



The Food Network for Ethical Trade (FNET)

HRDD AND COURIER SERVICES – 1ST JULY 2024



Competition Law Statement

“Today we are meeting to discuss the Food Network for Ethical Trade.

We take competition compliance seriously. Whilst discussions can cover matters of interest to our industry, we cannot discuss or exchange sensitive commercial information.

If at any time during this meeting, you think our discussions may be in breach of competition rules, please inform the Chair. The Chair may close the meeting at any time if she believes that discussions are in breach of competition law”

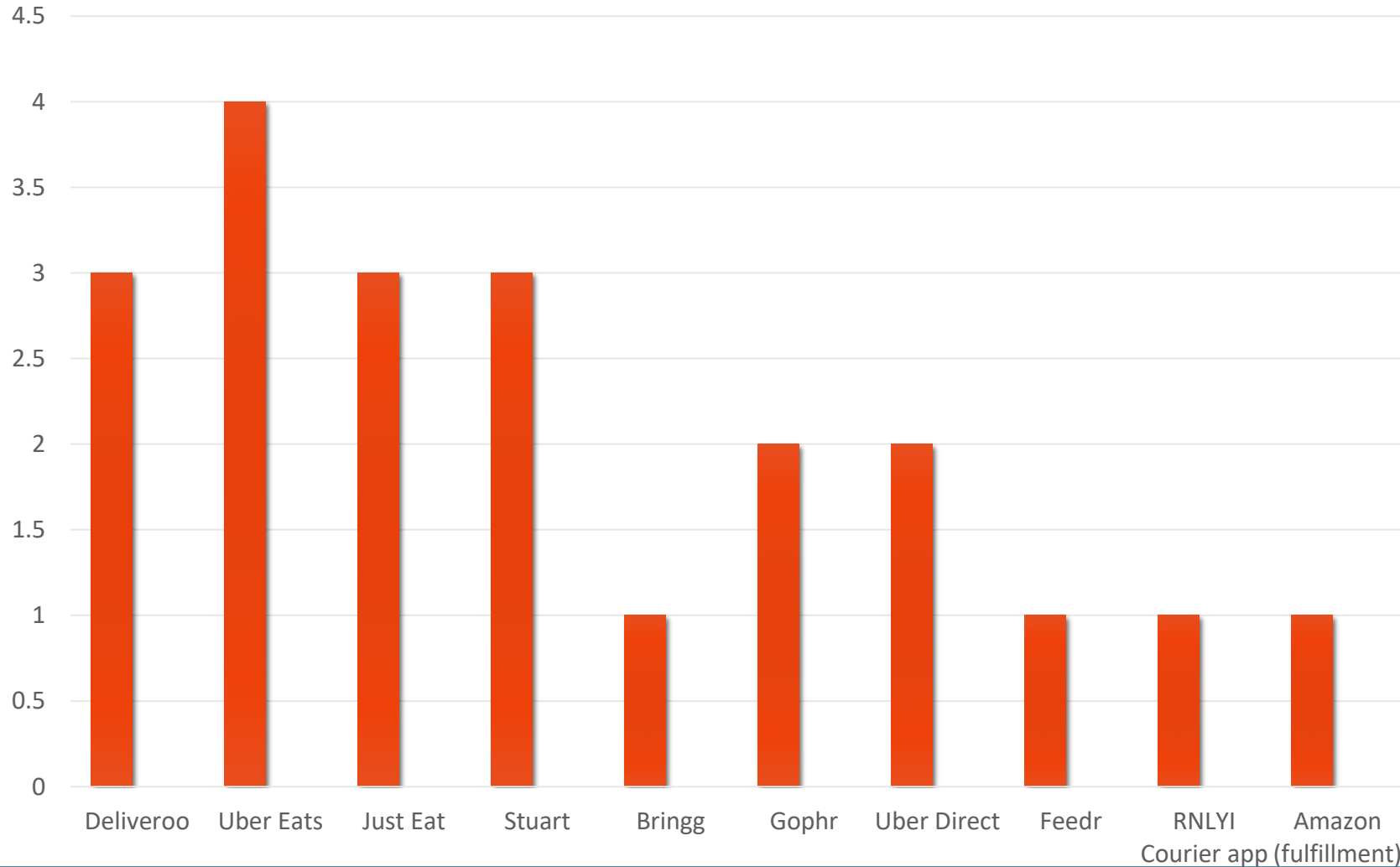
A recording of the meeting can be found at



Agenda

Approximate timing	Agenda item
14.00 – 14.05	Introductions, Competition statement, survey results and discussion points
14.05 – 14.15	Insights into human rights risks and courier companies - Cristina Talens, Director of Risk Assessment Services, The Wilberforce Institute
14.15 – 14.25	Summary on what Unseen have found via their worker exploitation helpline - Thea Cooper, Senior Business Manager, Unseen
14.25 – 14.45	Member Insights: sharing from businesses on their experience with courier companies and understanding/mitigating risk
14.45 – 15.00	Discussion & close

Which courier companies does your business use? (4 responses)



Points of interest and areas of concern

- ❖ Self-employed nature of “short-term courier contracts” of workers with companies therefore no entitlement to national minimum wage, sick pay, holiday entitlement etc.
- ❖ Sub-contracting between workers therefore no transparency on who is doing the delivery, and induction is delivered by the “contractor”
- ❖ Deliveroo’s “Courier Charter” - nothing binding and focus on treating workers with respect
- ❖ Uber’s partnership with Unseen
- ❖ What is achievable – employee contracts, worker representation committees (or unions?), induction, grievance mechanisms
- ❖ Labour’s proposed reforms on bogus self-employment
- ❖ Are any courier companies on Sedex or Ecovadis?

Discussion points

- ❖ What does "good" look like for workers in courier services?
- ❖ What is the UK government perspective on the gig economy and what are the legal guidelines?
- ❖ What can FNET/member companies do to address risk

Welcome to the Wilberforce Institute

Human rights risks in the courier sector



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Why focus on the courier economy?

1.

Within the EU 43 million people are expected to work for digital labour platforms by 2025

2.

26.3 million (93%) are classified as self-employed. five million of those might be misclassified.

3.

Legislation is evolving and there is more onus on companies to ensure due diligence

4.

The sector is growing year on year and online platforms are expanding



Setting the scene

Time sensitive courier services operate globally.

Operate with online platforms to match someone looking for a specific service with others willing to provide it in exchange for payment.

Courier organisations can include individuals on bikes, truckers, lorry drivers – independent ‘Mom and Pop shops’ in the US.

Subcontractors can provide a particular courier route between two points

Surge in demand or doubling of business can force the smaller subcontractor to move beyond their competence



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Type of risks being reported in the UK

Lack of traceability: Who is the courier and how are they managed? Hours, wages, management of H&S on long journeys.

Accommodation: GLAA report workers living in properties hired by a recruiter or workers sleeping in their vehicles.

Payment: Withheld wages are reported, often regarding overtime. Deductions from wages (for example for vehicle hire) may leave workers in debt and with little to live on. Some workers are classed as self-employed but do not consider this to be correct. Workers are unlikely to have contracts.

Health and safety: Excessive hours, some drivers report working 13 hour shifts, with no breaks, seven days a week.



EU Legislation

April 2024, EU Parliament voted in favour improving working conditions of gig economy workers. Needs approval by Council.

The **EU platform workers directive** aims to correct misclassification of self-employment, improve transparency and regulate the use of algorithms and data in taking decisions about platform workers.

EU countries will have to set up national rules to regulate platforms, gig workers will be assumed to have an employment relationship with the platform.

Not be allowed to process certain types of **personal data** such as private exchanges with colleagues. Must inform workers of automated systems in decision making on hours and earnings.



EU Legislation

In 2019, **MEPs approved minimum rights for workers on-demand, meeting the working threshold of 3 hours per week and 12 hours per 4 weeks on average.**

Increased transparency on T&Cs duties, duration, pay, reference hours for those with unpredictable work schedules.

Better protection ability to refuse, an assignment outside predetermined hours or be compensated if the assignment was not cancelled in time.

Probationary period limited to 6 months or proportionate to lcontract

The employer should not prohibit, penalise or hinder workers from taking jobs with other companies if this falls outside the work schedule

Mandatory training to be paid and given on the job



UK Legislation

- Recent high-profile legal cases in the UK have challenged the status of gig workers, leading to rulings that many should be classified as workers rather than independent contractors.
- Uber drivers enjoy worker status; They are entitled to receive the National Living wage, obtain paid holiday leave of 28 days per year, and be enrolled on a pension plan.
- In 2023 supreme court on Deliveroo ruled that UK riders were independent self-employed contractors, and could not be classed as workers because they had the right to arrange a substitute to perform their duties if they did not want to or were unable to.
- This situation is evolving.



Recommendations



Ensure that there is a human with oversight of workers schedules



Check T&Cs pay, hours, benefits for those working a minimum of 3 hours a week or 12 hours over 4 weeks



Ensure correct



... Cover off any questions you may have and look at best practice



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| Thank you

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Contact

Andy York andy.york@pilgrimsuk.com

Rachel Hackett rachel.hackett@2sfg.com

Louise McCafferty

l.mccafferty@josephrobertson.co.uk

Suzanne Natelson

Suzanne@foodnetworkforethicaltrade.com