CIPD



CIPD Manifesto for Good Work

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

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Publication information

When citing this document, please use the following citation:

CIPD. (2023) CIPD Manifesto for Good Work. London: Chartered Institute of Personnel and Development.

Introduction

The UK Government faces multiple challenges as it seeks to boost economic growth and living standards and transition to a net zero economy.

These include an inflation-fuelled cost-of-living crisis and skills shortages across many sectors. Our public services are also under severe pressure, with industrial action about pay and working conditions becoming both a symptom of and a contributory factor to these growing pressures.

Furthermore, too many people continue to face discrimination and inequality in terms of employment opportunity, health and income.

Linked to many of these challenges are the long-term trends of changing demographics and the UK's persistently poor productivity growth, as firms react to developments in AI alongside a range of new and emerging technology.

Bolder vision for economic growth required

Tackling these issues will require the government to set out a much bolder and broader vision and strategy for economic growth to show that the UK is open for business and is an attractive place to work and invest in.

It must address the country's longstanding productivity deficits, both among different parts of the UK and compared with our main international competitors.

It will require new thinking and policies to make the most of the skills and potential of our diverse and ageing workforce and encourage greater investment from businesses in their workforces and workplaces.

It will need organisations and people to adopt new ways of working, whether that is adapting to and optimising AI or a range of other emerging and new technologies as part of the drive to net zero. It will also require a complementary focus on improving job quality to support employee wellbeing, productivity and labour market participation.

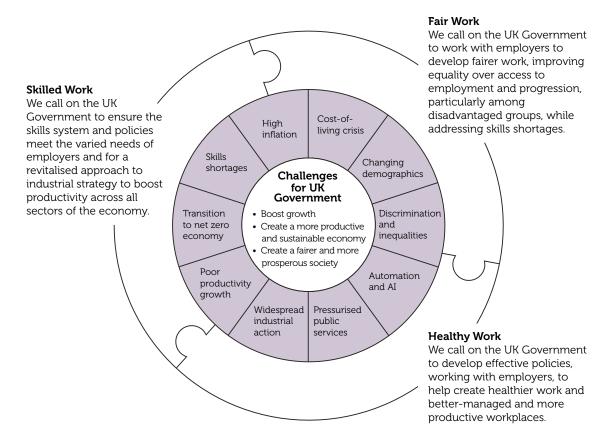
Skilled, healthy and fair work – a long-term workforce plan for the UK The CIPD believes that a key foundation necessary to support this new vision for economic growth is a long-term workforce strategy for the UK. This manifesto sets out three core themes – Skilled Work, Healthy Work and Fair Work – that we believe should underpin this.

These themes or principles can help shape UK Government decisions on key interdependent areas of public policy that affect how employers recruit, develop and retain the nation's workforce. Priority areas include skills, innovation, business support, digital adoption, green transition, as well as immigration, labour market regulation and enforcement.

A long-term workforce strategy can support the systemic thinking needed in policy-making across government departments. It can help create a more productive and sustainable economy and the inclusive growth needed to raise living standards for all.

2 Introduction

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The CIPD's expertise, impact and reach

The CIPD is a leader on the issues that affect people and their work. We harness the insights of our 160,000-strong HR community, carry out research, and work together with a wide range of partners to understand the challenges faced by employers and how to address these. The successive crises of the last three years - COVID-19, skills and labour shortages, and the cost-of-living crisis have seen HR practitioners step up to guide and support their organisations and their people. Our members and the HR profession will be at the heart of the changes needed to evolve our workforces and workplaces, to shape jobs and roles for the future. As a profession, we have the expertise and experience to help policy-makers change the world of work for the better.

On behalf of our members, we engage with government and parliamentary consultations and inquiries, we campaign and collaborate with stakeholders to influence public policy at all levels, and we are a key partner for the UK Government. We sit on a range of government advisory bodies and forums and engage directly with civil servants, MPs and others on public policy and legislation relevant to the profession.

This work is complemented by the CIPD's unmatched ability to directly affect employment practices through our professional standards and Code of Conduct. In addition, we inform and influence our members and employers more widely through our research, guides and factsheets.

We do this to deliver on the CIPD's purpose of championing better work and working lives – to drive change that benefits people, organisations, economies and societies.

Skilled work

We call on the UK Government to ensure the skills system and policies meet the varied needs of employers and for a revitalised approach to industrial strategy to boost productivity across all sectors of the economy.

Our recommendations for policy-makers:

Develop a revitalised and broader approach to industrial strategy that complements plans to transform the UK into a science and technology superpower, with a broader focus on <u>improving job quality and productivity across all sectors of the economy</u>. This would need to be underpinned by reforms to a range of linked policy areas, including skills, ESG (environment, social and governance) and workforce reporting, innovation, business support, digital adoption, green transition, and labour market regulation and enforcement.

Establish a new industrial strategy council representing government and organisations and professional bodies with reach and influence across the economy with a remit to connect national and regional economic growth strategies. This would include a strong focus on improving job quality, including supporting good work employment charters in the UK's nations and regions.

Set out a long-term vision and strategy for the UK's skills system which can deliver the range of technical and transferable skills employers need and boost investment and capability in workforce planning and development. This is also needed to enable more people to adapt to the impact of technology, to upskill and reskill at different stages in their working lives. This is particularly important with the growing impact of AI on jobs, and in the context of our net zero transition. The strategy should cover all of the tertiary education, skills and training sector and be overseen by a new statutory arm's length body and supported by enhanced national, regional and subregional institutions.

Establish a high-quality, locally delivered business support service to boost employer investment in skills and people management capability, while supporting digital adoption and green transition. This would be focused on supporting start-ups and other SMEs, which are responsible for two-thirds of private sector employment, and include <u>enhanced support on HR and people management and development</u>. This type of locally delivered business support is needed to help more firms improve how they recruit, manage and develop staff, effectively adopt new technology, and engage with training providers to improve productivity.

Improve the quality of careers information, advice and guidance. This is key to ensuring <u>young people</u> and workers at all stages of their working lives can make better-informed choices on training, qualifications and careers.

Reform the <u>failing Apprenticeship Levy</u> into a more flexible skills levy. This would enable employers to use levy funds to develop existing staff through other forms of accredited training that are typically more cost-effective and suitable for employees aged 25 and over. This would leave more funding to invest in apprenticeships to tackle technical skills shortages and for young people who need and benefit from them most.

Create more high-quality vocational training opportunities and routes into employment for school- or college-leavers to tackle technical skills shortages in the economy and provide a meaningful alternative to university. This is needed to reverse the decline in apprenticeships going to young people and the increasingly poor returns for a growing number of graduates in the labour market and to ensure the skills system better meets the needs of employers.

Ensure the immigration system is flexible and can address critical skills shortages by regularly reviewing and, where necessary, extending the shortage occupation list. There is also the need to extend the Youth Mobility Scheme to include EU nationals to increase the supply of migrant workers for seasonal and low-skilled jobs where there are severe shortages.

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Healthy work

We call on the UK Government to develop effective policies, working with employers, to help create healthier work and better-managed and more productive workplaces.

Our recommendations for policy-makers:

Improve the protection of workers' health and rights through the creation of a well-resourced <u>single enforcement body</u> (SEB). The SEB should have a strong focus on supporting and improving employer compliance with the law and raising overall employment standards.

Ensure the Health and Safety Executive has the resources to encourage employers to meet their existing legal duty to prevent and manage stress at work, whether in workplaces or when people work remotely. It should be empowered to investigate organisations where stress at work is systemic, with these employers required to use the HSE's stress management tools to identify and act on psychological health risks. Employers that continue to fail to address the main causes of stress at work, such as excessive workloads, bullying or poor management, should face improvement notices and, if necessary, further enforcement action.

Improve employment rights for vulnerable workers and provide more certainty over employment status by <u>abolishing 'worker' status</u>, which would align status for both tax and employment purposes at the same time.

Develop locally delivered access to occupational health (OH) provision for employers, which is free for SMEs. This is needed to ensure there is universal availability of high quality OH advice and support for businesses to help prevent and manage the physical and mental health issues affecting their staff.

Reform Statutory Sick Pay, by removing the lower earnings threshold and raising the rate to the equivalent of the National Living Wage, to be paid from day one of absence and making it more flexible to support phased returns to work.

Establish a taskforce on AI and the workplace. This would consider if changes are needed to the UK's employment regulation framework in light of fast-moving developments in AI and potential risks to workers' health and employment rights. It would also highlight potential benefits of AI and ways to promote wider use and adoption, where appropriate.

Nominate a director of work and health to work with employers and across government departments to improve the recruitment, retention and progression of people with disabilities and long-term health conditions.

Explore the potential for effective mechanisms for improved dialogue between government, employers and trade unions to promote social partnership and better employment relations at a national and sectoral level.

Fair work

We call on the UK Government to work with employers to develop fairer work, improving equality over access to employment and progression, particularly among disadvantaged groups, while addressing skills shortages.

Our recommendations for policy-makers:

Consider bringing responsibility for enforcing workers' rights under the Equality Act 2010 within the remit of a properly resourced <u>single</u> <u>enforcement body</u> to help tackle discrimination at work. This could have capacity to proactively investigate complaints and require employers to take action or face enforcement activity and potentially fines or awards of compensation for non-compliance.

Promote and support flexible working by:

- using the reach and influence of the <u>Flexible Working Taskforce</u> and its members to boost its uptake and provision
- establishing a flexible working challenge fund for businesses with nonoffice and front-line workers to trial and promote different forms of flexible working and their benefits for business and employees.

Increase statutory paternity leave to six weeks at or near the full rate of pay, to help deliver more balance and choice for working parents over how to manage caring responsibilities.

6 Fair work

Review and reform Shared Parental Leave (SPL) to boost uptake by enhancing the statutory provision and simplifying the process for both working parents and employers. Work with organisations to raise parental awareness of SPL and look to include information through other services such as on MATB1 forms.

Enhance childcare support for working parents. Extend the eligibility criteria in the existing and new childcare entitlements to include parents in training to support opportunities for working parents to retrain and upskill.

Require employers to include basic pay and pension information in job adverts to improve reward transparency and help reduce pay and pension gaps.

Build on the provision of Jack's Law to create a <u>new legal right to two</u> <u>weeks' bereavement leave and pay for all employees</u> experiencing the bereavement of a close family member or dependant.

Run an employer-led campaign to create more menopause-friendly workplaces, building on and supporting the work of the <u>Menopause Employment Champion</u>.

Improve workforce reporting among large employers (250 or more employees) to tackle discrimination and improve inclusion at work:

- Make the provision of a <u>narrative and action plan mandatory</u> for gender pay gap reporting.
- Introduce mandatory ethnicity pay and narrative reporting to help address discrimination and enable organisations to understand where they need to take action.
- Work with employer and professional bodies to encourage and enable more firms to <u>voluntarily report on disabilities in their workforce</u> using the DWP framework.
- Work with businesses and other stakeholders to improve the quality and consistency of workforce reporting to boost business transparency on workforce diversity, culture and sustainability, both through voluntary and mandatory approaches.

7 Fair work



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Issued: September 2023 Reference: 8460 © CIPD 2023

