

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

EMPLOYMENT RELATIONS (FLEXIBLE WORKING) BILL

First Sitting

Wednesday 7 December 2022

CONTENTS

CLAUSES 1 AND 2 agreed to.
Bill to be reported, without amendment.

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor’s Room, House of Commons,

not later than

Sunday 11 December 2022

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The Committee consisted of the following Members:

Chair: PHILIP DAVIES

- | | |
|--|---|
| † Anderson, Fleur (<i>Putney</i>) (Lab) | † Morris, David (<i>Morecambe and Lunesdale</i>) (Con) |
| † Blunt, Crispin (<i>Reigate</i>) (Con) | † Mullan, Dr Kieran (<i>Crewe and Nantwich</i>) (Con) |
| † Cameron, Dr Lisa (<i>East Kilbride, Strathaven and Lesmahagow</i>) (SNP) | † Neill, Sir Robert (<i>Bromley and Chislehurst</i>) (Con) |
| † Courts, Robert (<i>Witney</i>) (Con) | † Qureshi, Yasmin (<i>Bolton South East</i>) (Lab) |
| † Evans, Dr Luke (<i>Bosworth</i>) (Con) | † Russell, Dean (<i>Watford</i>) (Con) |
| † Fletcher, Katherine (<i>South Ribble</i>) (Con) | † Siddiq, Tulip (<i>Hampstead and Kilburn</i>) (Lab) |
| † Harris, Rebecca (<i>Comptroller of His Majesty's Household</i>) | Stephens, Chris (<i>Glasgow South West</i>) (SNP) |
| † Hollinrake, Kevin (<i>Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy</i>) | Winter, Beth (<i>Cynon Valley</i>) (Lab) |
| † Maskell, Rachael (<i>York Central</i>) (Lab/Co-op) | Dominic Stockbridge, Anne-Marie Griffiths,
<i>Committee Clerks</i> |
| | † attended the Committee |

Public Bill Committee

Wednesday 7 December 2022

[PHILIP DAVIES *in the Chair*]

Employment Relations (Flexible Working) Bill

Clause 1

FLEXIBLE WORKING

9.25 am

Tulip Siddiq (Hampstead and Kilburn) (Lab): I beg to move amendment 1, in clause 1, page 2, line 19, at end insert—

“(6A) The Flexible Working Regulations 2014 are amended as follows.

(6B) For Regulation 3 substitute—

‘3. An employee is entitled to make a flexible working application from the day on which they start work.’”

It is a pleasure to serve under your chairmanship, Mr Davies. Before I talk about the amendment, I want to spend one minute paying tribute to my hon. Friend the Member for Bolton South East, not just for her relentless campaigning on flexible working, which she started doing even before she came into the House in 2010, because she is a barrister by trade—everyone knows the working hours for barristers—but for her campaigning on Primodos, for the Rohingya and on community pharmacies. She is the kind of MP who is needed in opposition, because she holds the Government to account. I am really pleased to say that she has had cross-party support on flexible working, which is such an important topic for all of us, especially after the pandemic.

In 2019, the Government committed to consulting on flexible working. We learned a lot of new things from the consultation, but we knew a lot of the points about how flexible working benefits older workers, carers, parents and disabled workers. The document for the consultation that the Government commissioned went as far as to say that

“flexible working is a key part of the Government’s ambition to build back better, ensuring that our flexible labour market is primed for the opportunities and challenges of the post-Covid-19 economy.”

It also put forward some important recommendations on areas for improvement—most notably, to the 26-week qualifying period before a new employee can make a flexible working request.

When I tabled my amendment, I wanted to suggest that we make it a right for all workers to be able to request flexible working from their first day in a job. That would mean that employees would not have to wait the current 26 weeks to make a request, and it would do more to ensure that flexible working becomes something that everyone can enjoy and to which everyone has the right, not just a privileged few. I was therefore very pleased to see that the Government had obviously listened to me, because they are planning to introduce measures through secondary legislation that will give employees the right to request flexible working from the moment that they start a job. I welcome that wholeheartedly, as it will make a huge difference to employees across the country.

I seek a couple of clarifications and answers from the Minister, as I have him in front of me. Most importantly, when does he expect the measures that I mentioned to be introduced, and through what legislative mechanism does he think they can be introduced? Also, have the Government considered that workers might want to know what flexible working arrangements are available in a role before they start or to put in a request before the first day, and will the new legislation reflect that? I am sure that the Minister has seen the survey by Timewise that found that just three posts in 10 are advertised as offering any form of flexible working. That is despite the Government’s own consultation finding that 97% of those asked said that having flexible working options in job adverts would help them to apply for the job.

This is an important step in the right direction. I applaud the Government for supporting it. However, it clearly is not enough, because too many requests for flexible working arrangements are turned down. I have heard that at first hand from constituents. Also, for my sins, I am part of a group called West Hampstead Mums. At the mothers’ group meetings, there was always talk about how people would not even bring up the subject with their bosses because they were worried about being discriminated against or overlooked for positions if they asked about flexible working, which is their right. Will the Minister comment briefly on that culture that means that mothers, women, disabled workers and others do not feel that they can even ask their employers for flexible working?

When I introduced my ten-minute rule Bill on the same topic, I looked at how employers have the right to turn down requests for flexible working on a whim. There are very few solid, good reasons that they have to give for turning down flexible working requests. Will the Minister comment on that? Do the Government plan to deal with the fact that too many such requests are rejected? I am sure the Minister is aware that one in three requests for flexible working arrangements are turned down for no good reason, as I mentioned.

If we want to make flexible working a reality for everyone in this country, which is why we are all here today, we must go further. Employees should be aware of what kind of flexible working is available in every role before they apply and of whether they can challenge their bosses if they are told that their flexible working request has not been granted without good reason.

I support my hon. Friend the Member for Bolton South East and the Government, but will the Minister clarify those few important points? That will enable us to put the amendment and the legislation into practice to benefit women, disabled workers, carers and particularly working mothers across the country.

Yasmin Qureshi (Bolton South East) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I rise to speak in support of the amendment.

I was successful in the private Members’ Bill ballot and at my first meeting with departmental officials, many of whom are present in the Committee Room, I raised the issue that flexible working should be a day one right that should be enshrined on the face of the Bill. However, we have now been promised that that will be done in secondary legislation. Will the Minister confirm that?

We need to make it clear to everyone that flexible working will be a day one right. From conversations with pressure groups and campaigners, I know people are saying, “Well, the words ‘day one’ are not on the Bill itself.” I have explained to them why that is the case, but I seek clarification from the Minister about that.

I thank my hon. Friend the Member for Hampstead and Kilburn for tabling the amendment and for her ten-minute rule Bill, which came long before my private Member’s Bill. She has campaigned tirelessly for flexible working. I thank her for that and for the kind words she said about me.

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Kevin Hollinrake): It is a pleasure to serve with you in the Chair, Mr Davies.

I thank the hon. Member for Hampstead and Kilburn for drawing the Committee’s attention to an important point that I was going to address in my main speech, but I am happy to address it now. The good news is that we are in violent agreement about the day one right. As she will know, last year the Government consulted on a range of measures to support the uptake of flexible working arrangements, including whether to remove the existing 26-week qualifying period and make the right to request flexible working a day one right. We published that consultation on Monday. The response explains that the Government will give the right to request flexible working to all employees from the first day of employment. Indeed, we made that commitment in our 2019 manifesto, so we agree that it is the right thing to do.

The hon. Member for Hampstead and Kilburn raised a number of points that I will cover in my main speech, but I am happy to address them now. On timescales, the legislation should pass through both Houses during the course of next year, taking effect in 2024 in order to give businesses time to adapt. On the number of requests granted, according to our research 83% of requests are granted and fewer than one in 10 are refused—that is the information we have.

The hon. Lady asked about adverts. Employers may well use adverts to promote a position that is flexible, and we would encourage them to do that. We see this legislation as key to getting people back into work, particularly those who have left their workplace and are considering returning. To us, that should be an option for the particular employer. Certainly, it is our intention that the right to request flexible working should become well known and therefore become a discussion point between employers and employees for any role, not just for jobs that may be advertised as flexible.

Tulip Siddiq: The Minister is reassuring me with all his clarifications. However, could I ask what his source is for saying that only one in 10 requests is turned down? Every piece of evidence that I have looked at, including when I did my ten-minute rule Bill, said that one in three requests was turned down. If the statistics are better, I am very happy to hear it.

Kevin Hollinrake: The source was the post-implementation review of the 2014 right to request flexible working regulations, which was published in September 2021 and found that, in most workplaces, 83% of the time, where a request has been made, a request was granted.

Tulip Siddiq: I am very grateful for the information, but 2014 was a very long time ago.

Kevin Hollinrake: No, the review was of the 2014 regulations, but it was published in September last year, so the actual consultation was much more recent than that.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I thank the Minister for the points he is making, and I think this is an excellent Bill. I welcome flexible working from day one, as does the SNP. Does the Minister agree that it will be an important step in addressing the disability employment gap? That gap is far too large and means that we are missing out on the potential of many people in the population who have a lot to give to the economy, and can really contribute in a positive way, but, so far, have not been afforded the opportunities that they should have been.

Kevin Hollinrake: I entirely agree. Whether they are related to a disability, childcare responsibilities or semi-retirement, such provisions mean that we can bring talented people back into the workplace, which is good for the talented people and for the workplace. I therefore entirely agree with the hon. Lady’s point.

To address the point that the hon. Member for Hampstead and Kilburn raised about whether an employee or potential employee can challenge the employer, it is about a dialogue. That is the key to this, and, as part of the legislation, there will be a dialogue between employer and employee around flexible working, so a discussion can happen at that point. The employer would have to set out a reason for refusal—there are eight reasons, such as customer service or productivity—so, at that point, there is not an appeal process. It is important to have a balance between the rights of employers and of employees, and I think that this strikes the right balance.

Rachael Maskell (York Central) (Lab/Co-op): I welcome the Minister to his place and it is a pleasure to serve under you as Chair, Mr Davies. When Government pass legislation around employment law, they normally provide guidance to employers. Given that many people make decisions about the employment that they take up depending on the arrangements around flexibility, will the Minister ensure that there will be guidance about having that conversation at interview, and about making it the norm that discussions around work patterns are included in that conversation, to enable people to make informed choices about their future employment?

Kevin Hollinrake: The hon. Lady raises an important point. Of course, as she will be aware, we engage heavily with ACAS on such provisions, and it does some excellent work in providing guidance for employers. This measure will be no different, in terms of advice that might be available to employers and employees.

We consider the measure to be a key part of the policy package, bringing an estimated 2.2 million additional people into the scope of the legislation and encouraging early conversations about flexibility. The Government will introduce the day one entitlement through secondary legislation, alongside the measures included in this Bill, so we do not believe there is any need to amend the Bill to achieve that change.

[Kevin Hollinrake]

The Government already have the power to make flexible working a day one right via secondary legislation and intend to lay the statutory instrument to remove the 26-week qualifying period when parliamentary time allows, so that it takes effect at the same time as the measures in this Bill. On that basis, I would invite the hon. Member to withdraw her amendment.

Tulip Siddiq: I am still a bit uncertain about the statistics cited by the Minister, because the research I looked at by the TUC found that three in 10 requests for flexible working are turned down. Maybe there are different figures, but I have never seen such positive numbers in the surveys I have looked at. However, the Minister has given me a lot of reassurance on all the questions I have asked, and it sounds like the Government are serious about making flexible working a right for employees. I am grateful that the Government have taken the issue so seriously, and I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to consider clause 2 stand part.

Yasmin Qureshi: I am overwhelmed that so many of my colleagues are in the room today. When I was told that the Bill was going into Committee and I had to find 17 Members of Parliament to come to a sitting at a very early hour of the morning, it was a daunting task, but when I approached my colleagues on both sides of the House, they kindly and graciously agreed to attend. Seeing them here in person is overwhelming, and I thank them all from the bottom of my heart for coming today and helping us to get the Bill through Committee stage. I thank the Minister and his staff, who have always been very helpful and provided excellent guidance. I know that Members are normally afraid of the Whips, but the hon. Member for Castle Point has been very helpful throughout our proceedings, and I thank her for that.

I am delighted that we are here today to take a step closer to introducing important changes to the right to request flexible working. The changes help to set the right conditions for employees and employers to realise the benefits of flexible working. For those not familiar with the policy background, the right to request flexible working was introduced in 2003 for the first time for employed parents and carers of children under the age of six and disabled children under the age of 18. The legislation has been amended several times, most recently as part of the Children and Families Act 2014, when it was extended to all employees with 26 weeks' continuous service.

The right allows employees to request changes to their work arrangements, and it also requires employers to properly consider those requests, although they do not necessarily have to agree to them. The existing framework acknowledges that there is no one-size-fits-all approach to flexible working. It is designed to help employees and employers find arrangements that work best for both sides. I recognise that not all organisations

will be able to accommodate all forms of flexible working, so the Bill makes some changes to the legislation while retaining its fundamental approach to balancing the needs of both parties. Being able to work flexibly can support individuals to participate in the labour market and support businesses to effectively recruit and retain talent. This flexibility must be considered in all its forms—when people work, as well as where they work.

On Second Reading, we had a good discussion on the business impacts of flexible working, with Members keen to point out both concerns and opportunities. Members spoke of the importance of flexible working in helping to remove some of the invisible restrictions that hold people back. They can include the need to live in high-cost accommodation close to the centre of cities and the need to maintain working arrangements that are hard to combine with caring or other responsibilities. We all clearly agreed that we want to achieve more flexible working that meets the needs of both industry and individuals. The Bill will do that by encouraging two-way conversations about flexibility, allowing employees to make more than one request in a 12-month period and speeding up the administrative process.

9.45 am

For some employers, the changes the Bill makes will simply reflect what they already do, but the consultation requirements will mean that employers and employees are encouraged to have a broader conversation about flexible working arrangements that may be workable, avoiding the scenario where an employer rejects a specific request out of hand, without consideration.

Allowing employees to make two statutory requests in 12 months will mean that the legislation is better able to respond to changing needs and requirements. Hon. Members will be able to imagine a situation where, over the course of year, a family member becomes unwell or something goes wrong, meaning people's circumstances change unexpectedly. Therefore the ability to make a second flexible working request within a year is a very helpful provision.

Reducing the timeframe within which employers must respond to requests will also be helpful. We have gone from three months under the old provisions to two months in the Bill. Importantly, removing the requirement for the employee to set out the impact of the requested change levels the playing field and removes red tape from the process. We are all aware of the fragility of the private Member's Bill process, which is why I am so pleased that everyone, including the Government, has been able to agree.

I turn to the detail of the two clauses, the first of which contains the substance of the Bill. Clause 1 amends sections 80F and 80G of the Employment Rights Act 1996. Currently, section 80F sets out the required content of a statutory request for flexible working. This includes a requirement for the employee to "explain what effect, if any, the employee thinks making the change applied for would have on his employer and how, in his opinion, any such effect might be dealt with".

Subsection (2) of clause 1 removes that requirement.

Section 80F also currently places a restriction on the number of statutory requests that can be made in a 12-month period. Currently, that is limited to one. Subsection (3) of clause 1 amends that section to allow two requests in any 12-month period. In addition, the

section is updated to prevent an employee from making concurrent requests, meaning that an employee may not make a statutory request to their employer if another such request to the same employer is proceeding.

Section 80G currently sets out an employer's duties in relation to a request made by an employee under section 80F. Subsection (5) of clause 1 inserts a new requirement that employers

“shall not refuse the application unless the employee has been consulted about the application”.

That means that an employer will have to consult with the employee before refusing their flexible working request.

Subsection (6) of clause 1 amends section 80G to reduce the maximum time an employer has to respond to a request from three months to two months. Subsections (7) and (8) of clause 1 confirm that each of these changes will apply to any eligible application that is made on or after the date the legislation takes effect. I propose that the clause should stand part of the Bill.

Clause 2 addresses procedural points, setting out the extent of the Bill, making provision for commencement and providing the short title. I propose that clause 2 should also stand part of the Bill.

The Bill will impact millions of people in this country who face the dual challenge of balancing full or part-time work with other responsibilities. It is a basic step towards achieving flexible working for all. I close my remarks by thanking the Minister and his officials. I thank the Committee Clerks, who I forgot to mention earlier, as well as Bethan and others, for their helpful guidance in how to pass a Bill through Committee stage. I thank them for their help, advice and assistance. I also thank my parliamentary colleagues who have supported me in the process of the Bill.

Rachael Maskell: It is a pleasure to serve under you, Mr Davies, and I congratulate my hon. Friend the Member for Bolton South East on getting her Bill to this point.

I was a national equalities official for the trade union MSF in 2003, when we had the initial debates about flexible working. I, too, remember some of the challenges when it came to making even small steps, such as giving the right to request—the right to ask a question, as we put it back in the day—for a limited number of people. From then until 2006, I was part of a coalition of trade unions who really fought to extend such provision to carers and others, and worked with organisations such as Legal and General, which piloted work on extending the rights of carers. It saw the business case and opportunity, which was vital in pushing legislation. Obviously, legislation moved forward in 2014 and today we are making further steps for stronger employment across our country. We must remember that there are 17.5 million parents and carers across our country—people at a time of life when they need flexibility to manage domestic issues and to be in reliable employment.

Something not mentioned so far in today's debate is the impact on disabled people and the flexibilities they require in the workplace. Only 52.3% of disabled people are in employment, compared with 82% of the general population. Ensuring flexibility will enable more disabled people to work, whether their impairment is physical or mental. That has to be a really positive step forward in ensuring that their dignity is restored as well.

For some, the issue is flexibility to undertake education—or indeed, wellbeing or life. That is why removing the requirement to set out all the details of personal circumstances and to do the company's work for it by justifying how to make the adjustments is so important.

The issue is ultimately about recruitment and retention, and it will be positive for the employer as well as for the worker. In York, we have high employment but women in particular are significantly underemployed. That has a real impact on productivity—an issue that the Government have wrestled with for the past 12 years. I trust that the Bill will increase productivity, as people have the ability to flex their hours or perhaps their location of work.

The pandemic has changed how we look at work and the workplace, and the opportunities of technology are moving that further forward. Some 36% of adults work at home at least one day a week, but 70% want that opportunity. This legislation will provide those workers with that opportunity, and I trust that more will become possible with the advance of technology. We must also remember that some people need to be in a physical location for work, although the hours they work can certainly be flexed. I remember working in the NHS: an employer could facilitate a patient's rehabilitation by enabling them to flex their time and start earlier in the day with occupational or physiotherapy. More could be achieved with greater flexibility.

Earlier this week, I was really taken by a presentation given by my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) about the University of Hull's remote working report, which was launched here. It found that women in particular and people in the 35 to 44 and the 45 to 54 age brackets benefited from flexible working, and as a result more people are remaining in Hull, which is helping its economy to grow. Ultimately, there are economic benefits from greater flexibility, but the University of Hull also drew our attention to the opportunities of new places of work such as co-working spaces. In York, we now have a location for co-working at the Guildhall. That flexibility not only benefits the employee, but co-working spaces enable a sharing of minds across different businesses, which can enhance a business. The creativity that can come from the flexibility provided by this legislation could be a real boost for our economic opportunities.

I trust that we will see the real benefit of the measures in the Bill, but we must also think of the climate benefit of people not necessarily travelling to work every day, which has to be a plus, and we must think of people's wellbeing. We know that we have a wellbeing crisis across the country, with many people struggling after covid or for other reasons. To be able to work around individuals' needs as well as business needs is ultimately a win-win for employer and employee that lifts morale and productivity.

Finally, we need to ensure that there are good systems of accountability and communications. For those outside the work environment or working hours, we must make sure that we use the tools available so that people are still completely included. My hon. Friend the Member for Bolton South East has done the workers of our country and employers a favour in bringing forward this legislation.

Fleur Anderson (Putney) (Lab): It is a pleasure to serve under your chairship, Mr Davies. It is a real pleasure to be here for this Bill Committee—what a great start to the day! I thank my hon. Friend the Member for Bolton South East again for bringing the Bill this far, for her relentless campaigning and for not giving up on a Bill that will, as she said, make a difference to millions of people across the country. I also thank my hon. Friend the Member for Hampstead and Kilburn for all her campaigning and my hon. Friend the Member for York Central for the campaigning she outlined.

So many people have campaigned for the Bill here in the House and outside it. I thank the TUC, the Pregnant Then Screwed campaign, the Chartered Institute of Personnel and Development's "Flex From 1st" campaign and the Multiple Sclerosis Society, to name just a few of the campaigning organisations that will be cheering us on from around the country today, because they know the difference this will make to working people.

This is a huge step towards the right to work flexibly being enshrined in law and to tacking the employment gap that exists for carers, women, people with disabilities and low earners. This is good for employers and good for employees. There is a chronic shortage of workers in many areas of employment, and the Bill will go a long way towards bringing people back to the workplace and giving people confidence that their flexibility needs, many of which will be non-negotiable for them, will be able to be heard, understood and acted on by employers.

In my own working life, I have seen the need for this flexibility many times. I have had four children and returned from maternity leave four times. Every single time, my children are well and fine until my first day back at work, when they suddenly get ill, and it is at the beginning of my return to work that I need flexibility most. That is why this being a day one right is so important. After that, I get back into the routine, my children get into the routine, and off we go—it is fine—but it is the return to work that I have always found the hardest; I do not know why that always happened, but I cannot be alone.

I have also seen in my working life how a move from one workplace to another triggered anxiety and mental health issues for someone. I was able to arrange flexible working for him, with time off and then a slow return to work, working in different places; it was about what worked for him. He has now been working in that place of employment for years, but he only needed that flexibility right at the beginning. As a manager, I was able to accommodate that, but agreeing it with my managers was not entirely easy, and it was not seen as a right. Having the right to ask for flexible working from day one will be so important for those kinds of cases and so many others.

I was reassured by the Minister's answers to many of the questions that I was going to ask. Ensuring that this is a day one right and seeing that in the secondary legislation will be very reassuring to us all. Another issue is moving at pace. It has been a year since the consultation closed. I have heard the Minister say that this will go through in the course of next year and be enacted early in the year after. Could it be sooner than that? Could we see it going through early next year and being enacted next year? Every day that it is not enacted is detrimental to so many workers. We really need that workforce back in the workplace.

10 am

It is important to ensure that a change of culture goes alongside the change of legislation. I am talking about ensuring, in relation to the guidance to employers and Government advertising of jobs, that the job adverts, interviews and inductions include knowledge about the issue and people knowing their rights. There needs to be an invigorating and enabling environment from employers such that employers do not hide away from sharing this but really welcome it in their workplaces.

My next ask is that we monitor the requests for flexible working, so that we know who is asking, why and what is being turned down and we have the data very clearly and know that this change of legislation is feeding through to a change of working practice. Finally, I ask gently when the employment Bill will be seen; I feel that this measure is a taster of what the employment Bill could bring. The employment Bill has been promised for a long time, but we have yet to see it. Can the Minister say whether there are plans for it to be enacted soon?

It just remains for me to say thank you and congratulations again to my hon. Friend the Member for Bolton South East. Congratulations also to everyone here, to all the officials and the Clerks on their work together to put this issue into legislation.

Kevin Hollinrake: I thank the hon. Member for Bolton South East for bringing this Bill before the House. I twice had the honour of bringing forward legislation through a private Member's Bill in my many years as a Back Bencher. We are all in this place to try to make a difference. Sometimes we differ on how we should do that, but bringing forward legislation is a great honour. I pay tribute to the work of the hon. Member for Bolton South East—not just her work on this Bill, but her campaigning prior to it, which we heard about very clearly in earlier contributions.

I also pay tribute to the Committee members here today and to my predecessors, not least the Under-Secretary of State for Digital, Culture, Media and Sport, my hon. Friend the Member for Sutton and Cheam (Paul Scully), who did much work on this issue prior to my taking over the role, and my hon. Friend the Member for Watford, who did such great work on it. I echo the comments made about the Comptroller of His Majesty's Household, my hon. Friend the Member for Castle Point, who does such great work in the private Member's Bill space and has done for many years.

The key thing about this Bill is that it has great benefits not just for businesses but for workers and not just for workers but for businesses—it is a win-win situation for all. I know that some will have concerns about it; certainly I have had feedback already from some businesses that are concerned, but I think that when they look at the detail, they will be reassured. The No. 1 thing that the Bill will do is make a more constructive workplace and, crucially, bring more people back into the workplace. That is good for everybody. We all know that businesses are suffering a shortage of workers.

On Second Reading, we heard from hon. Members from both sides of the House about their personal interest in flexible working; some of them are serving on this Committee. During that debate, I was struck by the breadth of issues that flexible working can help to address. Contributions were made on issues ranging

from increasing economic opportunities for people living in rural communities, to supporting those with fluctuating illnesses such as ME, and enabling businesses to continue operating during disruptive events—not least global pandemics.

When flexible working arrangements are agreed between employees and employers, the benefits are not simply accrued by the employee; they often extend far beyond that. For the business, it could be a chance to retain the skills and expertise of an experienced worker or to encourage one to come back to work, or lead to a more diverse senior leadership team. In other circumstances, there could be wider, societal benefits, such as for the elderly relative able to spend more time with a family member during their non-working hours.

As you know, Mr Davies, before I entered Parliament, I ran my own business. I know at first hand the importance of looking after a team. With a good discussion and a bit of flexibility, working patterns can be adapted to get the most out of the employment relationship. At the same time, I recognise that there will be times when a requested pattern is unworkable. That is why, rather than prescribing or guaranteeing certain ways of working, the legislation needs to leave space for employees and employers to work out the right arrangements for their particular circumstances. Only in this way will we realise the potential productivity gains. I was struck by the comments from the hon. Member for York Central, who talked about the productivity improvements that can come from such ways of working. They can be realised through a more engaged and flexible workforce. I am pleased to reiterate today that the Government fully support this Bill.

I know that the Bill's progress will be particularly welcomed by the Minister of State at the Department of Health and Social Care, my hon. Friend the Member for Faversham and Mid Kent (Helen Whately), who has long campaigned for better access to flexible working. We came into Parliament at the same time, in 2015, and she was campaigning on this in my early days as an MP, many years ago. Although she is not on today's Committee, I want to take this opportunity—I notified her that I was going to do so—to recognise her efforts in driving forward the flexible working agenda.

I am pleased to confirm that earlier this week, the Government published their response to the consultation on measures to encourage flexible working. The consultation considered several changes to the current legislative framework, and I am pleased to see those updates brought forward by this Bill. In response, as I said earlier, we have committed to introducing secondary legislation to make the right to request flexible working a day one right, thereby giving all employees this right from the first day of employment.

It has been great to see a positive reaction to the response from the business community this week. The British Chambers of Commerce commented:

“Having free and open discussions from the outset will help ensure workplace arrangements are the best they can be for everyone.”

The BCC was a member of the flexible working taskforce, which included the Federation of Small Businesses, employer groups and ACAS. ACAS does such great work, and I have met with it twice already, including

with the ACAS council, and discussed these matters. The Chartered Institute of Personnel and Development added that the measures will

“enable organisations to attract and retain a more diverse workforce and help boost their productivity and agility.”

Copies of the full consultation response have been placed in the Libraries of the House.

The measures in this Bill adjust the existing right to request flexible working. This is already very good enabling legislation, but these are important changes that will facilitate better access to all forms of flexible working, whether that relates to when, where or how people work. The changes will particularly support those who need to balance their work and personal lives and may find it harder to participate in the labour market, from older workers to new parents and those with disabilities—the hon. Members for York Central and for East Kilbride, Strathaven and Lesmahagow raised that issue—or long-term health conditions. This Bill will be an important step in supporting them to remain and progress in work.

When more flexible working arrangements are agreed as a result of this Bill, employers will also benefit from a more committed workforce, higher levels of employee retention and lower recruitment and training costs. We know that as a result of this legislation, more people will return to work. According to our research, the No. 1 thing on the wish list of those who have left the labour market and are considering returning is flexible working. It was very interesting to hear from the shadow Minister about her own childcare responsibilities, and I am sure that all parents on the Committee will recognise instances such as those she described. More broadly, by making work accessible to a wider pool of talent, the measures will help to create a more diverse working environment and workforce, which studies have shown leads to improved financial returns.

As the hon. Member for Bolton South East has set out, the two clauses of this Bill are relatively straightforward. They make changes to the provisions in sections 80F and 80G of the Employment Rights Act 1996 to encourage a better dialogue between employers and employees about the benefits of flexible working, increase the possible frequency of requests, speed up the administrative processing of requests and promote equal access to flexible working arrangements. These changes are timely and important to help both individuals and businesses secure the benefits of flexible working, and they represent a sensible, proportionate update to the right to request flexible working, a framework that enables a discussion from both sides.

I was struck by some of the shadow Minister's points. She talked about the invisible restrictions holding people back; that is key to this legislation, because only dialogue can expose those restrictions. She asked whether we can make the process quicker—let's see. It is important to give businesses a little time, because it will cost them. It will not be a great deal of money—we reckon less than £2 million a year—but there is an administrative cost. The timeline is that the legislation will complete its passage through both Houses in 2023 and then take effect in 2024.

As for adverts, again we would rather not be prescriptive. We see this change as something employers can use to make a job sound more attractive, so we would prefer to leave it to employers to decide how to do that.

[Kevin Hollinrake]

I turn to wider legislation. The shadow Minister mentioned the employment Bill, but we are bringing forward several pieces of legislation, of which this is only one. Things such as neonatal care leave, carer's leave and more protections for workers during pregnancy or returning to work have all come through private Members' Bills. Indeed, we are taking forward some legislation that my hon. Friend the Member for Watford first proposed to ensure that people, principally those who work in the hospitality sector, keep all the tips that they earn, which is absolutely right.

In conclusion, supporting this Bill is in line with the Government's ongoing commitment to build a strong, flexible labour market that supports participation and economic growth. I thank all those on the Committee today and those who spoke on Second Reading for supporting the Bill's progress so far. I look forward to continuing to work closely with the shadow Minister to

support the Bill's passage, and I extend particular thanks to you, Mr Davies, for your excellent chairing of today's sitting.

Yasmin Qureshi: I thank the Minister for his response and reassurances. I think we all agree that the Bill will help millions of people in our country get back into work. It is good for businesses and good for employees. It is, as everybody says, a win-win.

I thank all the parliamentary staff, the Clerks, the Minister and his officials, and my colleagues, all of whom have supported me throughout the process—I could not have done this without them. I look forward to the Bill passing to the next stage.

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Clause 2 ordered to stand part of the Bill.

Bill to be reported, without amendment.

10.13 am

Committee rose.

