Broadly speaking 'insecure' jobs refer to those that do not ensure secure and stable hours in a worker's contract. More precise definitions are detailed throughout this report.

- London workers with variable hours are more likely to be guaranteed fewer hours, with 29.0 per cent of Londoners being guaranteed fewer than 16 hours per week compared to 20.4 per cent of workers outside London.
- London workers who have short shift notice periods or see shifts cancelled unexpectedly are more likely to experience an insecurity premium (see page 20) compared to workers in the rest of the UK. 35.3 per cent of Londoners who experience short shift notice periods and/or shift cancellations have had to pay higher travel costs due to the way their hours are organised (compared to 26.0 per cent of workers outside London), and 23.7 per cent have had to pay higher childcare costs (compared to 14.7 per cent of workers in the rest of the UK).
- The insecurity premium paid by workers in London is often higher than the premium paid by workers in the rest of the UK. 53.4 per cent of London workers who experienced additional costs paid an extra £30 or more per month, compared to 45.5 per cent of workers outside London.

2. Introduction

The UK labour market has faced several shocks and challenges over recent years. The Covid-19 pandemic resulted in millions of workers being furloughed in 2020 and economic activity stalling. This was followed almost immediately by the onset of a cost-of-living crisis in 2022, the worst seen in 40 years. Over recent years the UK has also seen significant worker shortages, record levels of economic inactivity and sluggish economic growth, with the economy officially entering a recession at the end of 2023.

Despite these economic challenges, the proportion of low paid jobs has fallen from 20.2 per cent in 2020 to 12.9 per cent in 2023. This is largely due to substantial year-on-year increases in the National Living Wage, which has risen 31.2 per cent since 2020. With these increases, it is on track to meet the Low Pay Commission's target of two thirds of median income in 2024. These legislated increases to the wage floor have also had ripple effects further up the pay distribution,² offering additional 'spillover' wage growth benefits and further reducing the levels of low pay in the UK as more workers have been pushed above the higher, real Living Wage,³ threshold.

While there has been good progress on tackling low pay in recent years through effective legislation, the same cannot be said for insecure work, another important driver of in-work poverty.⁴ Indeed, lower earners need secure and stable hours, in addition to a real Living Wage, to ensure a decent standard of living and be able to participate fully in society.

² Richardson, J., and Witteveen, A. (2024). Employee jobs paid below the Living Wage: 2023. London, Living Wage Foundation. Available at: www.livingwage.org.uk/employee-jobs-paid-below-real-living-wage-2023.

³ The scale of low pay is calculated based on the real Living Wage threshold. The real Living Wage is an independently calculated hourly rate, produced by the Resolution Foundation and overseen by the Living Wage Commission. The rate is updated annually to reflect actual living costs, based on the best available evidence. The London Living Wage rate is higher to reflect higher living costs in the capital. The current rates are £13.15 in London and £12 in the rest of the UK. Accredited Living Wage employers pay the real Living Wage to all employed staff, including third party staff, aged 18 or over. The real Living Wage is different to the National Living Wage. You can find more information here: www.livingwage.org.uk/what-real-living-wage and in our latest report on the scale of low pay here: www.livingwage.org.uk/employee-jobs-paid-below-real-living-wage-2023.

⁴ Cominetti, N. et al (2022) Low Pay Britain 2022: Low pay and insecurity in the UK labour market, The Resolution Foundation. Available at: www.economy2030.resolutionfoundation.org/reports/low-pay-britain-2022/. Cominetti, N. et al (2023) Low Pay Britain 2023: Improving low-paid work through higher minimum standards, The Resolution Foundation. Available at: www.economy2030.resolutionfoundation.org/reports/low-pay-britain-2023/. Dobbins, T. (2022) Good work: policy and research on the quality of work in the UK, House of Commons Library. Available at: www.commonshlibrary.parliament.uk/research-briefings/cbp-9561/

Insecure work is a significant issue in the UK, with nearly one fifth of the UK workforce (6.1 million workers) having experienced work insecurity in 2022. More recent⁵ research by the Work Foundation also suggests that work in the UK is becoming less secure.⁶ Workers employed in insecure jobs often face both financial and contractual insecurity, as well as poor employment rights.⁷ Evidence also suggests a relationship between precarious employment and poor mental health⁸ with those in insecure work being twice as likely to report that work makes them feel ‘miserable’ compared to workers in secure jobs.⁹

While a lower proportion of jobs in London are insecure compared to some other regions of the UK,¹⁰ it remains the region with the highest total number of workers in insecure jobs. This is in part due to London having the greatest regional share of UK jobs. Analysis of the sectoral distribution of employment in London’s economy also shows that it is sectorally unequal, with an over-representation of jobs in both low-insecurity sectors, like ‘Financial and insurance activities’, and high-insecurity sectors, like ‘Accommodation and food services’, highlighting the importance of examining the issue of insecure work in the capital more closely.¹¹

⁵ Richardson, J. (2023) Precarious pay and uncertain hours: Insecure work in the UK Labour Market, London: Living Wage Foundation. Available at www.livingwage.org.uk/precarious-pay-and-uncertain-hours-insecure-work-uk-labour-market.

⁶ Florisson, R. (2024). The UK Insecure Work Index 2024, The Work Foundation at Lancaster University. Available at www.lancaster.ac.uk/work-foundation/publications/the-uk-insecure-work-index-2024.

⁷ Florisson, R. (2022). The Insecure Work Index: Two decades of insecurity. The Work Foundation, Lancaster University. Available at www.lancaster.ac.uk/work-foundation/publications/the-uk-insecure-work-index.

⁸ Irvine, A., & Rose, N. (2022). How Does Precarious Employment Affect Mental Health? A Scoping Review and Thematic Synthesis of Qualitative Evidence from Western Economies. *Work, Employment and Society*, 0(0). Available at: doi.org/10.1177/09500170221128698. The Health Foundation (2023) Trends in insecure work by health status and age group. Available at: www.health.org.uk/evidence-hub/work/job-security/trends-in-insecure-work-by-health-status-and-age-group.

⁹ Cominetti, N. et al (2023) Low Pay Britain 2023: Improving low-paid work through higher minimum standards, The Resolution Foundation. Available at www.economy2030.resolutionfoundation.org/reports/low-pay-britain-2023/.

¹⁰ Richardson, J. (2023) Precarious pay and uncertain hours: Insecure work in the UK Labour Market, London: Living Wage Foundation. Available at www.livingwage.org.uk/precarious-pay-and-uncertain-hours-insecure-work-uk-labour-market. Florisson, R. (2023) Delivering Levelling Up? How Secure Work Can Reduce Regional Inequality, The Work Foundation at Lancaster University. Available at www.lancaster.ac.uk/work-foundation/publications/delivering-levelling-up/.

¹¹ Cockett, J. and Willmott, B. (2023) The gig economy: What does it really look like? London: Chartered Institute of Personnel and Development. Available at www.cipd.org.uk/knowledge/reports/gig-economy/.

This report explores the scale of insecure work in London, as well as the experiences of Londoners employed in insecure jobs. We consider different aspects of insecure work, such as variable hours,¹² guaranteed hours, shift notice periods, shift cancellations and compensation, as well as the impact of variable hours and short shift notice periods on different aspects of workers' lives. Our research finds that workers employed in insecure jobs in London are more likely to experience certain aspects of insecure work, such as short shift notice periods and unexpected shift cancellations, and to face higher costs associated with insecure work than workers employed in insecure jobs elsewhere in the UK.

This report adds to the insights published in our previous 'Living Hours Index' reports. This body of research provides a unique study of insecure work in the UK, analysing data on shift notice periods and shift cancellations which is not captured in national labour market datasets like the Labour Force Survey or Family Resources Survey. To gather this data, the Living Wage Foundation commissioned polling agency Survation¹³ to poll a sample of over 2,000 workers on a bi-quarterly basis over a three-year period (2021-2023). More information on the methodology and definition of insecure work used in this report is available at the end of this report.

¹² Variable hours refer to contracts in which the worker does not have a fixed working pattern and instead works irregular or volatile hours – these can include shift workers, agency workers, or those on rota systems etc.

¹³ Survation is a member of the British Polling Council and adheres to its standards.

3. Scale of insecure work

Our previous research shows that insecure work is a key feature of the UK economy, with 6.1 million workers in insecure work in 2022 (19.2 per cent), of which 3.4 million were in low paid insecure work (10.7 per cent).¹⁴ There has been a steady decline in both insecure- and low-paid insecure work from 2016 to 2022, with the number of people in insecure work falling from 6.9 to 6.1 million over this period. Despite this gradual reduction, the scale of insecure work remains high by historical standards, fuelled by the rise of atypical working practices such as part-time work, self-employment and zero-hour contracts in the aftermath of the 2008 Financial Crisis.

Features of insecure work vary, and insecure work can take many different forms. In 2022 the most common type of insecure work was ‘hour or pay volatility’ (2.9 million workers), followed by ‘low paid self-employment’ (2 million workers), ‘non-permanent jobs’ (1 million workers), ‘zero-hour contracts’ (1 million workers) and ‘under-employment’ (200,000 workers).¹⁵ Research has also found that these different types of insecurity can intersect and compound, so that workers experience multiple forms of insecurity simultaneously.¹⁶ Moreover, a key feature of insecure work is that it is unevenly distributed throughout the UK, with varying levels of insecurity across regions, sectors and communities.

INSECURE WORK IN LONDON BY SECTOR

According to our previous research, London had the second lowest proportion of workers employed in insecure jobs in the UK in 2022, with 17.5 per cent of the London workforce in insecure work and 10.9 per cent in low paid insecure work.¹⁷ However, this relatively low average hides a more complex picture.

As with many regions of the UK, London is ‘sectorally unequal’, meaning that some sectors employ considerably more workers than others. Previous research has shown that occupation and sector have a more significant impact on workers’ likelihood of being in insecure work than

¹⁴ See reference 5.

¹⁵ See reference 5.

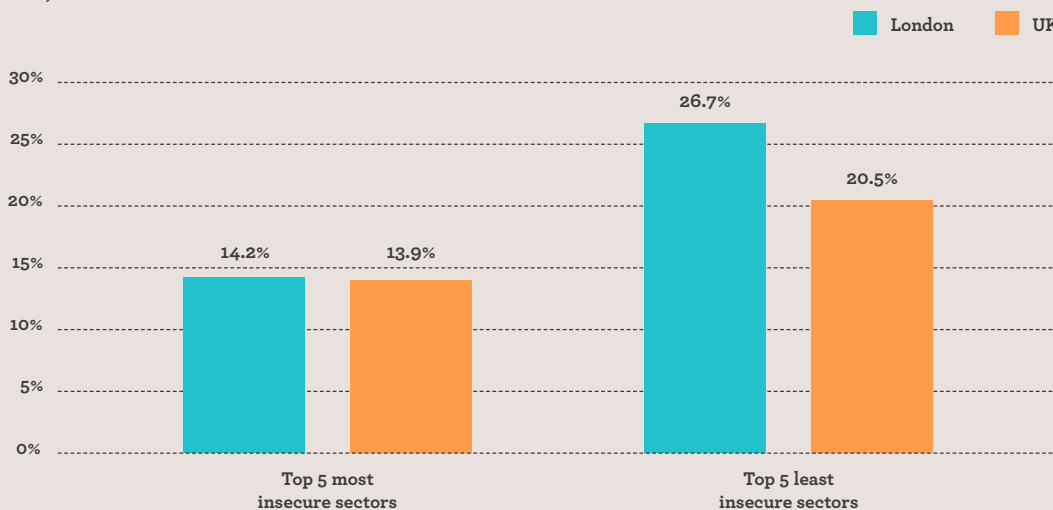
¹⁶ See reference 7.

¹⁷ See reference 5.

personal characteristics because insecure work is unevenly distributed across sectors.¹⁸ Analysing London’s sectoral composition therefore helps us better understand the true scale and distribution of insecure work in the capital.

Our analysis of ONS data finds that London is over-represented in both high-insecurity sectors and low-insecurity sectors, in terms of the proportion of total jobs in the region. A slightly higher proportion of London’s jobs are in one of the UK’s five most insecure sectors, compared to the UK as a whole (Figure 1). A higher proportion of London’s jobs are also in one of the UK’s top five least insecure sectors, compared to the UK as a whole. This over-representation of jobs in low-insecurity sectors is particularly important to note because it brings down the overall proportion of insecure jobs in London. This can make it seem like insecure work is less prevalent in the capital by obscuring the scale of the issue in high-insecurity sectors as well as the total number of workers impacted.

Figure 1: Proportion of total jobs that are in one of the UK’s top five most insecure sectors and top five least insecure sectors for London and the UK, 2022.



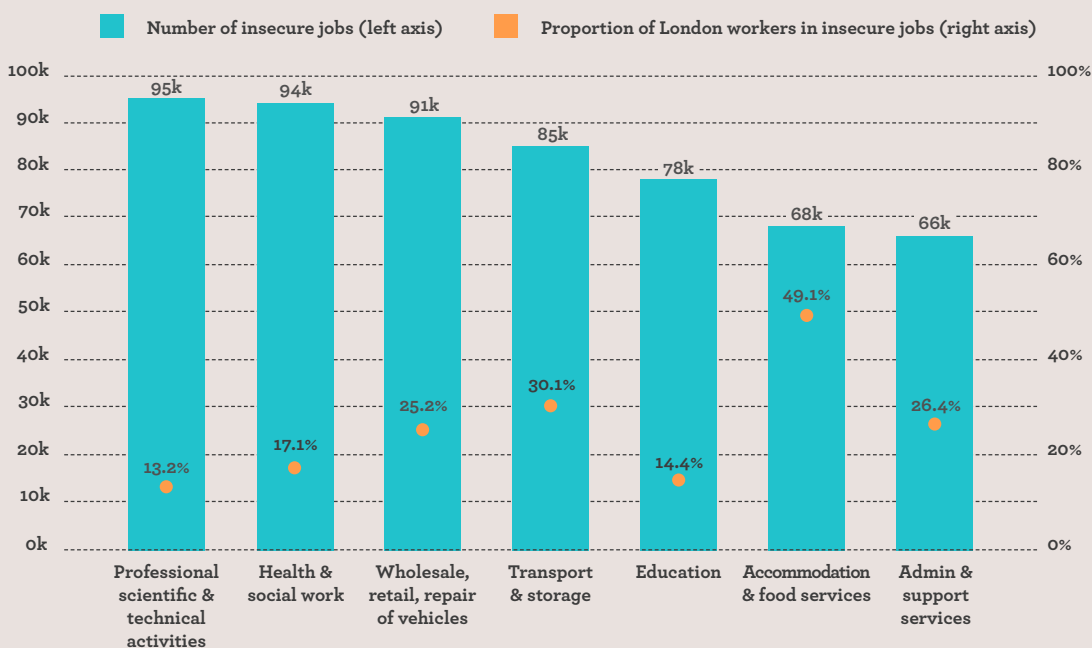
Source: Living Wage Foundation analysis of Office for National Statistics data, Labour Force Survey (2022) and Family Resources Survey (2021-22). The top 5 most insecure sectors in the UK in 2022 were ‘Agriculture, Forestry & Fishing’, ‘Accommodation & Food Services’, ‘Arts, Entertainment & Recreation’, ‘Other Service Activities’, and ‘Admin & Support Services’. The 5 least insecure sectors in the UK in 2022 were ‘Financial & Insurance Activities’, ‘Electricity, Gas & Air Conditioning Supply’, ‘Information & Communication’, ‘Public Admin & Defence’, and ‘Water Supply, Sewerage, Waste & Remediation Services’.

¹⁸ Cominetti, N. et al. (2022) Low Pay Britain 2022, Low pay and insecurity in the UK labour market, Resolution Foundation. Available at: www.economy2030.resolutionfoundation.org/reports/low-pay-britain-2022/. Richardson, J. (2023) Precarious Pay and Uncertain Hours: Insecure Work in the UK Labour Market. London, Living Wage Foundation. Available at www.livingwage.org.uk/precarious-pay-and-uncertain-hours-insecure-work-uk-labour-market.

Moreover, London is both the region with the highest concentration of registered businesses in the UK and the region with the highest number of jobs. Almost a fifth of all UK businesses were registered in London in 2022, together supporting 14.9 per cent of all UK jobs (4.1 million). As such, London’s relatively low scale of insecure work still represents a high number of insecure jobs. Indeed, the total number of workers in insecure jobs in the capital is higher than in any other region, with over 800,000 Londoners employed in insecure jobs in 2022.

It is also important to consider both the proportion and the number of insecure jobs when analysing the scale of the issue in different sectors (Figure 2). In terms of proportion of jobs, ‘Accommodation and food services’ had the highest by far with almost half (49.1 per cent) of workers in this sector employed in insecure jobs. However, some sectors with a relatively low proportion of insecure jobs represent a large number of insecure jobs. In the ‘Health and social work’ sector for example, 17.1 per cent of Londoners employed in this sector were in insecure jobs in 2022, but this represents a total of over 94,000 insecure jobs. Other sectors with a high number of insecure jobs in London were ‘Professional, scientific and technical activities’ with over 95,000 insecure jobs, ‘Wholesale, retail, repair of motor vehicles’ with over 91,000 insecure jobs and ‘Transport and storage’ with over 85,000 insecure jobs.

Figure 2: Proportion and number of London workers in insecure jobs in select sectors (1 digit SIC), London, 2022.



Source: Living Wage Foundation analysis of Office for National Statistics data, Labour Force Survey (2022) and Family Resources Survey (2021-22).



Therefore, while London has a slightly lower proportion of workers in insecure jobs compared to other regions of the UK, its high concentration of jobs and businesses in high insecurity sectors make insecure work a considerable issue in the capital. The remainder of this report will explore the experiences of Londoners employed in insecure jobs between 2021 and 2023.

4. Features of insecure work

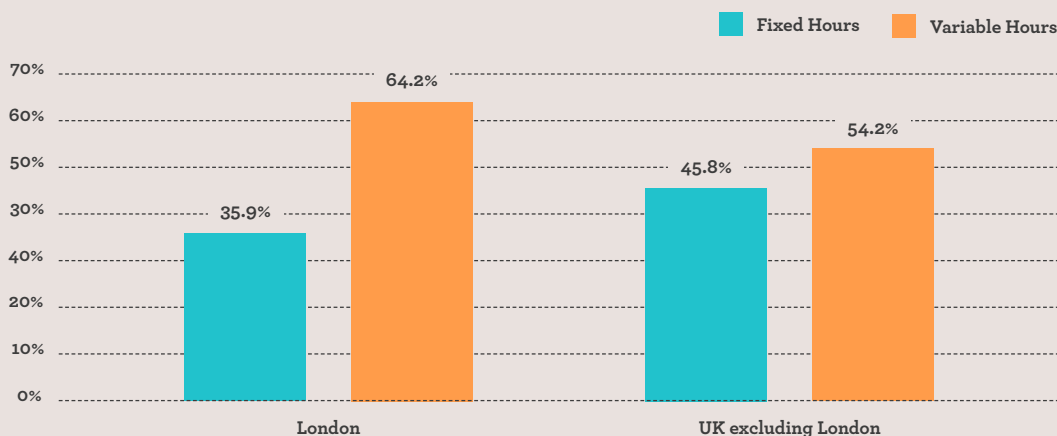
The previous section of this report explored the scale of insecure work¹⁹ in London and the UK using data from major UK labour market datasets. While these datasets provide an appropriate and robust picture of the scale of the issue, they do not capture information about shift notice periods, unexpected shift cancellations, compensation for cancelled shifts, or the impacts of these aspects of insecure work on people's finances or quality of life.

The remainder of this report uses primary polling data to explore these features and impacts of insecure work amongst Londoners. To do so we apply a broad definition of insecure work and include all respondents who said their hours varied, who received less than four weeks' notice of shifts, and/or who had their shifts cancelled unexpectedly.

VARIABLE HOURS

A majority of workers in London (64.2 per cent) are in jobs that involve variable working hours or shift patterns. This is higher than that in the rest of the UK, where 54.2 per cent of workers have jobs that involve this type of work (Figure 3).

Figure 3: Percentage of workers on fixed or variable hours, by geographic area, 2021-2023.



Source: Living Wage Foundation analysis of Survation data. Data for the second and fourth quarters in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, all respondents were asked: In your main job, what is the minimum amount of notice you get of your working hours, shifts or work schedules? Across the six polling waves the pooled data for this question yielded a sample of 12,275 respondents aged 18+ who live in the UK, which includes 1,802 respondents aged 18+ who live in London.

¹⁹ The ONS defines people in insecure work as those who meet at least one of the following criteria:

1. People in non-permanent work (casual, seasonal jobs, fixed term and agency) excluding anyone who said they did not want a permanent job.
2. People who report working fewer than 16 hours a week despite wanting to work more (under-employed).
3. People who self-report volatile pay or hours while earning below the UK median income.
4. People on zero-hours contracts.
5. Low paid self-employed people.

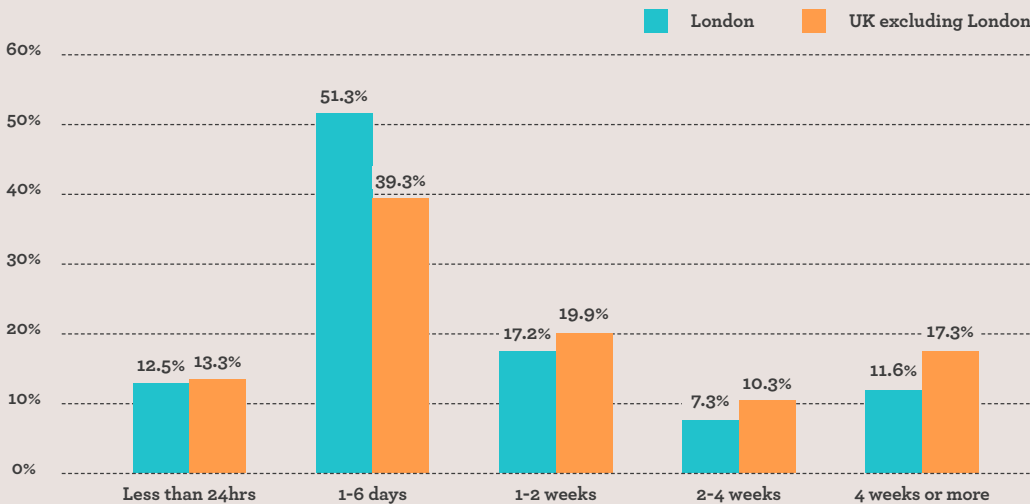
Variable hours can place a burden on workers as it can make planning for their personal and work lives more difficult. It can also cause them to incur additional financial costs in the case of short shift notice periods and shift cancellations. This ‘insecurity premium’ is explored in further detail later in this report.

SHIFT NOTICE PERIODS

Variable hours make workers in insecure jobs more vulnerable to short shift notice periods and unexpected shift cancellations which in turn can negatively impact workers’ finances and other areas of their lives.

London workers are particularly affected by this issue, as they are more likely to face shorter shift notice periods compared with workers outside London (Figure 4). 88.6 per cent of London workers who work variable hours get less than four weeks’ notice for shifts compared to 82.7 per cent of workers outside of London. This includes 63.9 per cent of London workers with variable hours who get less than a week’s notice for shifts, compared to 52.6 per cent of workers outside of London.

Figure 4: Minimum notice for shifts, working hours or work schedules, for workers with variable hours by geographic area, 2021-2023.

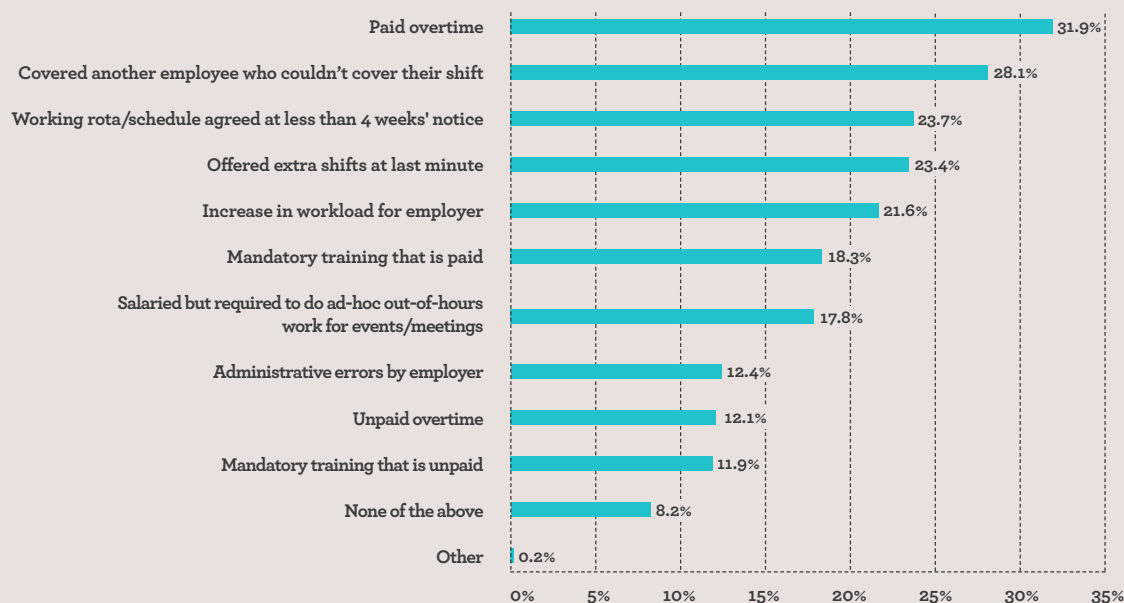


Source: Living Wage Foundation analysis of Survation data. Data for the second and fourth quarters in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, respondents whose hours varied were asked: In your main job, how many hours, if any, are you guaranteed in your work or other written work agreement, to work per week? Across these six polling waves the pooled data for this question yielded a sample of 6,832 respondents aged 18+ who live in the UK, of which 1,157 live in London.

A key criterion of the Living Wage Foundation’s Living Hours standard²⁰ is providing workers with at least four weeks’ notice for shifts. Given the substantial share of London workers with variable hours whose working arrangements fall short of this standard, these findings highlight the importance of tackling this feature of insecure work in the capital.

The most common reasons cited by London workers for having short shift notice periods are ‘being paid overtime’ (31.9 per cent), ‘covering another employee who could not cover their shift’ (28.1 per cent), and ‘working rotas being agreed with less than 4 weeks’ notice’ (23.7 per cent) (Figure 5).

Figure 5: Reasons for short shift notice periods, London, 2021-2023.



Source: Living Wage Foundation analysis of Survation data. Data for the second and fourth quarters in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, respondents who received less than four weeks’ notice were asked: For which of the following reasons, if any, have you been given less than 4 weeks’ notice of working hours, shifts or work schedules during the past 12 months? Across these six polling waves the pooled data for this question yielded a sample of 1,021 respondents aged 18+ who live in London.

In the UK as a whole, for those workers with variable hours, certain groups of workers such as Minority Ethnic,²¹ low paid, and younger workers are disproportionately affected by short shift notice periods. 88.6 per cent of Minority Ethnic workers who work variable hours get less

²⁰ The Living Hours standard is an accreditation scheme managed by the Living Wage Foundation which offers a practical solution that employers can adopt to help provide the security and stability that workers need to make ends meet. The Living Hours campaign was developed over an 18-month period of consultation with workers, Living Wage Employers, trade unions and experts. This culminated in a set of measures to tackle the problems associated with casualised and insecure work. Find more information on Living Hours here: www.livingwage.org.uk/living-hours.

²¹ Throughout this report, we use the term Minority Ethnic to describe workers from racialised backgrounds. We recognise that any term which groups together different ethnic groups into a single category fails to fully capture the nuance of individual minority ethnic groups, and their experiences in the labour market. That is why our previous reports on the ethnicity pay gap analysed ethnic groups independently. Our research found that there were large gaps between white and minority ethnic workers, as well as between different minority ethnic groups when it came to low pay. However, the data used in this report relies on polling data because these measures are not recorded in national-level labour market datasets. As such, in order to ensure a sufficient sample size, we have grouped together non-white ethnic groups to analyse as a single cohort. We acknowledge that this provides a limited understanding of how different ethnic groups experience the labour market.

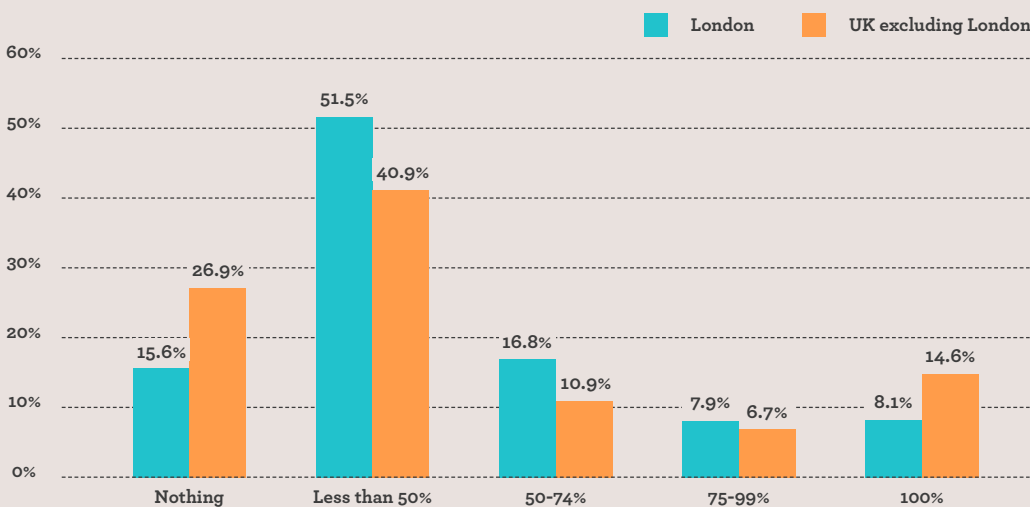
than four weeks' shift notice compared to 82.6 per cent of white workers who work variable hours. 92.2 per cent of low paid workers who work variable hours get less than four weeks' notice compared to 80.9 per cent of workers earning at or above the real Living Wage who work variable hours. 94.1 per cent of 18–24 year-olds working variable hours receive less than four weeks' notice for shifts compared to 82.2 per cent for those over 24 years old working variable hours.

SHIFT CANCELLATIONS AND PAYMENTS

In addition to short shift notice periods, workers in insecure jobs often experience unexpected shift cancellations on short notice. Over a third of London workers who have variable hours experience unexpected shift cancellations (35.3 per cent), which is about 10 percentage points higher than for workers on variable hours outside of London.

Moreover, payment following shift cancellations is not guaranteed. Indeed, 91.7 per cent of London workers whose shifts are cancelled unexpectedly do not receive their regular pay, including 15.6 per cent who receive no payment at all (Figure 6). Inadequate compensation following shift cancellations is more widespread in London than in the rest of the country, where 85.4 per cent of workers experiencing unexpected shift cancellations receive less than their regular pay when shifts are cancelled.

Figure 6: Pay workers receive for cancelled shifts, by geographic area, 2021-2023.



Source: Living Wage Foundation analysis of Survation data. Data for the second and fourth quarters in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, respondents who have had shifts cancelled unexpectedly in the past 12 months were asked: When your shifts are cancelled, what proportion of your regular pay, if any, do you receive on average? Across these six polling waves the pooled data for this question yielded a sample of 2,410 respondents aged 18+ who live in the UK, which includes 495 respondents aged 18+ who live in London.

In the UK as a whole, certain groups are more likely to experience unexpected shift cancellations and to receive less than full pay when their shifts are cancelled. 38.5 per cent of Minority Ethnic workers who have variable hours have had unexpected shift cancellations compared to 24.3 per cent of white workers with variable hours. 94.5 per cent of Minority Ethnic workers who had shifts cancelled received less than their regular wages compared to 84.6 per cent of white workers who had shifts cancelled.

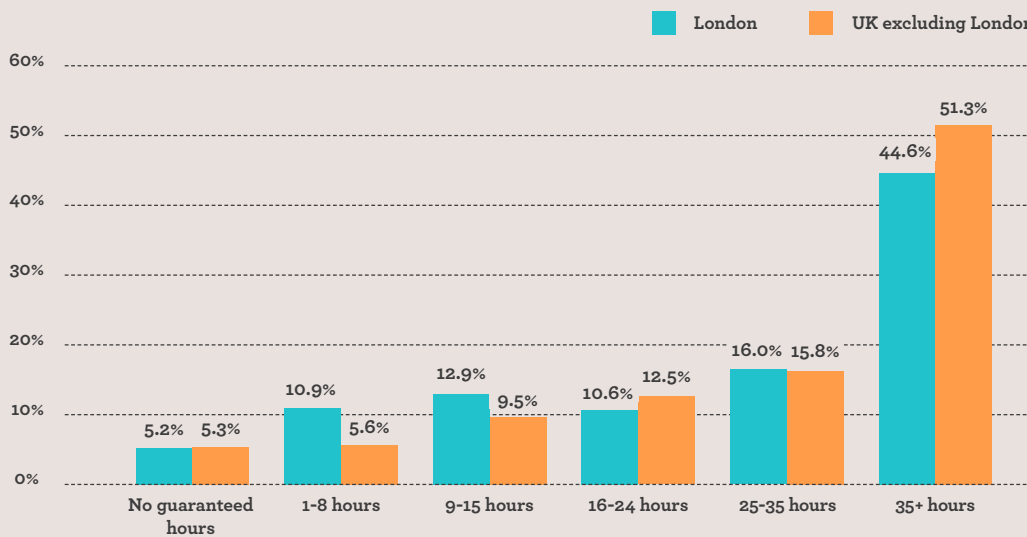
31.9 per cent of low paid workers who have variable hours experienced unexpected shift cancellations compared to 24.0 per cent of workers earning at or above the real Living Wage. 92.1 per cent of low paid workers who experienced unexpected shift cancellations received less than their regular wages compared to 83.4 per cent of workers paid at or above the real Living Wage. Low paid workers are also more likely to receive no payment at all for cancelled shifts compared to better paid workers (27.4 per cent compared to 23.0 per cent).

GUARANTEED HOURS AND HOURS WORKED

Variable hours, short shift notice periods and a lack of guaranteed hours are issues which often go hand in hand. While some workers benefit from the flexibility of variable hours and less formalised contracts (like zero-hour contracts), casualised working contracts often drive one-sided flexibility which suits the needs of the employer over those of the worker.

Almost a third of workers in London have fewer than 16 hours of work guaranteed per week, compared to one fifth of workers employed outside of London. Workers in London are also less likely to be guaranteed full-time hours (35+ hours per week) than in the rest of the UK (44.6 per cent in London vs 51.3 per cent outside London) (Figure 7). The evidence that a higher proportion of Londoners tend to have variable hours and be guaranteed fewer hours than workers in the rest of the UK highlights the importance of addressing insecure work in the capital.

Figure 7: Weekly hours guaranteed in contract by geographic area, 2021-2023.



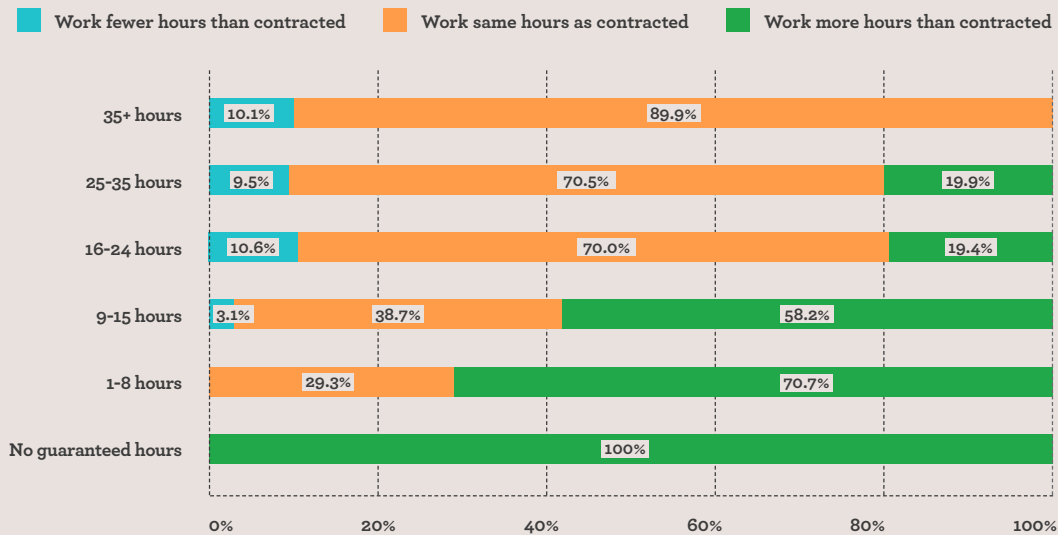
Source: Living Wage Foundation analysis of Survation data. Data for the fourth quarter in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, all respondents were asked: In your main job, how many hours, if any, are you guaranteed in your work or other written work agreement, to work per week? Across these five polling waves the pooled data for this question yielded a sample of 10,254 respondents aged 18+ who live in the UK, which includes 1,506 respondents aged 18+ who live in London.

Across the UK as a whole, certain groups of workers are more likely to have fewer guaranteed hours, such as Minority Ethnic workers, low paid workers, and younger workers. 35.4 per cent of Minority Ethnic workers are guaranteed fewer than 16 hours a week, compared to 20.7 per cent of white workers. 40.9 per cent of low paid workers are guaranteed fewer than 16 hours a week, compared with 18.7 per cent of those earning at or above the real Living Wage. 43.7 per cent of younger workers (18-24) are guaranteed fewer than 16 hours a week, compared to 19.2 per cent of older workers (25-65+).

In the UK, white workers are also more likely to be guaranteed full-time hours (35+ hours per week) than Minority Ethnic workers (44.5 per cent vs. 33.0 per cent). Workers paid at or above the real Living Wage are almost twice as likely to be guaranteed full-time hours compared to low paid workers (47.2 per cent versus 24.0 per cent).

Comparing guaranteed hours to the number of hours Londoners actually worked, we can see that a large majority of workers who have less than 16 hours guaranteed work more than their contracted hours (Figure 8). Furthermore, 67.9 per cent of Londoners on zero hours contracts (no guaranteed hours) reported working 16 hours or more

Figure 8: Number of hours guaranteed, and actual hours worked by workers in London, 2021-2023.



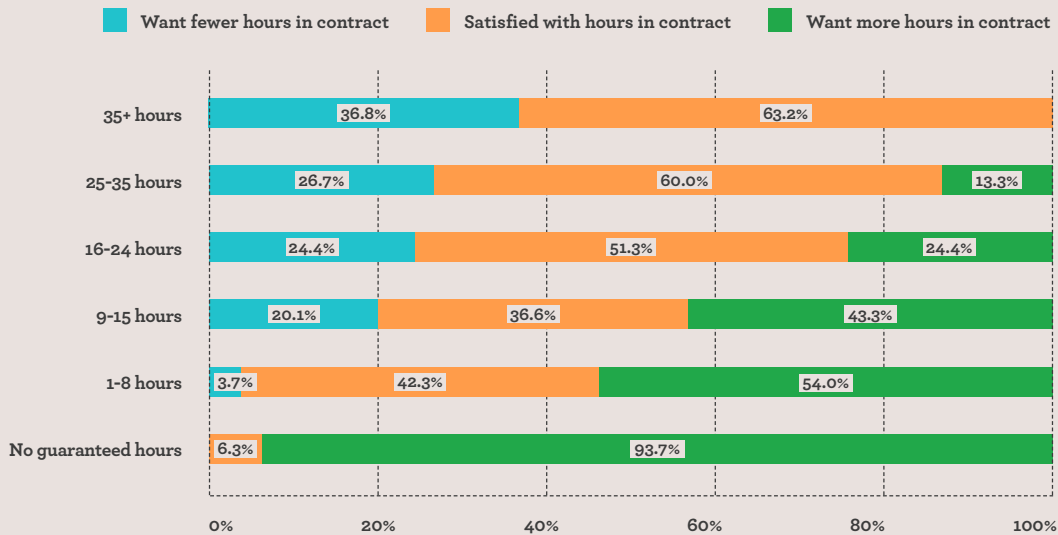
Source: Living Wage Foundation analysis of Survation data. Data for the fourth quarter in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, all respondents were asked: In your main job, how many hours, if any, are you guaranteed in your work or other written work agreement, to work per week? And: In your main job, how many hours do you typically work each week, on average? Across these five polling waves the pooled data for these questions yielded a sample of 1,506 respondents aged 18+ who live in London.

per week, with 35.9 per cent working full-time hours (35+). These data highlight the importance of contracts that reflect actual hours worked, as is stipulated in the Living Hours standard, to protect workers from this feature of insecure work.

Londoners with fewer hours guaranteed typically want more hours guaranteed in their contracts than they currently have (Figure 9). Comparing the number of guaranteed hours to desired hours also suggests that a very small proportion of London workers want zero hours contracts, and that a large proportion of workers guaranteed 35+ hours want to work fewer hours.

Only 6.3 per cent of Londoners with no hours guaranteed are satisfied with their hours, compared to 63.2 per cent of workers with full-time hours guaranteed. More broadly there seems to be an inverse relationship between the number of guaranteed hours and satisfaction with guaranteed hours, with the desire for more guaranteed hours gradually decreasing as the number of hours guaranteed increases.

Figure 9: Weekly hours guaranteed in contract and whether workers want more, fewer or the same hours in contract, London, 2021-2023.



Source: Living Wage Foundation analysis of Survation data. Data for the fourth quarter in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, all respondents were asked: In your main job, how many hours, if any, are you guaranteed in your work or other written work agreement, to work per week? And: If given the option, how many hours of work per week would you want guaranteed in your contract? Across these five polling waves the pooled data for these questions yielded a sample of 1,506 respondents aged 18+ who live in London.

However, London workers with fewer hours guaranteed are considerably more likely to want more hours guaranteed than London workers with more hours guaranteed are to want fewer hours. Londoners in particular may want more hours guaranteed to ensure a minimum income that covers the higher living costs in the capital.

Satisfaction with hours guaranteed reaches over 50 per cent when Londoners have 16-24 hours guaranteed, increasing to 60.0 percent for those guaranteed 25-35 hours and 63.2 per cent for those guaranteed full-time (35+) hours. Furthermore, 93.7 per cent of workers that aren't guaranteed any hours want more hours in their contract. These findings suggest that the key criterion of the Living Hours standard of a minimum hours guarantee (16 hours per week unless they request fewer themselves) would be welcome for many Londoners in insecure jobs.

5. Impact of insecure work

As detailed in this report, workers employed in insecure jobs are often called into work with very little notice, can see their shifts cancelled unexpectedly without full compensation, and often don't have sufficient guaranteed hours. This places an additional burden on these workers which can negatively affect their financial security as well as other aspects of their lives. The next section of this report explores these impacts on Londoners.

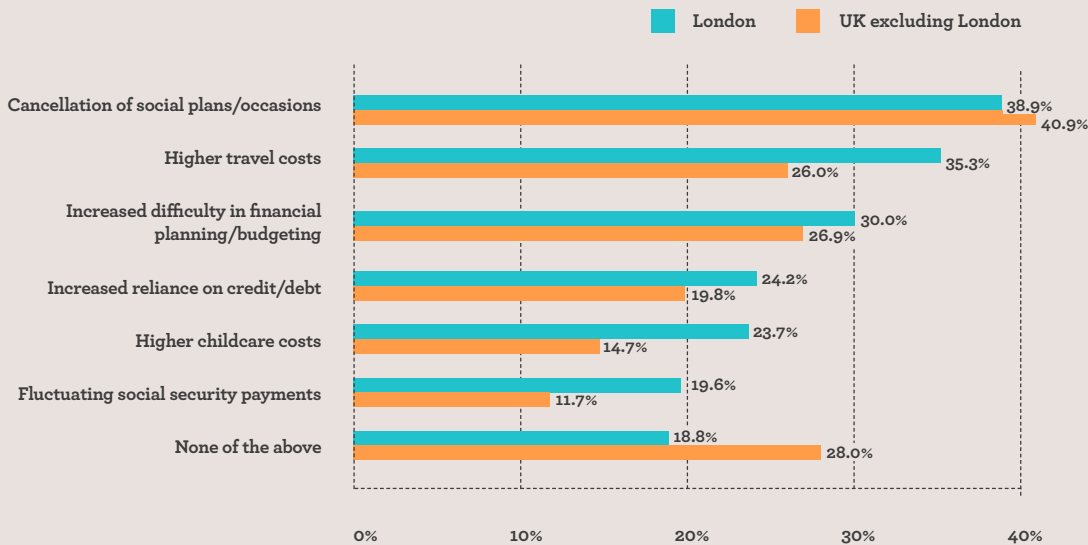
FINANCIAL IMPACT: INSECURITY PREMIUM

Workers in insecure jobs often face an 'insecurity premium', which refers to the additional costs and income implications experienced by workers as a result of being employed in an insecure job. The insecurity premium refers to both direct costs incurred from things like short shift notice periods (e.g. higher costs of last-minute travel and childcare), as well as indirect costs (e.g. increased reliance on credit, increased difficulty in financial planning, and fluctuating social security payments).

A greater proportion of London workers experience almost all of these direct and indirect costs associated with insecure work, compared to workers in the rest of the UK (Figure 10). The most cited impact of short shift notice periods and cancellations is 'the cancellation of social plans and occasions'. This highlights the difficulty insecure workers have in managing their personal lives when their shifts or working hours change on short notice.

In terms of direct financial costs, well over a third of workers in London who experience short shift notice periods and/or shift cancellations have had to pay higher travel costs due to the way their hours are organised (Figure 10). Over a fifth of workers in London who experience short shift notice periods and/or shift cancellations have had to pay higher childcare costs due to the way their hours are organised.

Figure 10: Impact of short notice for working hours, shifts, or work schedule, by geographic area, 2021-2023.



Source: Living Wage Foundation analysis of Survation data. Data for the fourth quarter in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, respondents who receive less than four weeks’ notice of working schedules or who have had shifts cancelled unexpectedly were asked: What impact, if any, has short notice for working hours, shifts or work schedules, had on the following over the past 12 months? Across these five polling waves the pooled data for this question yielded a sample of 5,133 respondents aged 18+ who live in the UK, which includes 902 respondents aged 18+ who live in London.

Incidences of each of these costs are higher in London than in the rest of the UK, suggesting that this is more of an issue amongst workers in the capital than in the rest of the country. This is likely to be due to Londoners being more reliant on public transport given that London has the lowest proportion of workers travelling to work by car of any UK region,²² and that Londoners use public transport more frequently than those in the rest of the UK.²³ The cost of childcare in London is also much higher than in the rest of the country, with London deemed to be an ‘affordability blackspot’ when it comes to childcare costs.²⁴

Moreover, a third of London workers experiencing short shift notice periods and/or shift cancellations report ‘increased difficulty in financial planning’ due to the way their hours are organised, and almost a quarter have increased their reliance on credit or debt because of short shift notice periods and/or cancellations. Workers in London who experience short notice periods and/or shift cancellations are also more likely to experience fluctuating social security payments as a direct result of how their hours are organised, compared to workers in the rest of the UK.

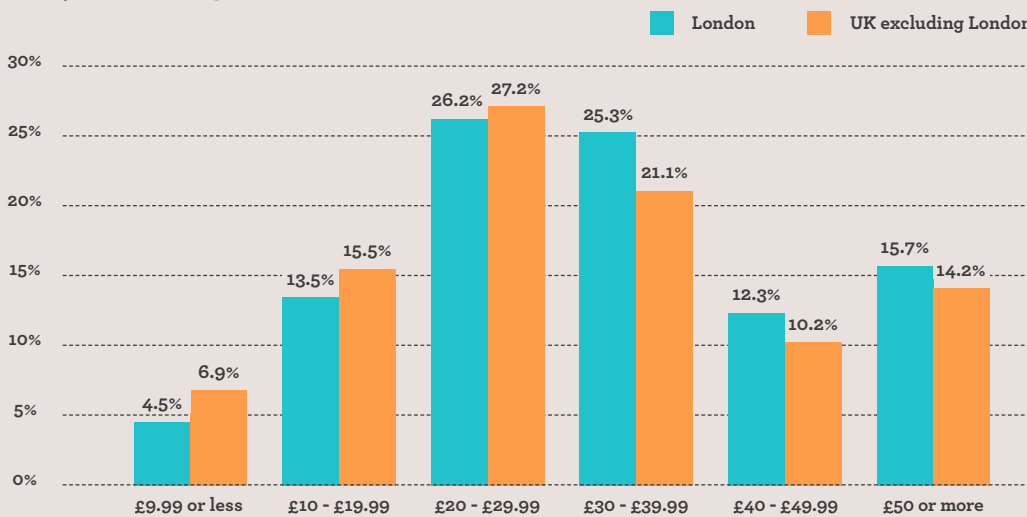
²² ONS (2022) Travel to work, England and Wales: Census 2021. Available at: www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/traveltoworkenglandandwales/census2021.

²³ Transport Focus (2020) Social distancing and public transport: Transport User Panel Survey. Available at: www.transportfocus.org.uk/publication/social-distancing-and-public-transport-transport-user-panel-survey/.

²⁴ Orso, L. (no date) The cost of childcare: Where are England’s affordability blackspots?, nesta. Available at: www.nesta.org.uk/data-visualisation-and-interactive/the-cost-of-childcare-where-are-englands-affordability-blackspots/.

Not only are Londoners employed in insecure jobs more likely to face an insecurity premium compared to workers outside of London, but they also tend to pay a higher premium than workers in the rest of the UK. Indeed, over half (53.4 per cent) of London workers who pay an insecurity premium paid £30 or more per month, compared to 45.5 per cent of workers outside London (Figure 11). This is likely due to living costs being higher in the capital compared to the rest of the UK.

Figure 11: Average additional monthly ‘insecurity premium’ for workers facing short shift notice periods and/or shift cancellations, by geographic area, 2021-2023.



Source: Living Wage Foundation analysis of Survation data. Data for the fourth quarters in 2021, first and third quarters in 2022, and second and fourth quarters in 2023 was merged and analysed as a single data-source. In each polling wave, respondents who have experienced additional costs were asked: On average, how much extra money do you have to pay as a result of these additional costs in a month? Across these five polling waves the pooled data for this question yielded a sample of 1,933 respondents aged 18+ who live in the UK, which includes 446 respondents aged 18+ who live in London.

6. Conclusion

London's low proportion of insecure jobs, relative to other regions of the UK, obscures the fact that it is the region with the highest number of insecure jobs in the UK, and with it the importance of addressing insecure work in the capital.

Moreover, data from our polling series found that London workers are more likely than workers outside of London to:

- have variable working hours
- be guaranteed fewer hours
- be given shorter shift notice periods
- face unexpected shift cancellations
- receive less than their regular pay when shifts are cancelled
- incur an insecurity premium as a result of being in insecure work
- pay a higher insecurity premium

These findings suggest that the Living Hours standard,²⁵ which includes the following measures, would help target key features of insecure work in the capital:

1. At least four weeks' notice for shifts, with guaranteed payment if shifts are cancelled during this notice period.
2. The right to a contract that reflects actual hours worked.
3. A guaranteed minimum of 16 hours a week (unless the worker requests fewer).

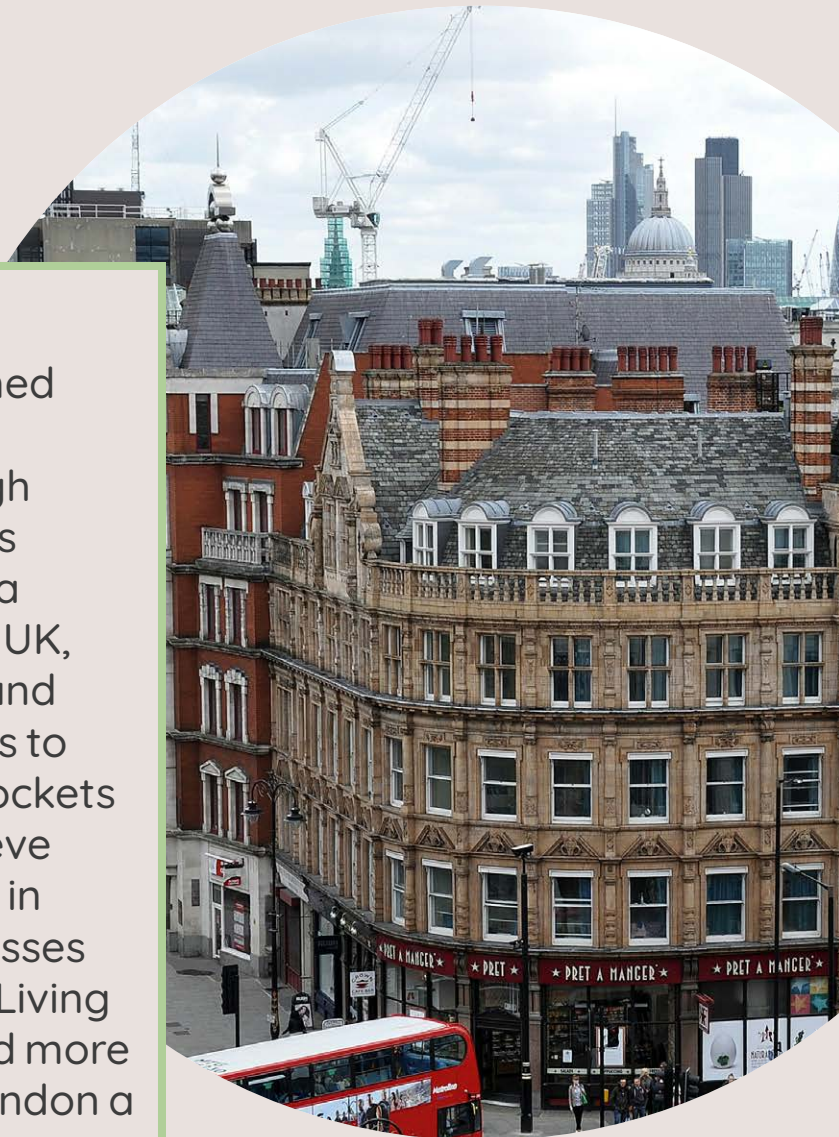
Indeed, our polling suggests that many Londoners' jobs fall short of the Living Hours standard. Namely, a large majority of Londoners who work variable hours do not get four weeks' notice for shifts (88.6 per cent) and

²⁵See reference 20

most London workers who see their shifts unexpectedly cancelled do not receive adequate compensation (91.7 per cent). Londoners with fewer hours guaranteed also tend to work more than their contracted hours and report wanting more hours guaranteed. Living Hours accreditation is therefore a practical step employers can take to help address insecure work in the capital by providing their workers with secure and stable hours alongside a real Living Wage.

The **Making London a Living Wage City** project was launched in 2021 to tackle issues of low pay and insecure work through Living Wage- and Living Hours accreditations. The project is a partnership between Citizens UK, the Living Wage Foundation and the Mayor of London. Its aim is to put over £635m back in the pockets of low paid workers and achieve 10,000 Living Hours contracts in London by accrediting businesses to become Living Wage- and Living Hours Employers. You can find more information on the Making London a Living Wage City project at:

www.citizensuk.org/campaigns/making-london-a-living-wage-city/



7. Methodology & definition of insecure work

The first section of this report explores the scale of insecure work in the UK and London and uses data from the Labour Force Surveys (LFS), Family Resources Surveys (FRS) and the Annual Survey of Hours and Earnings (ASHE). The data which refers to the scale of insecure work in the UK and London is from the four quarters of LFS data gathered in 2022 and the 2021-22 FRS. To avoid duplication in our sample, the LFS was used to analyse employees exclusively, and the FRS was used to analyse self-employed workers exclusively.

These ONS data sources define people in insecure work as those who meet at least one of the following criteria:²⁶

1. People in non-permanent work (casual, seasonal jobs, fixed term and agency) excluding anyone who said they did not want a permanent job.
2. People who report working fewer than 16 hours a week despite wanting to work more (under-employed).
3. People who self-report volatile pay or hours while earning below the UK median income.
4. People on zero-hours contracts.
5. Low paid self-employed people.

The second section of this report explores the features and impacts of insecure work, with consideration for different aspects including shift notice periods and shift cancellations. As there is no data on these measures within the UK's major labour market datasets, we

²⁶ Those that meet more than one of these criteria are not double counted.

commissioned polling agency Survation to run a series of six bi-quarterly polls, each of 2,000+ workers in the UK (Q2 2021 to Q4 2023) to gather this data. Survation is a member of the British Polling Council and abides by its rules.

To maintain the focus on only those workers who experience some form of insecure work, we only included in the analysis of our polling series workers who said their hours varied, who received less than four weeks' notice of working hours, shifts or work schedules, and/or who had their shifts cancelled unexpectedly. This does not perfectly align with the ONS definition of insecure work used in the first half of this report but is the most effective way of ensuring sufficient crossover between the two cohorts. We use these definitions of insecure work interchangeably throughout the report.

Across these six surveys, a total of 12,275 employees, including 1,802 Londoners, provided data. Respondents were asked to report whether they work variable hours, the number of hours they work and are guaranteed, the amount of notice they receive of working hours, shifts or work schedules, whether they have experienced shift cancellations, and how insecure work patterns impact their finances and quality of life.

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