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Welsh Parliament
Economy, Infrastructure and Skills Committee
Remote Working: Implications for Wales

Evidence from: Wales Co-operative Centre

**Remote Working: Implications for Wales
Economy, Infrastructure and Skills Committee**

Wales Co-operative Centre response, January 2021

<u>About the Wales Co-operative Centre</u>

The Wales Co-operative Centre is a not-for-profit co-operative organisation that supports people in Wales to improve their lives and livelihoods. We are working for a fairer economy. We help to create and retain wealth within our communities through the growth of co-operatives and social businesses and by providing people with the skills to take more control of their own lives and strengthen their communities.

Our projects are as follows:

• Social Business Wales provides intensive, one-to-one support to new start social businesses as well as those which have ambitions to grow and a viable business proposal.
• Digital Communities Wales: Digital Confidence, Health and Well-being works with organisations across Wales, in order to help people increase their confidence using digital technology so they can improve and manage their health and wellbeing.
• Our Communities Creating Homes project offers support and advice to new and existing organisations looking to develop co-operative community-led housing schemes in Wales.

We also deliver a range of paid consultancy services which are in line with our values and corporate aims.

1) **What do you think are the positive and negative impacts of Welsh Government's remote working proposals on the bullets outlined below, and what is the evidence and reasons for those impacts?**

   - The economy and business;

   We support the points highlighted by the Welsh Government that greater remote working and flexibility have the potential to improve productivity in the Welsh

economy. In addition, we believe that more remote working, either from home or from remote working hubs, will allow for more people to work where they live, and that this can also have positive economic benefits. It will allow for more spending to be circulated within the local, foundational economies, improving the resilience of places across Wales, rather than spending being agglomerated in major conurbations.

- Town and city centres;

Linked to the previous question, enabling people to work remotely from where they live has the potential to strengthen the economies of towns and cities across Wales, especially smaller ones. This can be a vital opportunity to reimagine our town and city centres, develop their resilience and provide opportunities for growth for businesses that operate in these areas.

- Issues affecting the workforce, and skills

It is clear there is not an equal opportunity for remote working for each worker and that it will depend on the nature of the job and location it takes place in. Further research is needed to understand the specific contexts that people experience in Wales.

Clearly, remote working requires digital skills and for the individual to be digitally-included. In the National Survey for Wales 19/20, 90% of adults said they used the internet, up from 77% in 2012/13. Despite this growth, it is still essential that we do not digitally-exclude the remaining proportion of our workforce and population that do not use the internet.

In addition, we must not assume that everyone who uses the internet does so at the same level. The latest available Ofcom data on adults' media use suggests that over 15% of adults in Wales are non-users, and a further 27% can be described as 'limited users.' This means that even among those who are not entirely digitally-excluded, more needs to be done to ensure they have the skills and confidence necessary to access the opportunities and benefits of remote working.

- Health (physical and mental) and wellbeing;

We support the points highlighted in the written statement on the proposals for remote working, of the potential benefits to health and well-being of greater remote working and greater flexibility for Welsh workers. However, we are also aware that there is significant evidence of potential negative impacts on health and well-being for remote workers, including on loneliness and the consequences for mental health of having significantly less social interaction. Therefore, our priority for future policy in this area is for policy design to be worker-led and with a focus on flexibility, and

giving greater freedom and choice to each individual, rather than enforcing specific measures on workers.

- Inequalities between different groups and different parts of Wales (including those areas of with poor connectivity);

In relation to the points highlighted on the digital skills needed in order to access the benefits of remote working, there is clear inequality among different groups in Wales.

The National Survey for Wales 2018-19 found that while 10% of the Welsh public were digitally excluded, this rose significantly for some demographics. This was particularly clear across age groups; it found 48% for those aged 75 and older did not use the internet, and 18% of those 50 and older. It also found that digital exclusion rose to 17% for tenants of social housing, and to 19% for people with disabilities. Ofcom research shows that across the United Kingdom, 23.4% of 5-15 year olds in the poorest households do not have access to both an educationally-useable device (laptop, desktop or tablet) and broadband. This data suggests that access to the benefits of remote working is not equally distributed across Wales, and this must be paramount to policy development in this area.

In addition, one of the main barriers to digital inclusion and therefore remote working is connectivity. There is significant regional disparity in the quality of digital connectivity across Wales, with average broadband download speeds in rural Wales at 32Mbit/s, compared to 54Mbit/s in urban Wales. This also showed the gap between Wales and the rest of the UK, who had 43Mbit/s at the rural level and 64Mbit/s at the urban level.

In addition, greater remote working flexibility has a potential positive impact on economic inequalities between different parts of Wales. Remote working would allow workers to gain employment regardless of the location of the employer. For example, remote working would mean that people living in Caerphilly and people living in Aberystwyth are on a level playing field when it comes to applying for a job with an employer based in Newport.

- The environment; and

We note and support the points highlighted by the Welsh Government that greater remote working has the potential to considerably reduce traffic, and the potential benefits this has for the environment, although this would need to be off set against the impact of heating individual homes (often poorly insulated) round the clock and the implications this has for fuel poverty. We suggest that further research is needed in this area to arrive at a nuanced and evidenced conclusion. This should be of paramount importance to government strategy over the next 5 years and is a vital

benefit of these proposals.

2) **How can the benefits of remote working be maximised, and what can be done to mitigate any potential risks and negative impacts?**

As discussed in response to the previous question, we have identified a variety of potential benefits and risks to the remote working proposals. However, we believe that allowing for greater flexibility and aiming for increased rates of remote-working from the pre-Covid level is a worthwhile objective. In order for the benefits to be maximised and the most to be done for the risks to be mitigated, we believe there are two key considerations for the Welsh Government to focus on; digital inclusion, and co-design and co-production of the policy initiatives.

We have demonstrated in the answer to the first question the extent of digital exclusion in Wales. If we aim to increase the levels of home working and wish to ensure that the benefits to individuals of this shift are accessible to each worker in the country, ensuring that everyone in Wales is digitally included is essential. The four main barriers to participation are Cost (of data as well as devices), Connectivity, Motivation and Skills. Concerns around internet safety - and not knowing where to start or get help - are also a barrier. Addressing these barriers and aiming to ensure everyone in Wales is digitally included is a crucial step to ensuring the opportunities and benefits of remote-working are accessible for everyone.

We strongly believe that ensuring that policies and initiatives to increase remote-working are co-designed and co-produced will give the Welsh Government the best possible chance of making the maximum positive impact for Welsh workers, the economy and our communities. Understanding the lived experience of workers and the variety of perspectives towards working from home, and developing policy and interventions based on these experiences and with the involvement of the people they seek to affect, will be a crucial step in ensuring that policy is as successful and effective as possible.

3) **Which parts of the Welsh economy or workforce would be particularly affected by remote working proposals, projects and initiatives?**

As discussed, it is clear that some parts of the Welsh economy are more likely to be able to access the benefits of remote working than others, due to the nature of their jobs, their skills or their access to digital technology. Some benefits of greater remote working, such as improved economic development, greater resilience and sustainability, are universal and of crucial importance. Other benefits to individual well-being are also crucial, and should be facilitated as much as possible. However, it is critical that this does not exacerbate existing inequalities, and these proposals should form part of a wider policy platform focused on improving well-being for all

workers and individuals in Welsh society.

4) **What do you think the equality impacts - both positive and negative - would be of the Welsh Government's remote working proposals? What specific work needs to be undertaken to assess those impacts?**

The benefits of remote working, including greater flexibility and more of a focus on well-being, have the potential to reduce inequality. However, it is clear that inequalities across age and levels of deprivation are exacerbated by digital exclusion, and that the benefits of remote working will not be immediately accessible to those who are digitally excluded. For this reason, it is essential that further research is conducted on the impact of the proposals on those who are and are not able to work remotely. We believe that allowing for more flexibility in work will have a positive impact on well-being and equality, but further research is needed for effective policy development.

5) **How should Welsh Government work in partnership with the public sector, private sector and voluntary sector to deliver its remote working proposals?**

The ambition for everyone in Wales to be digitally included requires collaboration across the public sector, the private sector and the voluntary sector. At the Wales Co-operative Centre, we know through our Digital Communities Wales project that working across these sectors is essential for effective delivery of policy. In addition, we know that the third sector, including co-operatives and social enterprises, is also an essential sector for making a real impact on the ground in Wales. They already make a significant contribution to well-being; they are essential to the foundational economy and operate across our communities, especially in deprived areas where they are needed the most. We urge the Welsh Government to develop specific policies related to the needs of this sector in order to encourage and facilitate remote working among workers.

We believe that the focus of these proposals should be to benefit well-being, both for individual workers in our society and the resilience and sustainability of our communities. Therefore, the primary measures of success for these proposals should be qualitative and based on the experiences of the people they impact, rather than solely on traditional economic measurements. However, we do note that these proposals could also have a positive impact on productivity and economic development across Wales, and therefore these measures must also be considered.