

DEMOS

'BARELY GETTING BY'

EXPERIENCES OF EMPLOYMENT,
INSECURITY AND HARDSHIP TODAY

WAVE THREE

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TYREESE CALNAN

DECEMBER 2025



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ABOUT THIS REPORT

This report provides insights into the experiences of people living in financial hardship through an analysis of discussions in specific online support spaces. Its analysis is based on an innovative combination of computational data analysis methods and fine-grained qualitative analysis. It is the final installment of a series of three waves of research throughout 2025, which have provided regular updates on the conversation online, as part of a project in partnership with the Joseph Rowntree Foundation (JRF)'s Insight Infrastructure team which has run since 2023.

In this report, we took a different approach to previous waves by conducting a deep dive analysis into a key issue: experiences of unemployment, self-employment, and insecure work. We undertook this deep dive in close consultation with the Grassroots Poverty Action Group (GPAG) – a group of anti-poverty advocates with lived experience of financial hardship convened by JRF – who provided advice and contributed their own experiences. You will find stories from GPAG embedded throughout this report.

This project contributes to Demos' work on how to build a **Citizen Economy**: an economy where everyone can participate and contribute economically and socially. By listening to the voices of those most impacted by economic hardship and policy, we aim to ensure their insights directly drive policy improvements and shape growth which works for all. We will also use these findings to inform our work on **Public Service Reform** and **Collaborative Democracy**: by understanding the experiences of those who rely on public services, our goal is to enable more relational public services that can empower communities and prevent problems.

As part of Demos's ongoing efforts to facilitate greater diversity, inclusion, equity and justice (DIEJ) in all areas of our work, we assess and publish our approach to meeting our goals in each of our publications.

Our commitment to DIEJ is at the heart of our strategy, and our charitable purpose. Our ambition, in an age of division, is to be "radically inclusive", seeking out the voices that are otherwise left behind.

We embedded DIEJ considerations in to this work by:

- Taking an approach to data collection and analysis that sensitively captures the experiences and challenges of those experiencing financial hardship and other forms of disadvantage and marginalisation.
- Ensuring our research was informed by conversations with GPAG, a group of people with direct experience of poverty across the UK.

ABOUT JRF / INSIGHT INFRASTRUCTURE

Joseph Rowntree Foundation (JRF) is an independent social change organisation, working to support and speed up the transition to a more equitable and just future, free from poverty, where people and the planet can flourish.

One of the key aspects of the foundation's Insight Infrastructure's proposition is to improve our knowledge and understanding of people and communities experiencing hardship, poverty and related issues, in the public and policy debate at a national/regional/local level, on issues they have identified themselves. In this instance, by learning what people share about their experience on social media to investigate how we can generate and disseminate new and timely insights into the lives of those with direct experience of the issues we care about.

Rosario Piazza, Chief Insight Architect, JRF
Aleks Collingwood, Partnership Insight Manager, JRF



JOSEPH ROWNTREE
FOUNDATION



ABOUT GPAG

JRF's **Grassroots Poverty Action Group (GPAG)** has been running since 2020 and is made up of 14 people with direct experience of poverty from across the UK. The group is diverse and represents those most at risk of poverty. Many members of the group are actively involved in other forms of anti-poverty work too, in their local communities or nationally. We have been very fortunate to have been able to work with such a dedicated group of people who are keen to support this project. They share their time and expertise generously to bring fresh perspectives to different elements of JRF's work include research projects, policy development, public engagement, and campaigning. GPAG are the Advisory Board for this project.

For this wave of the research, we spoke to GPAG members who have lived experience of unemployment, self-employment, and insecure work. We have included testimonies and quotations from this discussion throughout the report to complement our findings from online forums.



ACKNOWLEDGEMENTS

This project was funded by and developed in partnership with the Insight Infrastructure team at Joseph Rowntree Foundation.

We're grateful to the members of JRF's Grassroots Poverty Action Group (GPAG) for their guidance and contributions to this report.

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Jamie Hancock and Tyreese Calnan
December 2025

EXECUTIVE SUMMARY

This report is the seventh instalment in a series of research waves during 2024 and 2025, which have documented the experiences of people living in financial hardship. Using a combination of computational and qualitative analysis methods to analyse over 30,000 posts, it explores discussions in specific online support spaces between June and September 2025.

In this report, we take a qualitative deep dive into a crucial issue: experiences of employment and hardship, with a focus on unemployment, self-employment, and insecure work. Through this deep dive, we provide an extensive examination of finances as a dimension of hardship and how it is impacted by employment conditions. We explore stories from throughout the cycle of unemployment and insecure work, from initial concerns about layoffs, to redundancies and resignations, to jobseeking and claims for out of work benefits. At a time when the unemployment rate has reached 5%¹ and doubts linger over the quality of official labour force statistics, our research spotlights the lived experiences that lie behind these headline economic figures.

Our evidence suggests the situation may be worse for working people than even these figures suggest: as people continue to report redundancies and jobs are hard to come by, people appear to be turning to insecure work to make ends meet. Those who do this describe facing a series of complex problems as they try to claim welfare, navigate taxes, and manage their health. People in these roles deliver services that have become core to today's economy – from food deliveries to care – yet may be excluded from the UK's social safety net. Our findings are a bad omen at a time when the government is aiming to get people into work and improve protections for workers.

Our findings are a bad omen at a time when the government is aiming to get people into work and improve protections for workers.

¹ Office for National Statistics (2025). 'Unemployment rate (aged 16 and over, seasonally adjusted): %'. <https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment/timeseries/mgsx/lms>

This research comes at a pivotal point for employment policy. At the time of writing, the Employment Rights Bill is proceeding through Parliament and is expected to receive royal assent by the end of 2025. But while the Bill extends protections for some insecure workers - such as those on zero hours contracts - it does not address all the issues we identify. Meanwhile, the government has stated it will launch a consultation on reforming the employment status system by the end of the year. Based on our findings and upcoming opportunities for policy influence, we at Demos have set out five policy interventions to help address the challenges we have identified:²

- 1** Track the number of non-employee workers – known as Limb (b) workers – as part of the ONS’ statistics.
- 2** Expand employment rights for Limb (b) workers.
- 3** Explore ways of extending access to parental leave and pay.
- 4** Review the impact of National Insurance (NI) contribution requirements on access to the State Pension and New Style JSA.
- 5** Reform the Universal Credit (UC) Minimum Income Floor.



Overall, our research demonstrates that a perspective shift is needed in policymaking on employment: away from a binary view of the employed versus the unemployed, towards a spectrum defined by degrees of employment and the quality of work.

Our findings add to the mounting evidence that all is not well in the economy. As unemployment rises and people turn to insecure work to make ends meet, **it is vital that we improve the social safety net and support the most vulnerable in our society.**

² While the Joseph Rowntree Foundation funds this research, the policy recommendations set out in this report are Demos’.

INTRODUCTION

This report is the final instalment in a series of three research waves during 2025, which have documented the experiences of people living in financial hardship. By exploring discussions in specific online support spaces, we identify continuing challenges and emerging trends for people experiencing poverty and inequality.

For this wave, we have conducted a deep dive into a crucial issue: experiences of employment and hardship, with a focus on unemployment, self-employment, and insecure work. We chose to focus on this subject due to its significance for people on low incomes in today's challenging economic conditions. As we identified in [waves 1](#) and [2](#) of this year, the job market in 2025 appears to have become very challenging. Issues with employment were the second most prominent theme we identified in [wave 2](#) – a trend which was repeated in this wave. Through our deep dive, we provide a qualitative window into the world behind the headline economic statistics, exposing how today's economy feels for the most vulnerable.

Across our dataset, the three most prominent overall themes of conversation were (1) Welfare, (2) Employment, (3) Personal finances. Within these, the three most prominent subthemes were centred on (1) Accessing disability benefits, (2) Finding, losing & changing jobs, and (3) Universal Credit. These findings echo our analysis from wave 2, which identified a tough job market and financial precarity as key emerging trends in online conversations. We have also identified two emerging topics which have risen to the top of forum discussions: (1) debt and (2) scams which impersonate the DWP. More information on these high-level findings and emerging trends are available in the [Appendix](#).

Our research comes as the Office for National Statistics (ONS) reports that the unemployment rate hit 5% in September 2025³ – the highest rate since its pandemic-era peak in December 2020 – while the estimated number of job vacancies decreased year on year.⁴ Yet evidence from our deep dive suggests the situation may be worse for some working people than even these figures suggest: as reports of redundancies continue and jobs are hard to come by, people appear to be making ends meet by turning to insecure roles such as agency work and task-based work through digital platforms for employers like Uber, Amazon, and DPD - the so-called 'gig economy'. Meanwhile, the ONS does not specifically track how many people are in these insecure roles and questions linger about the quality of its labour market statistics. As the social safety net continues to degrade, our findings do not bode well for the state of the economy at a time when the government aims to get people into work.

This research comes at a pivotal point for employment policy. At the time of writing, the Employment Rights Bill is proceeding through Parliament and is expected to receive royal assent by the end of 2025. But while the Bill extends protections for some insecure workers – such as

3 Office for National Statistics (2025). 'Unemployment rate (aged 16 and over, seasonally adjusted): %'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/unemployment/timeseries/mgsx/lms>

4 Office for National Statistics (2025). 'Labour market overview, UK: November 2025'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/latest>

those on zero hours contracts – it does not address all the issues we identify.⁵ Meanwhile, the Government has said that before the end of the year it will open a consultation on eliminating the legal status of non-employee workers – known as ‘Limb (b) workers’ – which some insecure roles fall under, and providing these workers with full employment rights.⁶ There are also several official reviews ongoing into subjects including Universal Credit, pensions, and parental leave.

We pinpoint policy changes which could address some of the challenges raised in our analysis. These include the lack of protections afforded to Limb (b) workers, the limited scope of parental leave, and the way that Universal Credit calculates income for the self-employed. We set out five specific policy interventions which the government could adopt to address the challenges we identify. Overall, our research demonstrates that a perspective shift is needed in policymaking on employment: away from a binary view of the employed versus the unemployed, towards a spectrum defined by degrees of employment and the quality of work.

Our findings add to the mounting evidence that all is not well in the economy. As unemployment rises and people turn to insecure work to make ends meet, it is vital that we improve the social safety net and support the most vulnerable in our society.

METHODOLOGY OVERVIEW

This project uses an innovative research methodology to shed light on the experiences of people facing financial hardship. In several waves each year, we take a snapshot of all the posts on selected online support spaces. These posts are from people who have gone online to seek advice, share their experiences, and offer support on issues such as personal finances and benefits claims. They offer a unique window into how the economy and welfare systems are experienced today: rather than setting questions to members of the public, our analysis reveals what issues and challenges people are raising, the support they are seeking, and the sort of advice they are receiving. This gives us ‘fly on the wall’ insights to conversations that are happening organically, without our intervention as researchers.

We analyse thousands of online posts using a combination of quantitative, computational and qualitative methods to gain an unfiltered view into people’s day-to-day experiences, hopes and fears. The combination of the scale of the sample we are reaching and who it is we are listening to – i.e. people unlikely to be represented on standard quantitative panels – means that we are able to unearth new and emerging issues before they become more widely talked about.

This wave combined the quantitative analysis methodology used in wave 2 of 2025 with an updated qualitative methodology which centred on a deep dive into employment. More details are available in the [Appendix](#).

Quantitative and computational analysis

The quantitative analysis combined Named Entity Recognition (NER), Surprising Phrase Detection (SPD), Link Analysis, Topic Modelling, and Semantic Mapping. We performed these analyses using Method52, a platform for social media monitoring and analysis co-developed by CASM Tech and technologists at the University of Sussex.

This report makes reference to how our findings speak to previous waves of our research. Although we have been consistent in our quantitative analysis methodology, the fact that we have drawn on different combinations of forums for each wave means we must exercise caution in making direct comparisons between waves.

⁵ Department for Business & Trade (2025). ‘Factsheet: Employment Rights Bill - Overview’. <https://assets.publishing.service.gov.uk/media/67f6711f555773bbf109e21a/employment-rights-bill-overview.pdf>

⁶ UK Parliament, Hansard (2025). ‘Employment Rights Bill: Volume 848: debated on Wednesday 23 July 2025’. <https://hansard.parliament.uk/lords/2025-07-23/debates/654BF399-EF86-4E71-91B8-F86A007B98F0/EmploymentRightsBill>

Qualitative deep dive

This wave centres on a deep dive analysis of posts that discuss unemployment, self-employment and insecure work. In consultation with JRF, we selected this area of focus based on its significance for people on low incomes, its prominence in wave 2, and to explore the potential impact of upcoming policy events such as the passage of the Employment Rights Bill.

We identified posts for analysis from our larger dataset using keyword matching. This step identified several thousand posts which discussed either unemployment, self-employment, insecure work, or all the above. We then conducted a close qualitative analysis of random samples of the posts we had identified. This allowed us to identify common trends and explore key issues that emerged. In this report, we have included quotes that illustrate the challenges people face and concerns they hold.

In general, we have refrained from making quantitative claims based on our qualitative analysis. Where we speak about the prevalence of conversations about a topic in our qualitative analysis – using language like ‘many’ or ‘some’ – this is in reference to the posts we analysed from our dataset. These statements should not be understood as representative claims about the UK public as a whole or about all the people affected by a given issue. Instead, they indicate the prominence of these conversations in the data we analysed.

Definition of insecure work

When it comes to identifying insecure or atypical work, we have chosen to include all people with Limb (b) worker status under current legislation⁷ as well as some people who are legally classed as self-employed contractors, such as Deliveroo riders. These roles tend to lack predictable hours or pay, and have been associated with an increased risk of hardship. Where appropriate, we have distinguished work in the gig economy which is legally considered to be self-employment from other forms of self-employment, such as people who are registered as sole traders.⁸

Limb (b) worker is an employment status that is given fewer employment rights than a ‘full’ employee but does not count as self-employed. According to government guidance, Limb (b) workers “are less likely to be working in permanent, full-time employment with a single employing organisation” and “are more likely to have more casual and flexible working relationships often involving multiple and sometimes rival employers” (see the [Appendix](#) for a full definition). Whether an individual worker holds employee status or Limb (b) status can vary depending on their specific contract and working arrangements. As a general guide, Limb (b) status includes agency work, some zero hours contracts, and some work as a contractor for so-called ‘gig economy’ employers like DPD. These roles tend to involve variable hours, pay, few guarantees of future employment, and confer fewer rights compared to full employee status. This report uses references to these kinds of roles and contracts as a proxy for Limb (b) status.

Engagement with GPAG

For this wave, we held a focus-group style discussion session with members of GPAG who have lived experience of unemployment, self-employment, and insecure work. We have included testimonies and quotations from this session throughout the report to complement our findings from online forums.

⁷ Department for Business & Trade (2025). ‘Employment status and employment rights: guidance for HR professionals, legal professionals and other groups’ <https://www.gov.uk/government/publications/employment-status-and-employment-rights/employment-status-and-employment-rights-guidance-for-hr-professionals-legal-professionals-and-other-groups>

⁸ Gov.uk (2025). ‘What a sole trader is’. <https://www.gov.uk/become-sole-trader>

Anonymity

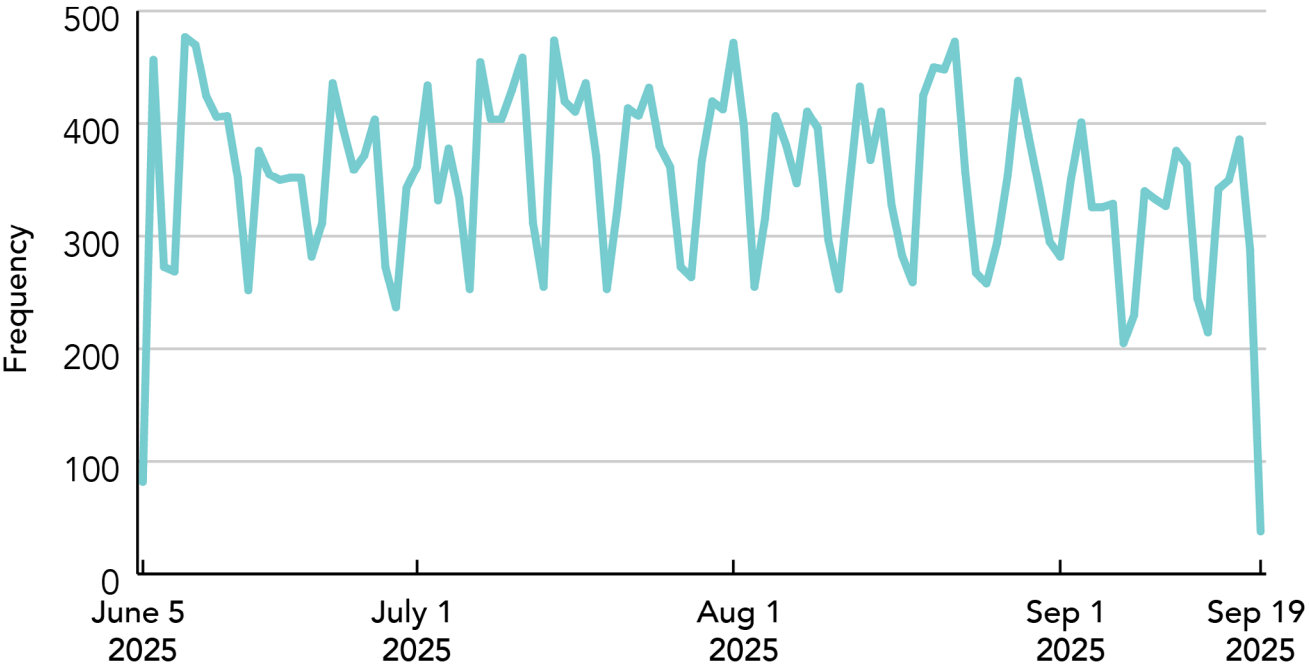
Where we have included quotes from the forums in order to elevate people's lived experiences, we have been careful to ensure that we preserve their privacy by changing the wording and syntax, in a process known as 'bowdlerisation'. This method ensures that the meaning of the post has been preserved but prevents the author and original post from being identified via text matching.

DATA COLLECTION

Wave 3 2025 covers a three-month period from June 6th - September 19th 2025. We gathered data from 37,504 posts across three forums agreed with JRF, which we narrowed down to relevant subforums. We have referred to these using the pseudonyms GeneralDiscussion, FinancialHelp and DisabilityHelp to help protect the anonymity of those posting on these forums. The table below provides further detail on the forums and how we used them:

FORUM	DESCRIPTION	SUBFORUMS	NUMBER OF POSTS
FinancialHelp	A forum focused on providing financial advice and support	11 subforums relating to personal finances, saving money, benefits, debt, bankruptcy, job seeking, and the intersection of finances and disability.	7029 posts
DisabilityHelp	A forum dedicated to supporting people with disabilities	13 subforums relating to living with disabilities, education, care, work for disabled people, disability benefits, finances for disabled people, and housing for disabled people.	12187 posts
GeneralDiscussion	A general forum with subforums on a wide range of topics	4 subforums relating to claiming benefits, interacting with government systems, personal finances, and the UK job market.	18288 posts

CHART 1
OVERALL VOLUME OF POSTS OVER TIME



RESEARCH FINDINGS

A DEEP DIVE INTO EMPLOYMENT

For wave 3 of 2025, we have chosen to conduct a qualitative deep dive analysis into one theme which has been prominent across multiple waves: the intersection between financial hardship and employment. Our analysis focuses specifically on people's experiences of unemployment, self-employment, and insecure work. This section explores seven key trends which emerged from our data:

1. People face a very challenging employment environment.
2. Some say they were turning to insecure work to make ends meet, leaving them with fewer working protections and increased instability.
3. Families and couples say they are particularly affected by employment insecurity.
4. Disabled people and those with health issues describe additional hardships when it comes to employment.
5. Some worry about a lack of financial safety net, which leads them to seek government support.
6. Some of those claiming welfare describe significant barriers to accessing support, placing additional pressure and stress on vulnerable people.
7. People are discussing challenges navigating taxes, which can leave them at risk of penalties and charges they cannot afford.

Our findings provide a qualitative window into the world behind the headline economic statistics, exposing how today's economy feels for the most vulnerable. Our evidence suggests that the lived experience of the economy may be even worse for working people than these figures suggest: in the face of rising redundancies and a very tough job market, we highlight the stories of people trying to make ends meet by taking up insecure work and trying to access welfare. But those in insecure roles speak of financial strain and impacts on their wellbeing, while those trying to receive welfare can describe barriers in accessing state assistance. Without financial safety nets or alternative sources of support, some who described themselves as moving from well-paid professional employment into precarious work and financial hardship.

These results may spell trouble at a moment when the government is seeking to get more people into work and improve workers' protections. At the time of writing, the Employment Rights Bill is proceeding through Parliament and is expected to receive royal assent by the end of 2025. But while the Bill extends protections for some insecure workers – such as those on zero hours contracts – it does not address all the issues we identify.⁹ Meanwhile, the Government has said that before the end of the year it will open a consultation on eliminating the status of 'Limb (b) worker' and providing these workers with full employment rights.¹⁰ There are also several official reviews ongoing into subjects including Universal Credit, pensions, and parental leave.

To conclude this deep dive, we pinpoint how these upcoming policy changes may address some of the issues we identify - and spotlight where they fall short. We set out specific policy interventions to address some of the challenges raised in our analysis.

1. PEOPLE DESCRIBE A VERY CHALLENGING EMPLOYMENT ENVIRONMENT

Echoing our previous wave, we observed people engaging in wide-ranging conversations about recent redundancies and their experiences when looking for jobs. Participants in these conversations usually agreed: the economic environment was very challenging. It appeared that these issues were affecting people beyond those who had been on low incomes or in junior roles. Below, we cover:

- Discussions about widespread redundancies
- Complaints about a challenging job market

1.1. Redundancies are said to be common

Echoing wave 2, redundancies formed a significant topic of conversation. These redundancies were usually described as downsizing efforts. They appeared to affect people across all sectors, of all ages, at all levels of experience, and at all pay grades – though roles in Information Technology (IT) and entry-level roles were said to be especially at risk. As a result of these redundancies, some sought advice and clarity on aspects of the redundancy process, such as redundancy payments. Some people said that they had faced unfair practices in the process of their redundancies, which they took up with their employers. In a handful of these unfair dismissal cases, the malpractice was said to have involved discrimination and alleged retaliation for complaints. These stories tended to involve people trying to take their former employers to an Employment Tribunal. These issues were echoed by our conversation with GPAG, who told us about their own recent experiences of being made redundant and unfair dismissals.

⁹ Department for Business & Trade (2025). 'Factsheet: Employment Rights Bill - Overview'. <https://assets.publishing.service.gov.uk/media/67f6711f555773bbf109e21a/employment-rights-bill-overview.pdf>

¹⁰ UK Parliament, Hansard (2025). 'Employment Rights Bill: Volume 848: debated on Wednesday 23 July 2025'. <https://hansard.parliament.uk/lords/2025-07-23/debates/654BF399-EF86-4E71-91B8-F86A007B98F0/EmploymentRightsBill>

Our findings align with recent unemployment statistics from the ONS' Labour Force Survey (LFS). This data suggests that unemployment hit 5% in September 2025 - the highest rate since December 2020, during the COVID pandemic.¹¹ This represents a year-on-year increase in unemployment by around 282,000. Moreover, the redundancy rate for July-September 2025 hit 4.5 per 1000 employees, which is a rise from 3.2 per 1000 for the same period in 2024.¹² The ONS' data suggests that 1.79 million people aged 16+ were unemployed in this period.¹³ The number of payrolled employees fell by 109,000 (0.4%) over the year, and by 26,000 (0.1%) between July and September 2025.¹⁴ Overall, according to the ONS, "the number of payrolled employees continues to fall" following a plateau from 2023 onwards.¹⁵ These figures echo the perception we heard from GPAG and people online: these are very hard economic times.



CHALLENGES FOR TRACKING UNEMPLOYMENT

Concerns have been expressed for several years that the ONS' LFS data may not be accurate because fewer people have responded to the survey in recent years.¹⁶ Detailed LFS employment estimates were not published between October 2023 and January 2024 because of these quality concerns.¹⁷ While the ONS has started reporting again on the LFS, its statistics are labelled as 'official statistics in development' and should be treated with caution.¹⁸ The ONS is developing a replacement for the LFS called the Transformed Labour Market Survey, which it plans will replace the LFS by 2027.

For July-September 2025 – covering the period of our study – the total LFS response rate was 23.4%.¹⁹ The ONS has said that it is "starting to see a reduction in the volatility" in its response rate, but continues to advise "caution when interpreting short-term changes observed in the estimates from the data."²⁰

These continued concerns about the quality of official statistics on the labour market have spurred an interest in alternative ways of measuring the economy, including the use of more qualitative approaches such as the one used in this study. Our social listening methodology allows us to paint a picture of how the economy is experienced by ordinary people, providing a compelling complement for quantitative economic data.

11 Office for National Statistics (2025). 'Unemployment rate (aged 16 and over, seasonally adjusted): %'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/unemployment/timeseries/mgsx/lms>

12 Office for National Statistics (2025). 'Redundancies'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/redundancies>

13 Office for National Statistics (2025). 'Labour market overview, UK: November 2025'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/latest>

14 Office for National Statistics (2025). 'Labour market overview, UK: November 2025'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/latest>

15 Office for National Statistics (2025). 'Labour market overview, UK: November 2025'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/latest>

16 House of Commons Library (2025). 'UK labour market statistics'. <https://researchbriefings.files.parliament.uk/documents/CBP-9366/CBP-9366.pdf>

17 Office for National Statistics (2024). 'Statement on the Labour Force Survey'. <https://www.ons.gov.uk/news/statementsandletters/statementonthelabourforcesurvey>

18 Office for National Statistics (2024). 'Impact of reweighting on Labour Force Survey key indicators: 2024'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/impactofreweightingonlabourforcesurveykeyindicators/2024>

19 Office for National Statistics (2025). Labour Force Survey performance and quality monitoring report: July to September 2025. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/labourforcesurveyperformanceandqualitymonitoringreportjulytoseptember2025>

20 Office for National Statistics (2025). Labour Force Survey performance and quality monitoring report: July to September 2025. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/labourforcesurveyperformanceandqualitymonitoringreportjulytoseptember2025>

"I've faced three redundancies in the past five years. Twice the companies stopped trading and everybody was affected, the third time only twenty percent of the company was impacted... I'm scared this will reflect horribly on my CV."

"I got my last paycheck last week, after losing my role at the start of the month. I reapplied for UC, but won't be receiving anything until my next assessment. I'm down to my last twenty pounds and I have rent due. I'm struggling. Does anyone know a loan that could aid me? I feel lost."

"Last November my wife got a new job. It was amazing, but after a few months she noticed a lot more redundancies. Today they informed her that her role is on the line. She's also pregnant and the team knew. We're so worried that if she is made redundant we can't financially manage having a baby. They had a consultation that turned sour ... despite the company claiming a full restructuring, it is only her role at risk... I can't help but feel it's related to her pregnancy, it seems extremely unfair."

"Due to my husband's long term medical problems his GP signed him off from work. Now his boss is using his absence to do a restructure making redundant. Is that legal? Can his employer sack him over illness?"

"My partner's company relocated over a hundred miles away. There were a few redundancies, but my partner got the option to work remotely and travel into the office once a week. It's been going fine for ten weeks, but suddenly their employer is saying that my partner needs to relocate permanently or face redundancy."

"I've been in my role for over twenty years, however, I was told that from the end of July I'll be redundant. I have a holiday planned in December. Can I claim a New Style JSA when I'm back?"

"I'm at risk of becoming redundant due to AI coming in, so I'm looking to train and pivot into a different sector. What sectors are still in high demand?"

"Yesterday I was called into the office for a discussion with the manager. I had a feeling something was off, but still I went in. Their manager had been upset about the hours contracted and so they fired half the team, me included."

EXPERIENCES FROM GPAG

Being made redundant was a common experience amongst the GPAG members we spoke to. One person said they **“had been let go from jobs due to [their] employers struggling to pay the wages, which added to [their] feelings of inadequacy and being a failure.”** Another said that someone close to them had been at risk of being made redundant and applied unsuccessfully for other roles internally. Then, when they were made redundant, the person’s replacements didn’t **“have a clue what the job [was] all about. They kept coming back to him to ask what to do.”** Our discussion with GPAG resonated strongly with the conversations we observed online about job losses. Together, they painted a picture of a troubled economic landscape where many employers are cutting back.



1.2. Job seekers complain about a very challenging job market

People searching for new jobs said that they were facing a very difficult market, with fewer roles available and very tough competition. Some said they had been recently made redundant; others described searching for jobs for months or years on end, in which time they sent out 100s of applications, while rarely hearing back from potential employers. In parallel, we also heard stories of employers being swamped by applications. There was a general perception that there are not many jobs out there. The overall tone was despairing.

As a result of this difficult job market, there was a trend of people saying that they were taking significant pay cuts or were changing careers entirely to make sure they could secure a role. This trend was especially noticeable for people moving from higher paid professional roles into low paid positions in retail, hospitality, and similar sectors.

We observed some specific issues that were raised about job hunting while disabled or with long-term health conditions. We discuss these in a later section focused on disability and ill health.

These findings echo data from the ONS on the job market during our research period. The ONS estimated that the number of vacancies was “broadly unchanged” during this time, but this represents a decrease of 99,000 roles compared to the same period in 2024.²¹ Payroll data from HMRC indicates that the number of payrolled employees reduced by 32,000 from August to September 2025 – the second half of our research period – while there was an annual decrease of 180,000 payrolled employees (0.6%) from October 2024 to October 2025.²²

21 Office for National Statistics (2025). ‘Labour market overview, UK: November 2025’. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/latest>

22 Office for National Statistics (2025). ‘Earnings and employment from Pay As You Earn Real Time Information, UK: November 2025’. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/earningsandemploymentfrompayasyouearnrealtimeinformationuk/latest>



FACTORS AFFECTING HIRING RATES

There has been a public debate about which factors may be affecting the UK's job market. One of the most prominent issues raised has been the potential impact of an increase in employers' National Insurance contributions that was introduced in April 2025, following the November 2024 budget. Specifically, Employer's Class 1 NI contributions were increased from 13.8% to 15%.²³ This change triggered concern from employers before it was introduced,²⁴ who said it would make them less likely to create new roles. It has since been associated by the Bank of England with reductions in hiring rates: in late June, the Bank's Governor said that "labour demand and hiring intentions have softened" following the rate rate increase.²⁵

There have also been public discussions about difficulties in specific sectors, with conversations focusing particularly on a slowdown in the IT sector²⁶ and an apparent dropoff in hiring for entry level professional roles.²⁷

Meanwhile, there has been a great deal of discussion about the risk that AI could lead to employers choosing to hire fewer staff.²⁸ However, the extent to which these risks have materialised is uncertain. There are some indications of impacts on the number of entry level 'knowledge worker' roles available.²⁹ Our study did not provide evidence of whether AI is causing job displacement, but did suggest that people on forums are worried about this.

23 His Majesty's Revenue and Customs (HMRC) (2024). 'Changes to the Class 1 National Insurance Contributions Secondary Threshold, the Secondary Class 1 National Insurance contributions rate, and the Employment Allowance from 6 April 2025'. <https://www.gov.uk/government/publications/changes-to-the-class-1-national-insurance-contributions-secondary-threshold-the-secondary-class-1-national-insurance-contributions-rate-and-the-empl/changes-to-the-class-1-national-insurance-contributions-secondary-threshold-the-secondary-class-1-national-insurance-contributions-rate-and-the-empl>

24 Tamsin Melville and George Thorpe (2025). 'Traders fear big hit from National Insurance rise'. BBC News. <https://www.bbc.co.uk/news/articles/cy8e7delklpo>


25 Sam Fleming (2025). 'Labour's national insurance rise is contributing to job market slowdown, BoE governor says'. Financial Times. <https://www.ft.com/content/b59eab99-cce0-45df-851d-7975b4f30777>

26 Ellen Jennings-Trace (2025). 'Tech industry stalling as AI takes over, with junior roles cut in half'. TechRadar. <https://www.techradar.com/pro/tech-industry-stalling-as-ai-takes-over-with-junior-roles-cut-in-half>

27 Lauren Almeida (2025). 'Number of new UK entry-level jobs has dived since ChatGPT launch – research'. The Guardian. <https://www.theguardian.com/business/2025/jun/30/uk-entry-level-jobs-chatgpt-launch-adzuna>

28 World Economic Forum (2025). 'Future of Jobs Report 2025.' https://reports.weforum.org/docs/WEF_Future_of_Jobs_Report_2025.pdf

29 Bouke Klein Teeselink (2025). 'New study reveals early impact of AI on job market in UK'. King's College London. <https://www.kcl.ac.uk/news/new-study-reveals-early-impact-of-ai-on-job-market-in-uk>

The image features two dark silhouettes of people against a white background. On the left is a man standing, facing right. On the right is a woman, seen from the back, facing left. They are positioned in front of several colored rectangular blocks that serve as speech bubbles, each containing a quote. The colors of the blocks are light blue, dark grey, teal, and light grey.

"I was made redundant in my previous role as a game programmer after three years. I have been looking for a new role in the same industry since February, but still haven't got an offer."

"After a three month probation, where they told me I was excelling, I suddenly lost my position during the probation meeting. I've applied to a few roles but there aren't many. I have no safety net, so I'm worried. When I was job hunting last year it took months of searching. Is the job market still this bad?"

"I'm so scared of going back into unemployment, I've chatted with people who finished their apprenticeship months ago and they haven't found a position yet. How much experience do I really need? Or are companies rarely hiring?"

"The job market is horrible now, especially for someone like me who doesn't have a degree. "

"I've been job hunting for months, and I just got third round interviews for a couple companies. I was made redundant during my pregnancy, and my child is turning 1 soon."

"I've been unemployed for two years after being hospitalised. I've been applying for roles in different sectors the whole time. No call back, no interviews. I have a computing qualification, but I think the gap in my CV is hurting me. Is it me or is it the market? I feel like I'm holding out but I can't keep doing it, there's only so much support I can get before I feel like a burden"

"I've been out of work and recently came across an unpaid internship in the industry I want to enter... they're not paying anything. Is that not illegal?"

"I had health issues and left full-time work... fast forward a couple years and I still can't land a role."

EXPERIENCES FROM GPAG

Members of GPAG who were looking for jobs were candid about the challenging times they faced. Someone in the group told us their experience of finding work had been "horrific": **"jobs that I wanted, I was denied, despite stating that there was training provided and being 'beginner friendly'."** They emphasised that **"people want to work, not go on benefits, but there are no jobs. Applying for jobs itself is mentally draining."**

Another person described the arduous journey they took when trying to support a family member's job search: **"together, we have applied for more than 40 jobs. He has been called for 4 interviews but didn't get the job. This is someone who has been in the job for 15 years, a professional in his field, just being let go, just like that."**



2. SOME ARE TURNING TO INSECURE WORK TO MAKE ENDS MEET

We observed a trend of people saying they were exploring moving from secure full-time employment into insecure work or had already done so. These roles were associated with negative impacts on workers' wellbeing, finances, and broader lives. In this subsection, we cover:

- People's motives for moving into insecure work
- How insecure work was said to negatively affect people's finances, wellbeing, and family lives
- Allegations of dubious employment practices

2.1. Motives for moving into insecure work

We identified people saying they were seeking insecure work because they needed to make ends meet. In some cases, they said this was because they had been made redundant from a full-time role and needed an income. In others, they said they were looking to take up insecure work in addition to existing work.

"I need income now, what's the most tolerable way to earn a wage as a thirty-six year old man? Gig-work doing delivery or hospitality work?"

"I was made redundant. I'm looking for a role to keep me going mentally and financially while I look for another long-term position. I'm thinking about delivery driving, but I'm up for other ideas to get me a reliable income."

When people spoke about insecure roles, these tended to be in the so-called 'gig economy', with delivery driving for DPD being the most frequently mentioned example alongside Uber and Amazon. People also spoke about taking up agency work and roles in hospitality on flexible zero hours contracts. No-one in our analysis used the legal jargon of 'Limb (b) worker' status: instead, they described their employment using terms like 'gig work' and 'flexible work'. In our analysis, we used these references to specific employers and employment arrangements to estimate whether a person would be counted as a Limb (b) worker, a self-employed contractor, or another related employment status.

"I have a zero hour contract, and they always shorten my shifts. I travelled three hours to do a five hour shift. Last time, my manager yelled at me for no reason. I'm in Manchester and it feels like a jobless place. I don't know how much longer I can keep doing this, It was only a few months ago I lost full-time work. I can only hope to land a temp role before christmas."

"The contract states that my working week will change with the needs of the business, anywhere from zero shifts a week to four. The hours may go up or down significantly and be beyond normal working hours. Is this a zero hour contract?"

The trend of people moving from full employment into insecure work may be a sign of deeper troubles in the economy than are reflected in the ONS' employment statistics on unemployment. The market for insecure work may be reducing the overall unemployment rate by absorbing some of the people being made redundant. But in the process, people are moving into work associated with lower standards of living, fewer protections, and less of a financial safety net for when things go wrong.

EXPERIENCES FROM GPAG

Our conversation with GPAG echoed the online conversations we analysed: the group members felt that more and more people were turning to insecure work to make ends meet, either as a replacement for a job that was lost or in addition to full time work. As one member said: **"people are having to work two or three jobs. They have a full time job and they need to take on something like delivery driving to make ends meet as well."**

Several GPAG members said they had taken up insecure work with fewer employment protections. These roles included working in healthcare as a temporary worker and working for a charity on a flexible basis. Some also described family members who were in similar positions – juggling multiple insecure jobs with no guaranteed hours.





LIMB (B) WORKER STATUS, ZERO HOURS CONTRACTS AND INSECURE WORK

Under the Employment Rights Act 1996, 'Limb (b) worker' is an employment status that is given fewer employment rights than a 'full' Employee but does not count as self-employed.³⁰ According to government guidance, Limb (b) workers "are less likely to be working in permanent, full-time employment with a single employing organisation" and "are more likely to have more casual and flexible working relationships often involving multiple and sometimes rival employers". This status therefore encompasses agency workers, contractors who are not fully self-employed, some gig workers, and some types of zero hours contracts depending on the specific working arrangements. These roles tend to involve variable hours, pay, and few guarantees of future employment - thus making them insecure. Limb (b) worker status is not distinguished in the ONS' employment data.

Limb (b) workers are entitled to core statutory employment rights, including:³¹

- Protection from unlawful wage deductions
- The National Minimum Wage/National Living Wage
- Paid holidays
- Whistleblowing protections
- Requirements for enrollment under a workplace pension scheme, depending on certain conditions. However, most Limb (b) workers do not meet these conditions.

Limb (b) workers do not get access to the following rights of full Employees:³²

- Maternity leave
- Statutory Sick Pay - this depends on whether the employer pays Class 1 NI Contributions
- Protections in case of a breach of contract

Meanwhile, zero hours contracts - also known as casual contracts - are a type of employment contract in which the worker is not guaranteed any hours.³³ Zero hours contracts provide fewer protections than full employment, but allow workers to turn down shifts and seek employment elsewhere. Workers under zero hours contracts are entitled to paid holiday and the National Minimum Wage. Whether a worker on a zero hours contract is counted as a full employee or a Limb (b) worker depends on specific details of the contract and employment practices.³⁴

30 Department for Business & Trade (2025). 'Employment status and employment rights: guidance for HR professionals, legal professionals and other groups'. <https://www.gov.uk/government/publications/employment-status-and-employment-rights/employment-status-and-employment-rights-guidance-for-hr-professionals-legal-professionals-and-other-groups#section-2-introduction-to-employment-status>

31 Department for Business & Trade (2025). 'Employment status and employment rights: guidance for HR professionals, legal professionals and other groups'. <https://www.gov.uk/government/publications/employment-status-and-employment-rights/employment-status-and-employment-rights-guidance-for-hr-professionals-legal-professionals-and-other-groups>

32 Department for Business & Trade (2025). 'Employment status and employment rights: guidance for HR professionals, legal professionals and other groups'. <https://www.gov.uk/government/publications/employment-status-and-employment-rights/employment-status-and-employment-rights-guidance-for-hr-professionals-legal-professionals-and-other-groups>

33 Gov.uk (2025). 'Contract types and employer responsibilities'. <https://www.gov.uk/contract-types-and-employer-responsibilities/zero-hour-contracts>

34 Department for Business & Trade (2025). 'Employment status and employment rights: guidance for HR professionals, legal professionals and other groups'. <https://www.gov.uk/government/publications/employment-status-and-employment-rights/employment-status-and-employment-rights-guidance-for-hr-professionals-legal-professionals-and-other-groups#section-6-further-resources>

The upcoming Employment Rights Bill will give more rights to workers on zero hours contracts but will not remove Limb (b) worker status as had been hoped by some. The Bill gives zero hours workers the right to guaranteed hours, the right to reasonable notice of a change of shifts, and the right to be paid for shifts which are cancelled, curtailed, or moved at short notice.³⁵

The government has stated that it will hold a consultation on proposals to remove Limb (b) status, reducing the number of employment statuses in the law to two: employee and self-employed. During a House of Lords debate on 23rd July 2025, Baroness Jones indicated that the consultation will be published by the end of 2025.³⁶ It is currently unclear what the detailed proposals will contain.

2.2. INSECURE WORK NEGATIVELY AFFECTS PEOPLE'S FINANCES, WELLBEING, AND FAMILY LIVES

People working in insecure roles tended to describe how these jobs had negative impacts on their lives, finances, and wellbeing. Some described impacts on their physical health due to long hours and intensive physical activity associated with their roles. Others spoke of how it harmed their mental health due to irregularity in their hours, the financial uncertainty that came with variable pay, broader instability that the work created in their lives, and the emotional strain involved in some roles such as agency care work.

"Right now I'm on a zero hour contract. I want to change fields. I'm a relief worker in care and the role negatively impacts my mental health plus the pay is low. I hate it and I'm barely getting by. I can pick my hours, but there's never any hours and shifts aren't ever guaranteed. I don't know how much I can handle before I get anxious and overwhelmed."

"Is there anyone who has been self-employed with DPD? Someone said that if a parcel is contested they deduct it from your wage, even if you have a photo?"

Finally, they spoke of financial insecurity and strain due to low pay, variable pay rates, times when it was hard to get work, and costs that they had to bear to participate in the work, such as fuel for delivery drivers. Some said that, when they totalled their average pay, they realised that they were earning less than the minimum wage. These challenges were all echoed in our conversation with GPAG, who highlighted the additional administrative burden that came along with these roles.

35 Department for Business & Trade (2025). 'Factsheet: Zero hours contracts'. <https://assets.publishing.service.gov.uk/media/67e429cf2621ba30ed9776d1/zero-hours-contracts.pdf>

36 UK Parliament, Hansard (2025). 'Employment Rights Bill: Volume 848: debated on Wednesday 23 July 2025'. <https://hansard.parliament.uk/lords/2025-07-23/debates/654BF399-EF86-4E71-91B8-F86A007B98F0/EmploymentRightsBill>

EXPERIENCES FROM GPAG

Our discussions with GPAG touched on the lack of predictable hours and pay that insecure work usually involves. A GPAG member told us: **"I work two jobs, one with a stable income which I know is a fixed salary that's coming in. The other job is unpredictable. I could have a busy month and then I could have two months that are quiet. So I just don't know what's coming in, so trying to budget is extremely challenging."** They said that this made it hard to save enough to cover emergency expenses. **"There is constant stress to get through each week and each month. The impact of this is shocking on my health and wellbeing."**

During the conversation, GPAG members also raised insecure workers' marginal status in employment law. This lack of protections was said to make matters worse, beyond the challenges associated with uncertainty or a lack of income. **"It's also how vulnerable you are because of your lack of employment rights."** We were told that people in these roles were often left **"at the mercy"** of employers like agency services: **"if the agency's service users are not comfortable with you, the agencies may assume you are not friendly. They may stop calling you for jobs. You are left in limbo with bills piling up and the struggle continues."**



2.3. ALLEGATIONS OF DUBIOUS EMPLOYMENT PRACTICES

We identified a small but concerning number of conversations in which people said they had experienced employers using dubious practices. These included not receiving contracts, being assigned self-employed or contractor status when this was not appropriate, a lack of clarity about employment status, and deception during job applications or onboarding. The cumulative effect of these dubious employment practices was usually to deprive people of their employment rights and leave them uncertain about what they were entitled to. Such situations left people feeling confused and led them to seek advice online. We examine the legal and policy context of these bogus self-employment allegations on [page 48](#).

"I started in March, and quit last week. The 'training' was terrible - doing my boss' role instead of the engineering role I applied for. I'm also self-employed, not salaried, despite it being advertised as salaried. I tried to last, but I couldn't. I guess the pain and grief starts again."

"I had an offer who said they'd pay £6.50. When I queried about the £7.55 minimum wage they said they will move me up to it in September. But, when I informed them that I would turn 18 shortly after, they maintained that they would pay £7.55. Apparently I'm on a contractor agreement, and that's the hourly rate they'll provide."

In some cases, these practices could have very serious consequences, such as when a workplace injury took place or when a person was dismissed unfairly. Some described trying to push back against their employers through various means, including employment tribunals and public naming and shaming. However, doing so could be difficult where people lacked access to legal advice or in cases where there was a lack of written documentation to prove that the abuse had occurred.

"Last week my brother slipped from a ladder while cleaning a gutter. He managed to get someone to take him to the hospital where they discovered he was seriously injured and couldn't work for 3 weeks. He is 53 and has worked for his employer for about three years. His boss just sent him a list of Health and Safety courses to go to. Should his employer pay him while he is unwell? He has no contract... does my brother have any rights?"

EXPERIENCES FROM GPAG

We heard from GPAG members about situations where they had worked under misleading pretexts or without being given proper contracts. For example, one member of the group described a job where **"there was no contract - there was nothing written at all."** The lack of a contract eventually became a problem when a dispute arose about unpaid wages. Without a written contract, it became very difficult for the GPAG member to prove their case.



3. FAMILIES AND COUPLES SAY THEY ARE PARTICULARLY AFFECTED BY EMPLOYMENT INSECURITY

We identified a tendency for people to describe difficulties supporting family members while they were unemployed, self-employed, or in insecure work. Some also spoke about similar issues they faced when supporting loved ones who were in these employment situations. These issues included navigating the job market with young children – which could even involve cases of alleged hiring discrimination for people who were pregnant or were new parents.

"I've been running a small business for a year and I was only categorised as self-employed and given my start-up period at the beginning of May. I don't think I'll hit the minimum income floor by May 2026. If I am earning less than the MIF would I still be able to run the company and get less reduced UC? I have a child and I'm part time at uni. I have no childcare apart from 18hrs a week at nursery."

"I've been job hunting for a couple months and got to the third round of interviews for a few. I was made redundant while pregnant, and my baby is turning one soon. The interview was an hour and had time for questions. When I asked if they had any reservations, one man said that 'I'm a new mum and it's a lot of work including a baby'. I told him that I was aware of the requirements and would not have come along if I thought I couldn't do it. It didn't feel right. Is he even allowed to say that to me?"

Others spoke of the challenges they or family members faced when caring for loved ones when they themselves were on low income or claiming welfare.

"I'm going self-employed on Friday. But, I am going to make less than £4189 a month to avoid paying 20% tax. I have a question: my husband is out of work because he takes care of me full-time as I have schizophrenia and cannot manage alone. So we will be on one income, I'd like to give him some money to make up for the lack of money he makes for looking after me. Is there any sort of exemption for only one person working?"

Some spoke specifically about their difficulties with joint Universal Credit claims when their partner was unemployed. Others were confused about how to report spending on support for family members and children to Universal Credit without triggering rules on capital deprivation.

"I have a chronic illness and was moved from UC to ESA. I also get PIP. However, my daughter is 19 and came to the end of her three years of further education - my child benefit will stop at the end of the academic year. UC is claiming that I have to report her as out of education, despite her being enrolled and receiving food vouchers from the college all summer. I'm going to lose £500 a month in child UC and I still have to house her and feed her. UC won't respond, Citizens Advice won't answer, I don't know what to do."

"From next week I'll be redundant. They're reducing the team from eight to three. I'm scared because my partner is disabled and gets little for her disability, so we rely on just my income. I'm nervous we'll lose the house."

When the government speaks of 'working families', it can imply that these are people who do not need to access welfare and who are in full employment. Yet the stories we have analysed paints a very different picture: families are having to turn to insecure work and/or welfare to cover their essential needs.

4. DISABLED PEOPLE AND THOSE WITH HEALTH ISSUES SAY THEY FACE ADDITIONAL HARDSHIP

Throughout our analysis, we identified people talking about how their disabilities and long-term health conditions affected their experiences of unemployment, self-employment and insecure work. In fact, disability and health were said to intersect with every other issue we have discussed so far in this deep dive. Below we have broken down how disability and health were discussed for each of the employment statuses we focused on.

Our analysis raises several cross-cutting themes:

- Suspected discrimination during hiring, in the workplace, and in redundancies
- Very challenging experiences of jobseeking
- Difficulties finding work which is suitable and accessible
- Challenges in accessing disability benefits

Below, we examine these themes from the perspective of (1) people who experienced unemployment; (2) people who were self-employed or in insecure work.



DISABILITY AND LONG-TERM HEALTH CONDITIONS IN THE WORKFORCE

The ONS estimates that 5.5 million disabled people were in employment in April-June 2025, covering the start of our research period.³⁷ During this time, the disability employment rate was 52.8% - compared to 82.5% for non-disabled people. These figures are the first year-on-year decrease in the disabled employment rate since 2013.

According to the government, as of November 2025, “disabled people were more likely than non-disabled people to be working in Health, Retail and Education, and lower-skilled occupations and to be self-employed, working part-time and in the public sector.” “They were also more likely to be underemployed, in low pay, on a zero-hour contract and in a job with fewer career opportunities and less employee involvement.”³⁸

In March 2025, the Government announced several reforms to the welfare system which were framed as an attempt to get more people into work, including disabled people and those with long-term health conditions. These reforms were set out in the Government’s Get Britain Working white paper and Pathways to Work green paper. They included restrictions to the eligibility criteria for Personal Independence Payments (PIP), reductions to the value of the UC Limited Capability for Work and Work-Related Activity element (LCWRA), an increase in the standard baseline amount paid by UC, and investment into employment support for people with disabilities and health conditions. We examined the online response to these announcements in **wave 1 of this year.**

After significant public backlash to the government’s proposals – including **campaigns from JRF** and other organisations that support disabled people – the government reversed course on some of its proposals in June 2025.³⁹ These changes included a U-turn on restrictions to PIP eligibility criteria and an additional £300 million in employment support over two years.⁴⁰ The finalised version of the proposed reforms entered law through the Universal Credit Act 2025.⁴¹ Some of the reforms, such as the UC rate uplift, will not enter into effect until April 2026.

The **Mayfield (Keep Britain Working) Review** examined the barriers that disabled people and those with long-term health conditions face in the workforce. Published in July 2025, the review highlighted many of the challenges that people raised in our research – including working environments not being accessible, reasonable adjustments not being fully implemented, and a lack of support for both employees and employers in helping people enter the workforce.

37 Department for Work & Pensions (2025). ‘The employment of disabled people 2025’. <https://www.gov.uk/government/statistics/the-employment-of-disabled-people-2025/the-employment-of-disabled-people-2025>

38 Department for Work & Pensions (2025). ‘The employment of disabled people 2025’. <https://www.gov.uk/government/statistics/the-employment-of-disabled-people-2025/the-employment-of-disabled-people-2025>

39 Chris Mason & Sam Francis (2025). ‘Starmer U-turns on benefits cuts after Labour backlash’. BBC News. <https://www.bbc.co.uk/news/articles/cq6my6v81z4o>

40 Carer’s UK (2025). ‘Briefing on Pathways to Work Green Paper and Universal Credit Bill: Impact on unpaid carers’. <https://www.carersuk.org/media/togpr4bq/carers-uk-briefing-on-pathways-to-work-green-paper-and-universal-credit-bill-v30-07-25.pdf>

41 HM Government (2025). ‘Universal Credit Act 2025’. <https://www.legislation.gov.uk/ukpga/2025/22>

Research by JRF has previously highlighted the importance of ill health as a barrier to participation in the UK labour market.⁴² This research has identified issues including inaccessible workplaces, a need for more flexible workplace policies such as hybrid working, and the current rate of Statutory Sick Pay as key reasons that prevent people with long-term health conditions and disabilities from entering into work - even if they wish to.

4.1. DISABILITY, ILL-HEALTH AND UNEMPLOYMENT

People who said they were disabled or had long-term health conditions described specific challenges when it came to unemployment and redundancy. Some said that they had experienced being let go for reasons they believed were related to their conditions and accessibility needs. If these allegations are true, these dismissals would potentially violate the Equality Act 2010.

"I quit a full time position because of my medical problems. I was looking to investigate my issues, but the waiting list since COVID meant I was waiting for a few years. I don't have a diagnosis so work didn't put any measure in place for me - so I left. It's been a couple years and I can't seem to land a position. I'm limited due to health issues, I don't have a diagnosis so companies don't have to take measures for me. I did manage to get a part-time role but was fired after a week as they thought I wasn't capable. I tried so hard to hide my condition."

"I have numerous mental and physical issues. I keep getting fired from roles due to my wellbeing. I desperately want to work, I feel like a prisoner in my own life."

Others said they had faced challenges in the workplace that related to their health and wellbeing – including accessibility needs not being met – which led them to leave their roles. People who said they had worked in jobs that were not accessible for them described these as being extremely challenging and could make their conditions worse.

42 Iain Porter (2024). 'Unlocking benefits: Tackling barriers for disabled people wanting to work'. Joseph Rowntree Foundation. https://www.jrf.org.uk/work/unlocking-benefits-tackling-barriers-for-disabled-people-wanting-to-work#_-barriers-to-work-for-people-on-work-related-disability-benefits; Dan Tomlinson (2023). 'Importance of ill health to the UK's labour market participation challenge'. Joseph Rowntree Foundation. <https://www.jrf.org.uk/work/importance-of-ill-health-to-the-uks-labour-market-participation-challenge>

"I'm disabled and have been unemployed since last year. I've signed up for PIP and UC, while reaching out to local organisations. But, there's no capacity and I've been denied. I keep applying for new roles, but haven't got anything which makes me feel awful. I'm behind on bills and rent, and I'm so lost. Are there any more emergency schemes I can use? Has anyone been through something like this?"

Some of those seeking work said they had found it very difficult. This was usually said to be because it was hard to find roles that were suited to their conditions or which could offer the necessary reasonable adjustments. As a result, the pool of viable jobs was much smaller. We also noted allegations of ableist discrimination during hiring processes. A few who were successful in being hired said that they had found these were not as accessible as they had expected, or that promises to implement reasonable adjustments were not fulfilled.

"I'm disabled and qualified for the max PIP. I've been jobless for more than a couple years but I just got a 4hr gig at a local cinema. They rota'd me in for 16hr week one and it was horrid. I told them I can't do it and need less hours. But today they gave me a longer shift. I called in sick as I haven't recuperated since last week. I'm not super nervous and can't sleep, I have to call in sick for my 3rd shift. Is there any position someone like me can do? 4-8hrs a week. I took me more than two years to find this role"

4.2. HEALTH, SELF-EMPLOYMENT AND INSECURE WORK

We observed self-employed people saying that their working arrangements allowed them to make an income while accommodating a disability or long-term health condition. This was because being self-employed was said to allow them to control their hours, decide on their working environment, and work around their symptoms when they needed to.

However, challenges were said to arise when they needed to access disability benefits and UC. Some were concerned about the possibility that they earned a small amount from self-employment – which could include passive income such as book sales – could be used to downplay their difficulties during assessments for disability benefits or to even remove welfare payments they had already been awarded. Meanwhile, as we highlighted in [waves 1](#) and [2](#), some people continued to be concerned that the transition from Employment and Support Allowance to UC would lead them to lose out in welfare payments – even if they had been given transitional protection.

"I'm chronically ill and went onto UC from ESA. I also get PIP. I was given transitional protection otherwise I'd be on less money with UC. I had taken that transitional protection before the 10% benefits lift, so I received no inflation increase."

"I have multiple disabilities and I'm housebound. I am dealing with many mental health issues. The money I earn, around 200-500 pounds a week, is from book sales. I have a review on Wednesday that I have no idea what it's about. I'm very, very scared. I only recently got LCWRA after scraping by on half the income I previously had for over half a year. I've seen some worrying things about if they find me gainfully self-employed. I'm barely clinging on now, how will I last if they slash my benefits again?"

"What does 35hrs of care even look like? The government website is rubbish for explaining it for carer's allowance. We moved in with family and my mother in law has mobility issues. My partner earns around £150 weekly from self-employed work but he's irregular and looks after his mum often. He drives her around, helps her with the phone, is here if she has an accident etc. We are basically 24hr carers - but he won't claim carers allowance, he adds his own rules into what equates to 35hrs and is adamant he isn't hitting it"

Self-employed people also expressed concerns about the negative impacts that short-term health conditions, operations, and longer spells of ill health could have on their finances. Unlike employees, self-employed people are not entitled to statutory sick pay. They are therefore not compensated for lost income when they are unwell and unable to work.

This challenge can compound with the DWP's Minimum Income Floor (MIF) policy for UC (see [page 42](#)). For example, in one instance, a forum user raised a question about whether their UC Minimum Income Floor could be temporarily removed to mitigate the loss of income they faced due to an operation. The **DWP may suspend a person's MIF** if they experience long-term sickness or have disabilities which reduce their ability to work, but this must be agreed with the DWP and does not apply to short-term health conditions.

"Does anybody know if I can apply for aid regarding lost wages? I'm about to have an operation and will be out of action for a week, I am gainfully self-employed with MIF. Can I ask my work coach to pause my MIF while this happens?"

Some people in insecure work said they had taken these roles as their health meant they were unable to find other employment. Insecure work could offer some flexibility which people could fit around their conditions. But some physically taxing roles could also make those conditions worse.

"I'm a gig worker doing food delivery cycling and often earn below minimum wage. The physicality is damaging my body. I can't do this forever - it is not stable work. I'm applying for PIP right now, because I'm disabled and my conditions have made it harder for me to get a regular job and stay in it."

"I have a range of health issues including cancer. I have a tribunal next month regarding PIP after an assessor lied on my report saying I was in good health despite having a brain tumor and having to take a break during the phone call due to stress. I can't maintain a good diet, my financial situation makes me stressed to sickness and I miss out on uni and work since they don't give me shifts anymore (zero hour contract) due to my health."

However, echoing wider discussions we observed about insecure work, comments from disabled people and those with health conditions focused far more on negative impacts that these roles could have. Some highlighted how physically demanding the work was. Others said that they had difficulty getting shifts, which impacted their finances. One person specifically alleged that they were being given fewer shifts in their zero hours role because of their conditions.



STATUTORY SICK PAY FOR NON-EMPLOYEES

Currently, self-employed people and insecure workers are not entitled to statutory sick pay (SSP). The forthcoming Employment Rights Bill will expand access to SSP to all employees, rather than those earning over a certain amount as is the case at the time of writing. But it will not extend SSP to non-employees.

5. THERE ARE FEARS ABOUT A LACK OF A FINANCIAL SAFETY NET

We observed people in all three employment statuses discussing concerns about their ability to save money, build a financial safety net, and have enough money for their retirement. These concerns were most acute when it came to people working in low-income and/or insecure roles who were facing retirement age.

"My husband and I started topping up our NI contributions. But, I've been unemployed since Dec and want to keep on top of my contributions. How can I do this? I have signed up for JSA, who I think will pay that for six months? If I register as self-employed and pay Class 3, will I be eligible for the max pension?"

"I want to help my parents apply for pension credit, they are on a very low incomes and barely scraping by. But they are wary of anything benefit related. My mother still works, despite being over the pension age. It's a zero hour contract and her income varies. How does the DWP take that into account?"

There was a trend of family members posting to forums to ask about how they could support parents or other family members in this position, who were said to lack savings or pensions to rely on in their old age. These concerns were especially prominent regarding parents who were working in insecure roles - either zero hours contracts, agency roles, or in the gig economy.

Similarly, some people sought advice on how they could support family members' getting access to welfare at or close to retirement age. For example, one person expressed anxiety about whether a DWP Work Coach would require their mother to find work that was unsuitable for them and that it was unlikely that employers would want to take her on at her age.

"I was brought up with my sister by a single mum with no financial help from my Dad, we had all the benefits, free school meals etc... She was unable to put aside anything for retirement. She started getting just over £100 per week in disability due to her condition. She now works a stable self-employed role, bringing in around 37k. But lives in London with a £900 rent, so not much wiggle room. What should we be putting that extra £105 towards for the best retirement?"

EXPERIENCES FROM GPAG

We heard from GPAG members about the strain caused by a lack of savings or money for emergencies. With no money to **"put to one side"** for **"unexpected costs"**, someone said, there was **"constant stress"**. It was **"awful"**. This stress was said to affect others in a person's life, such as their children or wider family.



Concerns about being able to save into pensions while self-employed or in insecure work were also common in the posts we analysed. People spoke about their worry about missing NI contributions – which could reduce their state pension or disqualify them from it entirely – and asked for advice on how best to top up their contributions. Others were confused about whether saving into personal pensions could impact their UC claims (they should not; see [page 35](#) for more detail).

"I have a disabled partner who gets PIP, from what I know he could also receive contributory ESA due to previous employment. He also receives carers allowances as he cares for his mother with Parkinson's and doesn't have a pension due to his poor health. We also have a newborn baby... Since pension contributions are an allowed expense for the self-employed, would I be able to put more into my own pension pot to save for the both of us, given that? How would UC understand that? Is there a cap on what I can contribute to my pension?"



PENSIONS FOR SELF-EMPLOYED PEOPLE AND INSECURE WORKERS

While employers are required to offer a workplace pension scheme, which full employees aged over 22 that earn over £10,000 per year are automatically enrolled into,⁴³ there is no equivalent system for self-employed people. Instead, if self-employed people and people in insecure roles want to save into pensions, they must actively choose to pay into personal pension plans.⁴⁴ These payments normally receive tax relief⁴⁵ and are not counted as capital or earnings for UC purposes.⁴⁶

Self-employed people and insecure workers may also be eligible for the state pension if they have 10 qualifying years of NI contributions.⁴⁷ These qualifying years may be achieved through NI contributions as an employee, by paying NI contributions for their self-employment, or through time as a full employee.⁴⁸ Self-employed workers who earn above a minimum threshold are required to pay NI through their tax self-assessment process; those who earn below this are not required to pay NI but may make voluntary contributions if they wish. The rate at which self-employed people pay NI depends on their annual profits.⁴⁹ NI credits are awarded to people receiving Universal Credit, New Style JSA, New Style ESA, Maternity Allowance, Child Benefit (for children under 12), Carer's Allowance, and some other benefits.⁵⁰

43 Gov.uk (2025). 'Workplace pensions'. <https://www.gov.uk/workplace-pensions/joining-a-workplace-pension>

44 Gov.uk (2025). 'Personal pensions'. <https://www.gov.uk/personal-pensions-your-rights>

45 Gov.uk (2025). 'Personal pensions'. <https://www.gov.uk/personal-pensions-your-rights>

46 Gov.uk (2025). 'Universal Credit and earnings'. <https://www.gov.uk/guidance/universal-credit-and-earnings#if-you-pay-into-a-private-pension-scheme>

47 Gov.uk (2025). 'The new State Pension'. <https://www.gov.uk/new-state-pension>

48 Gov.uk (2025). 'The new State Pension'. <https://www.gov.uk/new-state-pension>

49 Gov.uk (2025). 'Self-employed National Insurance rates'. <https://www.gov.uk/self-employed-national-insurance-rates>

50 Gov.uk (2025). 'National Insurance credits'. <https://www.gov.uk/national-insurance-credits/eligibility>

Without a financial safety net, some people said they were falling into debt and even faced bankruptcy. These stories tended to touch on the person's employment status – whether they were unemployed and could no longer service their debts, going into debt to pay for essentials while unemployed, or looking to take up additional self-employed or insecure work to pay off debt they already owed.

"I'm out of work and made lots of financial mistakes recently. I've got about £5000 debt from credit cards and an overdraft. I'm panicking about not making my payments."

"I've got really bad debt issues. I started a Debt Management Plan 5 years ago. It was about £35,000 and I was paying it, but then the money problems hurt my marriage. We divorced 3 years ago. I paid all the debt off and bought a flat with a mortgage on a high rate. Then I was made redundant. I'm struggling with my mental health."

These conversations highlighted the barriers that people on low incomes who are unemployed, self-employed or in insecure work can face when trying to access credit. They also underscored the severe distress that debt and the threat of bankruptcy can bring, especially when repayments mean that people can't afford essentials.

"I've got £20,000 in debt because I wasn't good with my money in my 20s. I'm better on spending but my loans are spiralling and the payments cost about £1k a month. After that, rent and bills, I've got nothing for essentials. Any ideas for a flexible 2nd job I could do?"

"I'm going bankrupt soon and I'm petrified. I've got huge debts. I'm so ashamed and afraid. My mental health is in the gutter. I'm also self-employed."

"I'm not sure if I should do a Debt Payment Scheme or should just declare myself bankrupt. I am self-employed, disabled and have nearly £30,000 in debts. I've had to pay for care for my family and was also made redundant several times. It feels like I can't breathe."

6. PEOPLE DESCRIBE SIGNIFICANT BARRIERS TO ACCESSING WELFARE

People in all three employment statuses – unemployed, self-employed and in insecure work – said they were trying to access welfare because they did not have the financial safety net they needed to cover the essentials. Yet we observed people describing several consistent challenges when they tried to do so:

- Issues with UC capital reporting
- Complexities arising from jointly claiming UC for couples and families
- DWP Work Coaches were perceived as unhelpful, uninformed, or actively problematic
- Difficulties accessing New Style JSA
- Income shortfalls due to falling foul of technicalities
- Challenges proving employment status
- Broader problems navigating the welfare system

These issues were thematically similar but differed depending on their specific employment circumstances, as well as other factors such as their personal financial situation. This section therefore breaks down these cross-cutting issues by employment type.

Overall, people appeared to be bewildered and confused about the intricacies of how these various systems interacted with their employment status. They were concerned about losing out as a result of their lack of understanding - or, worse, of being accused of fraud.

Many of these perceived problems are not new and have appeared across our previous reports. These consistent complaints include allegations of miscommunication from the DWP, descriptions of a lack of flexibility when it comes to welfare claimants' everyday realities, frequent long delays, punitive treatment for minor errors and infractions, and issues with appointments, including short-notice changes and forced attendance requirements. We have previously called for reforms to the welfare system which would make it more user-centred, relational, and supportive of the people that depend on it the most.

Below, we examine these issues through the perspectives of (1) people who experienced unemployment; (2) people who were self-employed or in insecure work.

6.1. Difficulties accessing welfare while unemployed

Universal Credit: Some people experiencing unemployment described challenges in accessing Universal Credit and expressed anxiety about the impact a lack of support could bring. One subject of concern came from questions about UC's capital and income reporting requirements: rules that determine whether someone's income and assets make them ineligible for UC and which affect how much they can claim. A failure to correctly report this correctly to the DWP can trigger prosecution for welfare fraud.

"I've claimed UC since I was fired during my maternity leave. I'm going to start uni soon and my partner will have to quit his job to get a new one. Can we make a joint UC claim while I get a student loan?"

Some unemployed people online also said that the timing of UC income assessments – and the slowness of payments in certain cases – could leave them with significant shortfalls in their finances. For example, if a person became unexpectedly unemployed shortly after a UC income assessment, their next UC payment would not reflect the sudden loss of income. People in these situations tended to ask online for advice on whether they could receive an advance payment from the DWP to cover the shortfall. JRF has previously highlighted how delays in UC payments for initial claims can have a negative impact on claimants, who may not have enough to get by in the meantime, while advance payments are loans and are deducted from subsequent payments.⁵¹

"My UC assessments are on the 24th of the month. I just got told the next payment on the 30th of August will be £0. The DWP say this is for income in July-August. But I haven't had a job since early July. Can I get an advance payment? We can't afford to wait."



UNIVERSAL CREDIT INCOME AND CAPITAL REPORTING

Universal Credit claimants are required to have less than £16,000 in assets and savings - known as 'capital'.⁵² For those with less than £16,000 in capital, UC payments are reduced by £4.35 for every £250 a person has between £6,000 and £16,000. UC claimants are required to submit details of their capital when they first apply and on a regular basis afterwards. This is intended to limit how much people can have in cash savings, investments and assets in order to prevent welfare fraud.

However, capital reporting requirements are complex, with many rules that detail how a person can spend their capital. For example, a person cannot give away money to ensure they have under £16,000 in savings and assets. This is called 'deprivation of capital' and may be considered fraud.

Redundancy payments are treated as capital, not income, for UC purposes. Thus, if a redundancy payment pushes a person's capital over £16,000, the person is no longer eligible for UC but may be eligible for New Style JSA.

Some other kinds of payments are not counted as capital for UC purposes. These include personal injury and illness compensation for first 12 months after it has been received, payments from some compensation schemes, and some benefits such as Bereavement Support Payments and Winter Heating Assistance.⁵³

New Style JSA is counted as income for the purposes of UC reporting. This means that a person's UC payments will be reduced based on the amount of JSA they receive.⁵⁴

51 Iain Porter (2025). '15 years on, it's time we made universal credit the game changer it can be'. Big Issue. <https://www.bigissue.com/opinion/universal-credit-15-year-anniversary-jrf/>

52 Department for Work & Pensions (2024). 'Universal Credit: money, savings and investments'. <https://www.gov.uk/guidance/universal-credit-money-savings-and-investments>

53 Department for Work & Pensions (2024). 'Universal Credit: money, savings and investments'. <https://www.gov.uk/guidance/universal-credit-money-savings-and-investments>

54 Department for Work & Pensions (2016). 'New Style Jobseeker's Allowance'. <https://www.gov.uk/guidance/new-style-jobseekers-allowance>

New Style JSA: We observed conversations about difficulties that unemployed people faced in accessing New Style JSA. To be eligible for NS JSA, a person must have paid enough NI contributions or received enough NI credits during the past two tax years – usually meaning 2-3 years of work where a person earns above a minimum earnings threshold.⁵⁵ People who were unemployed but had had gaps in their history of NI contributions before this therefore said they were left unable to access support from NS JSA.

"I'm doing training through the JobCentre. The work coach there says he put me 'out to tender' for work and practical training with a company. I'm really confused, because the company say they haven't seen my name. The work coach is just useless and never available. Now I've run out of JSA."

Work coaches: Some people online and in our conversation with GPAG complained about their experiences of interacting with UC support workers, known as Work Coaches. These were said to be hard to contact, unlikely to understand a person's specific needs (such as reasonable adjustments for disabilities), and could fail to properly account for a person's previous experience, career or employment history. Work Coaches were said to be focused on getting UC claimants into any job available regardless of its quality, accessibility, or relevance for a person's career.

"I'm finding JSA really difficult. They've changed my appointments at a few hours notice several times and told me I have to attend. They also said I can't leave town without giving them notice. I used to be in a senior position, but the work coach is trying to make me apply for any job and won't listen when I say it will look bad on my CV. None of this seems to help people looking for work. It makes me feel like a criminal."

EXPERIENCES FROM GPAG

Echoing the conversations we observed online, members of GPAG told us that they had deeply negative experiences when trying to access Universal Credit while unemployed. We were told by one member that the DWP "did nothing to help [them] seek employment. ***"In fact they prolonged my recovery by using punitive approaches. It took me years to become well enough to apply for jobs [and] build trust in employers."*** Another GPAG member described their exasperation at wanting to work but being told that claiming benefits made them a ***"benefit scrounge[r], further adding to [their] constant feelings of strain and shame."***



⁵⁵ <https://www.gov.uk/jobseekers-allowance/eligibility>

6.2. Challenges accessing welfare while self-employed or in insecure work

People who were self-employed or in insecure work tended to discuss similar issues when it came to accessing welfare. This is unsurprising as both employment types experience variable incomes and share some features of the tax and welfare systems. In most circumstances, neither Limb (b) workers nor self-employed people automatically pay NI contributions via HMRC's PAYE system. Instead, they must pay through their tax self-assessment if they earn over a certain threshold or must choose to pay voluntary NI contributions if they earn under it. Welfare policies such as the UC Minimum Income Floor may apply to both, depending on whether the DWP has assessed that a person is gainfully self-employed (see [page 42](#)). As a result, the difficulties that people in these positions described tended to revolve around their interactions with these shared policies: they spoke of challenges with paying NI to make sure they could access contribution-based benefits (such as New Style JSA), proving their employment status to the DWP, reporting their income for UC, and the shortfall in income that could come as a result of the Minimum Income Floor.

Universal Credit: People spoke of difficulties they had in proving their employment status to the DWP for the purpose of UC claims, especially when they were moving from one employment category to another. For example, one person who had been forced to close their self-owned business said they struggled to prove that they were now unemployed rather than self-employed, with DWP staff expressing scepticism that this was the case. Another said that HMRC failed to respond to requests for documentation to prove their self-employment. Others mentioned situations where their change in employment status was not communicated properly within the DWP, leading to mismatches, inconsistencies, and confusion that left them worse off.

"I'm changing from self-employed to unemployed for UC. I've been told by my Work Coach to give them proof I'm no longer self-employed. I requested the proof from HMRC using their form 3 times but still haven't heard back. I'm hit by the Minimum Income Floor until they sort this out."

"I am on UC with Limited Capability for Work-Related Activity for long-term depression and anxiety. I got a bicycle recently and one of my friends suggested I start working for a delivery rider company. It might help my mental health, but I'm worried I wouldn't still get the UC and LCWRA. I'm also concerned they might make me change my work status to self-employed for UC."

"I'm going to get some inheritance early. I want to use it to become a self-employed trader. If I put the inheritance money into a company, will it be counted as capital or business assets for UC? And how does paying myself work? I have Limited Capability for Work-Related Activity - does the minimum income floor apply still?"

Some also expressed uncertainty about how to claim UC while self-employed or working in insecure roles. In particular, these people sought advice on how to properly report their self-employed income, business assets and expenses to the DWP. Some were confused about whether their income - which they technically paid to themselves - was counted under business profits, or as income, or both.

"I have a joint claim with my partner. They're a full-time worker and I'm part-time self-employed. Can I be self-employed and also submit fit notes? I can't work full-time so need Limited Capability for Work."

"I've got a full time job and a self-employed income. I'm now earning too much for UC but they keep asking me to fill my income and outgoings. Should I ignore these requests?"

The issues above were said to be compounded in cases where people took on self-employment or insecure work in addition to a job as an employee. While people said they took on this additional work to make ends meet (as we discuss on [page 21](#)), they articulated confusion about how to report their income and outgoings, as well as difficulties making sure the DWP accounted for their position.

Across our dataset, the most common challenges that self-employed people and those in insecure work raised when it came to UC involved the Minimum Income Floor (MIF). If a person earns less than their MIF, their UC earnings will still be calculated based on their MIF and they will not be given additional money to make up for the shortfall. This policy was said to have left people with significant gaps in their income. In one case, someone who had migrated to UC from Working Tax Credits said they were impacted so much that they received zero financial support once the MIF was applied. They said that this was putting them at risk of becoming homeless.

"The DWP forced me to transition to UC from Working Tax Credits last year. Now a year's passed they're applying the Minimum Income Floor (at about £1.6k) even though I only earn less than ½ this. As a result, I'm receiving nothing and I'm in danger of losing my home."

New Style JSA: Some people who were unemployed expressed worry that they were unable to claim New Style JSA because of previous periods of self-employment, during which they did not pay voluntary NI contributions. People who were unemployed but had worked in insecure roles such as gig work described facing the same challenge. While in theory they could 'top up' their NI contributions retrospectively, in practice some people lacked the money to do this.

"The DWP just rejected my New Style JSA claim. They said it's because I was self-employed in 2022 and didn't have the right NI contributions. You need to have 2 years of qualifying contributions. Except I do for 2023-2025. It's confusing."



CLAIMING UC AND NEW STYLE JSA FOR NON-EMPLOYEES

There are several considerations for claiming UC and New Style JSA for self-employed people. These include specific rules for capital reporting, the UC Minimum Income Floor, and eligibility requirements for accessing New Style JSA.

Proving employment status: Self-employed people must report themselves as such to the DWP when they first claim UC. During the application process, they must prove their work status in an interview with the DWP and must provide evidence of their business. Such evidence includes records from HMRC, business records, and documentation of their business activities. While self-employed, they must report their business and income expenses every month.

UC capital reporting: self-employed people's business assets and business revenues are not counted for UC capital reporting.⁵⁶ As mentioned above, we observed some confusion about this in the forums we analysed.

Minimum Income Floor (MIF): This is a system where the DWP sets a minimum amount that it assumes self-employed claimants will earn each month. A person's MIF is individual and is calculated as "the amount of money an employed person in a similar situation [...] would earn on the National Living Wage or National Minimum Wage, after tax and National Insurance."⁵⁷ If a person earns less than their MIF, their UC earnings will still be calculated based on their MIF and they will not be given additional money to make up for the shortfall. There are some exceptions to this rule, such as if a person is in a 'start up' period. This is a 12 month period granted to newly self-employed people to "focus on growing your business". During the start up period, people are exempted from MIF, exempted from needing to look for other work, and are meant to receive support from a specialist UC work coach.

New Style JSA: To qualify for New Style JSA, a person must either pay or be credited with NI contributions for the last 2-3 years (with some exceptions). This can include credits given by the DWP for receiving some benefits, such as Carer's Allowance.⁵⁸ Credits can also be given for receiving Statutory Maternity, Paternity or Adoption Pay in some circumstances.

Work coaches: Echoing complaints from people that were unemployed, people who were self-employed or in insecure roles raised complaints about UC Work Coaches. While self-employed people are meant to have access to Work Coaches who are self-employment specialists, in practice, some people said that these support workers were not well informed. Others said that their work coach was pressuring them to give up their self-employment and seek roles as an employee, because their self-employment income fell below the DWP's expectations.

⁵⁶ Department for Work & Pensions (2024). 'Universal Credit: money, savings and investments'. <https://www.gov.uk/guidance/universal-credit-money-savings-and-investments>

⁵⁷ Department for Work & Pensions (2025). 'Claiming Universal Credit when you are self-employed'. <https://www.gov.uk/government/publications/universal-credit-and-self-employment-quick-guide/universal-credit-and-self-employment-quick-guide>

⁵⁸ Gov.uk (2025). 'National Insurance credits'. <https://www.gov.uk/national-insurance-credits/eligibility>

"I lost my job six months ago. I recently started teaching online and have changed my UC employment status to self-employed. The JobCentre made me give lots of documentation, interviewed me about it, and said I was officially self-employed. But a week later the Work Coach referred me for a job interview and are insisting I have to attend. It seems like they haven't told the company that I'm now self-employed. They're acting like gangsters."

EXPERIENCES FROM GPAG

GPAG members told us that they found it especially hard to access benefits while they were self-employed or had insecure jobs. One person worked two jobs, where one had **"very unpredictable income"** and hours, and their Work Coach **"constantly pu[t] pressure"** on them **"to seek more hours, go back to your employer and ask for more hours."** But their employer did not necessarily have more hours to offer.

The complexity of the welfare system for people who were not employees was mentioned as a persistent issue. A self-employed group member said they **"lived in fear of querying stuff in case it unleashes a pile of other stuff! It [UC] gets complicated really, really quickly"**. They complained specifically about the requirement for self-employed people on UC to submit monthly expense reports: **"If you're a day late, you get all these messages coming in and it's ever so stressful and pressurizing. You've got to make sure you get your expenses done. Otherwise, Universal Credit will not pay you anything if you go over the threshold. If you earn more than that, then you're not going to get any universal credit payment that month because you've earned over the threshold according to your circumstances."** They added that **"the way the system's kind of notionally supposed to work and the way it does work are two completely different things. [It's] essentially unworkable and it just staggers on from disaster to disaster."**

We were also told that the quality of Work Coaches could vary greatly: it was **"a real lottery how you get on."** Work Coaches were said to be **"overworked"** and could not be expected to **"cover every possible circumstance."**



7. SOME ARE RAISING CHALLENGES NAVIGATING TAXES

Our analysis identified navigating the tax system as a key area of difficulty amongst all three employment groups. The specific issues raised depended greatly on which employment status a person held. The tax-related challenges reported by unemployed people tended to involve confusion over the tax status of redundancy payments and the tax implications of receiving New Style JSA (which is a taxable benefit). Meanwhile, people who were self-employed or in insecure work described issues revolving around reporting expenses, NI contributions, and the state pension.

The overall result was confusion: with so many variables at play, people expressed uncertainty about how to navigate the system and fear about the implications if they got it wrong.

Below, we specifically address two issues:

- Difficulties with tax and redundancy payments for unemployed people
- Confusion when navigating taxes for non-employees

7.1. Difficulties with tax and redundancy payments for unemployed people

People experiencing unemployment described confusion about tax complications involving redundancy payments and receiving New Style JSA. They also spoke of issues involving overpaying tax to HMRC as well as the impact of redundancy payments on tax-related childcare allowances.

Statutory redundancy pay below £30,000 is not taxed.⁵⁹ Redundancy payments which are above this threshold or which are not registered as statutory payouts are taxed, however, with many specific considerations that apply. There are also additional exemptions to this tax-free status in some circumstances, such as where a person does not serve their full notice period. These nuances and complexities appear to have triggered confusion amongst people navigating redundancy who sought advice online. As an example, one person was concerned that their employer had not confirmed whether they had registered the redundancy payment with HMRC and was therefore liable to tax.

"I was made redundant in June and had a payment agreed. I'm worried there's been a mistake and I've been taxed. I asked my employer to confirm the payment was tax free, but they just confirmed the terms of the payment, not that it was not taxed."

Meanwhile some people online flagged that, in certain circumstances, interactions between New Style JSA could prevent them from accessing their unemployment support. New Style JSA is a taxable benefit and counts towards income for tax purposes.⁶⁰ In one example, someone described a situation where they were taxed incorrectly on their redundancy payment. In order to receive their tax refund, HMRC told the person that they would have to cancel their New Style JSA payment – triggering confusion. We also identified conversations where people said they had overpaid tax because they were made redundant. Because HMRC projects a person's tax liability based on their current earnings – and may take time to adjust this once someone is unemployed – it is possible to overpay tax for an annual period or even to be given a tax charge when on no income. HMRC is meant to provide tax refunds in these cases. Such situations were said to be highly stressful, especially for people on little to no income following a redundancy.

⁵⁹ Gov.uk (2025). 'Redundancy: your rights'. <https://www.gov.uk/redundancy-your-rights/tax-and-national-insurance>

⁶⁰ Gov.uk (2025). 'Income Tax: introduction'. <https://www.gov.uk/income-tax/taxfree-and-taxable-state-benefits>

"I was laid off last May and got a big redundancy payment. But HMRC taxed me incorrectly on it, meaning I'm due to have a large tax refund. I applied for JSA when I was made redundant and am waiting for a first interview. But now HMRC say I need to stop my JSA claim to get the tax refund because JSA is a taxable benefit."



TAX ON REDUNDANCY PAYMENTS

Statutory redundancy pay under £30,000 is not taxed.⁶¹ Additional severance or enhanced redundancy payments over this amount that an employer gives may be tax free, but must be registered with HMRC for this to apply. The tax applied to other parts of redundancy packages can vary. Employees who do not work their full notice period are liable for tax and NI contributions on their redundancy payments "equivalent to what [they would] have earned if [they] were working".

"I've got mental and physical disabilities. I used to get ¼ off my council tax but now they're charging the full amount. They say it's because my son is over eighteen. I think this is very unfair. When I was on Employment Support Allowance I didn't have to pay tax. I feel hopeless."

"I'm being let go soon after a long time in the job, so I'll get a big redundancy payment. I'm currently entitled to free school hours for my child. I think the payment will push us over the eligibility limit for next year even though it's tax free."

7.2. Confusion when navigating taxes for non-employees

People who were self-employed or in insecure work described issues revolving around reporting their expenses to HMRC, NI contributions, and the state pension. They tended to express confusion about what was required of them by HMRC and complained about the administrative burden that tax self-assessment placed on them.

One particular issue was said to come as a result of variability in a person's income. Because HMRC projects a person's income and adjusts their tax rate accordingly, there was said to be a risk that it could take the high water mark of a person's income and assume this would continue going forward - when, in fact, the person usually earned much less than this. The result could be that HMRC significantly overestimated their tax liability and overcharged them. While people in this situation can eventually receive a tax refund, those on low incomes may not be able to afford the initial charge and may not be able to wait for the repayment.

⁶¹ Gov.uk (2025). 'Redundancy: your rights'. <https://www.gov.uk/redundancy-your-rights/tax-and-national-insurance>

"I started working at the start of April and left at the end of May, in this time I earnt £5,300. Job two and three is agency and I have a combined earnings of £605. I was working 3 days a week at Sainsbury's most of June. But, the tax has been enormous. I worked one day once and earnt £95 only to be taxed down to £48. Why am I being taxed this much?"

Others described very complex interactions between receiving NI Credits from UC and making NI contributions or back-payments while self-employed. This could potentially put a person's access to the state pension at risk. In one case, someone described the DWP retrospectively removing their NI Credits, thus reducing their state pension amount.

"I had a joint UC claim from over a decade ago. I was self-employed then. When I approached state pension age in 2024, I made sure to top up my NI contributions so I had all 35 years covered. I wanted to defer the pension for a year to keep working. But UC told me I couldn't do say no to the pension and stopped my UC claim. They told me I had to repay what we had received since the pension kicked in, which was taken out of my partner's PIP payments. Then HMRC told me they were reducing my state pension because my NI contributions were recalculated - losing 4 years worth. After trying to get hold of someone, it seems DWP removed some of my NI credits from UC."

EXPERIENCES FROM GPAG

Our discussion with GPAG also highlighted issues with how self-employed people and those in insecure work interacted with the tax system. We heard that **"it's complex and that's the last thing you need when you are working two jobs, trying to regain some energy and clarity in your head."** With the government's upcoming changes to tax reporting for self-employed people, they told us that they were receiving **"all these emails that are coming through from the government"** which were hard to understand when they were already juggling work commitments.

Another person said that the volume of communication from the government meant **"you just dread opening your inbox". "You think, 'how am I supposed to work and earn a living when I've got all these targets and all these hurdles to get over?'"** It left them thinking: **"I just can't cope with this."**





TAX LIABILITY FOR SELF-EMPLOYMENT AND INSECURE WORK

The specific tax arrangements can vary greatly between self-employed people and different forms of insecure employment. The former are required to submit annual self-assessment tax returns. Self-employed workers who earn above a minimum threshold are required to pay NI through this self-assessment process; those who earn below this are not required to pay NI but may make voluntary contributions if they wish. Meanwhile, some businesses that employ insecure workers – such as agencies – may handle their tax payments and NI contributions.⁶² Other insecure workers are wholly responsible for reporting their tax returns.

8. POLICY IMPLICATIONS

Our analysis has surfaced detailed accounts of challenges faced by people at the sharp end of today's economy. These include the reduced protections afforded to insecure workers, the Universal Credit Minimum Income Floor for self-employed people, and National Insurance contribution requirements for New Style Jobseeker's Allowance. Next we review these challenges and identify potential avenues for policy interventions to address them. We also highlight upcoming policy events which may prove beneficial.

Overall, our research demonstrates that a perspective shift is needed in policymaking on employment: away from a binary view of the employed versus the unemployed, towards a spectrum defined by degrees of employment and the quality of work. As challenging economic conditions lead people to turn to self-employment and insecure roles to make ends meet, the traditional view of a worker as an employee of an organisation may become less and less helpful. Throughout this report, we have highlighted how people are moving into flexible, insecure forms of work that lack the protections afforded to full employees. We have also identified areas where the welfare and tax systems do not appear to be set up to address this development.

8.1. Key challenges identified

Lack of official data on insecure work

Our analysis highlighted a trend of people saying they were exploring taking up insecure work to make ends meet – or had already done so. Sometimes this was in response to a recent redundancy or long-term unemployment; sometimes it was in addition to existing work commitments. These roles are associated with precarious working conditions, variable pay, fluctuating hours, and come with fewer protections than regular employment.

The most up to date data from the ONS on the employment market – the Labour Force Survey – tracks employment rates for employees and self-employed people, but does not distinguish between full employees and insecure workers with Limb (b) worker status.⁶³ Meanwhile the most recent data from HMRC that estimates the number of Limb (b) workers is from 2023.⁶⁴

⁶² Gov.uk (2025). 'Contract types and employer responsibilities'. <https://www.gov.uk/contract-types-and-employer-responsibilities/agency-staff>

⁶³ See Office for National Statistics (2025). 'Dataset(s): EMP14: Employees and self-employed by industry'. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/employeesandsselfemployedbyindustryemp14/current>

⁶⁴ HM Revenue & Customs (2025). 'Employment Status in the UK: 2023 survey'. <https://www.gov.uk/government/publications/employment-status-in-the-uk-2023-survey-and-qualitative-research/employment-status-in-the-uk-2023-survey>

This means that it is difficult to reliably gauge the overall number of people moving into insecure work during our research period. It may be that people who would otherwise be unemployed are moving into insecure work, lowering the ONS' headline unemployment rate – but this is hard to say. Therefore, while our findings provide a qualitative signal that there may be a trend towards insecure work, more quantitative data is needed.

Lack of protections for Limb (b) workers

Our findings echoed many of the problems that have been identified with insecure work previously: a lack of stable incomes, guaranteed hours, protections for ill-health, and a constant risk of being let go. Insecurity surrounding hours and income were highlighted as a particular problem which reduced people's ability to plan, support family, or pay for essentials. Meanwhile, without access to Statutory Sick Pay, people in insecure work have no statutory protection against lost income if they become unwell unless they claim welfare such as UC (though some may receive voluntary support from the employer). As a result, people in insecure roles may have very little security in terms of their finances or health.

The forthcoming Employment Rights Bill will improve the rights of insecure workers who are on zero hours contracts, as we discuss below. But it does not address the rights of Limb (b) workers more broadly.

Dubious employment practices, unfair dismissals, and discrimination

We also identified a concerning amount of allegations about employers acting in ways which may be illegal – such as offering bogus self-employment, failing to provide contracts, unfair dismissals, and discrimination in the workplace. People in these situations said they faced serious difficulties in accessing legal advice, justice and remedies.

At present, the primary mechanism for people to receive redress for such behaviour by employers is to take them to an Employment Tribunal. These are special courts which hear claims from people who allege an employer has acted unlawfully.⁶⁵ However, the Tribunal system currently has a very large backlog: as of May 2025, the number of people waiting for their cases to be resolved reached a record of 49,800.⁶⁶ Meanwhile, Freedom of Information requests have revealed that while Tribunals have determined that employers should pay out the £46 million in settlement payments since 2017, nearly £36 million has gone unpaid.⁶⁷ The Employment Rights Bill is intended to improve the enforcement of employment rights by creating a unified Fair Work Agency (FWA). It remains to be seen whether this reform will address the tribunals backlog or achieve a higher rate of settlement payments.

Challenges accessing New Style JSA and the State Pension due to NI requirements

Our analysis spotlighted situations where people said they had difficulty accessing New Style JSA and/or the State Pension. For both, the issue appeared to lie with current requirements involving National Insurance contributions. The result was that some unemployed people said they could not access unemployment assistance, while some elderly people could not receive their state pension or received a reduced amount.

To qualify for New Style JSA, a person must either pay or be credited with NI contributions for the last 2-3 years (with some exceptions). We identified cases where this requirement was said to have meant recently unemployed people with gaps in their NI contribution histories were unable to access New Style JSA. These gaps could be due to ill-health, unemployment, or self-employment.

⁶⁵ Gov.uk (2025). 'Employment Tribunal'. <https://www.gov.uk/courts-tribunals/employment-tribunal>

⁶⁶ Maisie Grice (2025). 'UK employment tribunal backlog hits record high'. Financial Times. <https://www.ft.com/content/22b2ac47-407e-4280-ad65-6b28cf7389f4>

⁶⁷ Emiliano Mellino & Lucy McKay (2025). 'Revealed: thousands of rogue bosses have failed to pay tribunal awards'. The Bureau of Investigative Journalism. <https://www.thebureauinvestigates.com/stories/2025-10-02/revealed-thousands-of-rogue-bosses-have-failed-to-pay-tribunal-awards>

Meanwhile, to qualify for a state pension, a person must have made 10 years of NI contributions.⁶⁸ Self-employed people and insecure workers may be eligible if they achieve those years of contributions through NI Credits, by paying contributions for their self-employment, or through time as a full employee. Self-employed workers who earn above a minimum threshold are required to pay NI through their tax self-assessment process; those who earn below this are not required to pay NI but may make voluntary contributions if they wish. We found cases where this policy was said to have meant that elderly people on low incomes were said to be unable to access their state pension or risked receiving a lower amount. In both cases, the complexity of the rules surrounding NI contributions appeared to create additional confusion and hurdles for self-employed people and insecure workers.

General issues with the welfare system

Echoing [previous reports](#), we identified many continuing concerns with how the DWP interacts with welfare claimants: confusing or erroneous communications, inflexibility when it comes to welfare claimants' everyday realities, long delays, punitive treatment, short-notice changes to appointments, forced attendance requirements, and more. In our research, people consistently say that the welfare system places a heavy burden of administrative work on them and offers minimal transparency or ease-of-use in return. In this wave, we have specifically highlighted stories where DWP support workers - known as Work Coaches - were said to be actively unhelpful, uninformed, or even antagonistic, especially for people who were self-employed or in insecure work.

We have previously called⁶⁹ for the welfare system to take a more 'relational' approach: services should allow people to build positive personal relationships with their public service providers, establishing trust and allowing people to access welfare with dignity. We have also called for 'liberated' public services,⁷⁰ wherein public service professionals would have more autonomy and service users would be active partners in the co- production of the services they use.

Specific issues with UC income and capital reporting rules

Besides these general challenges with the welfare system, we identified several specific issues which people raised relating to Universal Credit income and capital reporting. These varied depending on the employment status of the person in question and included:

- New Style JSA counting as UC income, reducing UC payments
- The UC Minimum Income Floor leaving self-employed people severely below the amount they would receive if they were an employee on the same income
- Challenges proving employment status to the DWP

Confusion over tax for unemployed and self-employed people

We observed people expressing confusion and uncertainty about the tax system. These concerns were particularly prominent when it came to (a) tax on redundancy payments; (b) the tax status of business assets and expenses for self-employed people. Both topics involved complex interactions between employers (or self-employers) and the tax system, with many potential nuances, variables, and caveats.

In these cases, the primary problem appeared to be a lack of specific guidance that was clear, simple, and accessible in one location. Without this, people had turned to forums for advice on what they should do.

⁶⁸ Gov.uk (2025). 'The new State Pension'. <https://www.gov.uk/new-state-pension>

⁶⁹ Jamie Hancock (2025). 'Putting humanity at the heart of welfare'. Demos. <https://demos.co.uk/blogs/putting-humanity-at-the-heart-of-welfare/>.

⁷⁰ Ben Glover (2024). 'Liberated Public Services: A new vision for citizens, professionals and policy makers'. Demos. <https://demos.co.uk/research/liberated-public-services-a-new-vision-for-citizens-professionals-and-policy-makers/>

8.2. Upcoming policy changes

Some of the challenges we have identified are relevant to upcoming legislation, policy reviews, and consultations. Below, we note significant upcoming policy events, identify how they may address the issues we have raised, and flag potential gaps.

The Employment Rights Bill

The Employment Rights Bill was introduced to Parliament in 2024 and has since undergone several revisions. It is expected to receive royal assent and enter into law by the end of 2025. The Bill contains several provisions that could help to address issues we have identified.

Zero hours contracts: The Bill expands the rights of zero hours workers. Workers on these contracts will receive a right to guaranteed hours, a right to reasonable notice of a change of shifts, and a right to be paid for shifts which are cancelled, curtailed, or moved at short notice.⁷¹ Some people on zero hours contracts count as Limb (b) workers. Therefore, the Bill represents a significant improvement to the rights of a subsection of insecure workers.

Fair Work Agency: The Bill is intended to improve the enforcement of employment rights by creating a unified Fair Work Agency (FWA). This will amalgamate the various government bodies that are responsible for enforcing the rights of different workers and investigating different kinds of abuses, such as the Director of Labour Market Enforcement and Gangmasters and Labour Abuse Authority (GLAA). The FWA will receive expanded enforcement powers to address a range of unlawful activities by employers, including all the behaviour we have identified. However, it is to be seen whether the creation of the FWA will resolve the Employment Tribunals backlog or address the number of tribunal awards that have gone unpaid.

Worker status consultation

In its 2024 General Election manifesto, Labour committed to consulting on removing Limb (b) worker status, creating a simpler system consisting of employees and self-employed workers.⁷² The Manifesto noted that ambiguity surrounding employment statuses “has contributed to the rise of bogus self-employment, with some employers exploiting the complexity of the UK’s framework to deny people their legal rights.” Removing Limb (b) status would potentially resolve some of the issues we have identified by providing all employees with the same protections and rights.

It had been hoped that the Employment Rights Bill would enshrine the commitment to remove Limb (b) worker status into law.⁷³ This provision was omitted in the final Bill, however. In July 2025, the government has since stated that it will hold a consultation on proposals to remove Limb (b) status by the end of the year.⁷⁴ It is currently unclear whether this timeline remains in place or what the detailed proposals will contain.

Unemployment Insurance proposals

The Government recently completed a consultation on policy proposals set out in its Pathways to Work⁷⁵ Green Paper. These are intended to improve how the government supports disabled people and those with health conditions in the workforce. The proposals include the creation

71 Department for Business & Trade (2025). ‘Factsheet: Zero hours contracts’. <https://assets.publishing.service.gov.uk/media/67e429cf2621ba30ed9776d1/zero-hours-contracts.pdf>

72 Labour Party (2024). ‘Labour’s Plan to Make Work Pay: Delivering a New Deal for Working People’. <https://labour.org.uk/wp-content/uploads/2024/06/MakeWorkPay.pdf>

73 Nicola Countouris (2025). ‘Waiting for Godot’ – The Employment Rights Bill 2024 and the ‘single status of worker’ omission’. Institute of Employment Rights. <https://www.ier.org.uk/comments/waiting-for-godot-the-employment-rights-bill-2024-and-the-single-status-of-worker-omission/>

74 UK Parliament, Hansard (2025). ‘Employment Rights Bill: Volume 848: debated on Wednesday 23 July 2025’. <https://hansard.parliament.uk/lords/2025-07-23/debates/654BF399-EF86-4E71-91B8-F86A007B98F0/EmploymentRightsBill>

75 Department for Work & Pensions (2025). ‘Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper’. <https://www.gov.uk/government/consultations/pathways-to-work-reforming-benefits-and-support-to-get-britain-working-green-paper/pathways-to-work-reforming-benefits-and-support-to-get-britain-working-green-paper>

of an unemployment insurance scheme: a new, non-means tested benefit which would replace contribution-based Jobseeker's Allowance (JSA) and Employment and Support Allowance (ESA).

The proposal is for Unemployment Insurance to be time limited, paid at the current higher ESA rate (£138pw), and would include self-employed people. Eligibility would not require a health assessment and would be based on a person's National Insurance record. This is intended to ensure that people who claim UI would have a recent employment history. People claiming UI would be expected to actively seek work, unless they have work-limiting health conditions. It remains to be seen how the government's finalised proposal for Unemployment Insurance will implement its NI requirements.

However, our research has identified situations in which using NI contributions to determine access to unemployment assistance can be problematic. This is especially true for unemployed people who have gaps in their recent employment histories or who have been self-employed in the recent past.

The parental leave and pay review

Launched in July 2025, this review⁷⁶ examines "how the parental leave and pay system could be improved to better support working families and meet the needs of the modern economy." The review's terms of reference⁷⁷ specifically mention that it will explore ways of expanding parental leave and pay to self-employed people as well as kinship carers. Such a change could address a challenge we identified where self-employed people and insecure workers were unable to access the parental leave that employees are entitled to. It remains to be seen what policy proposals will emerge from the review or whether these will be effective.

8.3. Specific policy interventions

The following interventions are designed to address the specific problems that were raised through Demos' social listening research and wider work. They tie into upcoming policymaking processes – such as the employment status review – and offer pathways for change. While JRF funds this research, these policy recommendations are Demos'.

1. Track Limb (b) worker status as part of the ONS' statistics.

Without accurate statistics on this crucial sector of the workforce, it is hard to assess the scale of insecure work. One option for making this change could be through the ONS' upcoming Transformed Labour Force Survey (TLFS).

We recognise that regularly tracking Limb (b) status may prove to be complex, especially as workers themselves may not be aware of their legal employment status. As an example of how this data may be gathered, the Department for Business and Trade has commissioned research to identify the number of people in Limb (b) status and the types of positions they occupy.⁷⁸ Once published, this study could provide insights into how the ONS could track the insecure job market on a regular basis, alongside previous research commissioned by HMRC.⁷⁹

76 Department for Business & Trade and Department for Work & Pensions (2025). 'Parental leave and pay review'. <https://www.gov.uk/government/collections/parental-leave-and-pay-review>

77 Department for Business & Trade and Department for Work & Pensions (2025). 'Parental leave and pay review: terms of reference'. <https://www.gov.uk/government/publications/parental-leave-and-pay-review-terms-of-reference>

78 Gov.uk (2025). 'Supply of Research on the Limb (b) Worker Population'. <https://www.contractsfinder.service.gov.uk/notice/58c32ad9-24f2-470f-9c11-1cbb6dc7402a>

79 HM Revenue & Customs (2025). 'Employment Status in the UK: qualitative research'. <https://www.gov.uk/government/publications/employment-status-in-the-uk-2023-survey-and-qualitative-research/employment-status-in-the-uk-qualitative-research>

2. Expand employment rights for Limb (b) workers

Following its upcoming employment status consultation, the government should extend employment rights for Limb (b) workers beyond what is already set out in the Employment Rights Bill. It should use the consultation to draw up options for this. One path forward could be to remove Limb (b) worker status entirely and replace it with a unified employee status. This would fulfil the government's aims as set out in its manifesto. To avoid unintended consequences, the government should explore any potential knock-on effects of any such changes on employment rates and working conditions before a final decision is made.

3. Explore ways of extending access to parental leave and pay

The parental leave and pay review's terms of reference⁸⁰ underscore fairness and equality as a key area for improvement in the parental leave system. The terms are correct to highlight equality between different employment statuses as a consideration. Using the review as a springboard, the government should explore ways to make parental leave and pay accessible to more workers besides employees. Any reforms should include people in insecure work as well as self-employed workers.

4. Review the impact of NI contribution requirements on access to the State Pension and New Style JSA

The government should review the impacts of NI contribution-based eligibility criteria for the State Pension and New Style JSA on people who have been unemployed, self-employed, or in insecure employment. This review should explore options for exempting people from the NI contribution requirements or allowing them to prove their employment history through other means. These considerations should be factored into the government's proposals for Unemployment Insurance.

5. Reform the UC Minimum Income Floor

We have identified stories of how the Minimum Income Floor policy can create severe difficulties for self-employed and insecure workers on low incomes. The government should explore options for reforming the MIF policy to mitigate these impacts, such as by introducing methods for protecting people with volatile incomes or even abolishing it entirely.

More broadly, our findings suggest that a shift in perspective is needed in employment policy: rather than treating employment as a binary, support policies need to reflect the full spectrum of work statuses that people engage in as well as the quality of their employment. Many people are no longer employees of organisations in the traditional sense. If redundancy rates continue at the current pace and the job market continues to slow, we may see more people enter these insecure roles. Policy needs to properly support people in unstable, insecure and flexible working arrangements.

80 Department for Business & Trade and Department for Work & Pensions (2025). 'Parental leave and pay review: terms of reference'. <https://www.gov.uk/government/publications/parental-leave-and-pay-review-terms-of-reference>

CONCLUSION

This report has provided a unique qualitative dive into the experiences of some of the most vulnerable people in today's economy: those who are unemployed, self-employed, or in insecure work. By exploring conversations in online support groups, together with testimony from GPAG, we have shone a light on the challenges and vulnerabilities that people on low incomes face. In the midst of redundancies, a slowdown in the job market, and a continued cost of living crisis, we have found that people say they are increasingly turning to precarious and insecure forms of work to make ends meet. These roles can involve uncertain hours, unpredictable pay, draining physical exertion, and intense emotional labour. In the process, they are running into familiar problems with the welfare and tax systems: complexity, inaccessibility, and, all too often, a failure to allow people to access support with dignity.

Our findings place a spotlight on people in insecure roles who deliver vital services – from food deliveries to care – yet who lack the same protections as employees. As the market for insecure work grows and more people depend on it to stay afloat, it is critical that their voices are heard in policymaking. This situation raises a concerning question: if people's financial and social safety nets are degrading, what will happen during the next major economic crisis? Without change, there is a risk that, should today's economic headwinds turn into a recession, people in these positions will be extremely vulnerable.

The government has stated that it aims to improve employment protections and get more people into work. While the forthcoming Employment Rights Bill does not address the rights of insecure workers, there is hope that the upcoming worker status consultation could make a significant difference: replacing Limb (b) worker status with a unified employee status, providing full employment rights to all workers. We have identified how these and other policy opportunities could start to address the problems our research raises. Yet we have also noted gaps in current proposals which must be addressed. Doing this will require political will: a genuine desire to end poverty, restore the social safety net, and support people living in financial hardship.

APPENDIX

HIGH-LEVEL TRENDS

In this section, we summarise the key subjects of discussion that emerged during our three month research period. We identify the most prominent conversational themes, notable emerging trends, and the most frequently discussed public figures, organisations, and benefits. These findings draw on our quantitative analysis methodology.

Overarching connections

We found that many of the themes and subthemes we outlined above tended to overlap significantly with one another. This reflects how people's lives are complex and rarely fall into the neat categories that researchers like to use. To help illustrate the interconnections between the various topics of discussion we identified, we have grouped our themes into four domains based on the Joseph Rowntree Foundation's core areas of work. These domains capture the many ways in which financial hardship impacts everyday life.

1. Personal

Mental and physical health, skills and experience.

2. Physical

Physical infrastructure and the environment, including transportation and food banks.

3. Social

Professional, family and community networks and social capital, which enable people to rely on one another, such as receiving help with childcare, or giving emotional support.

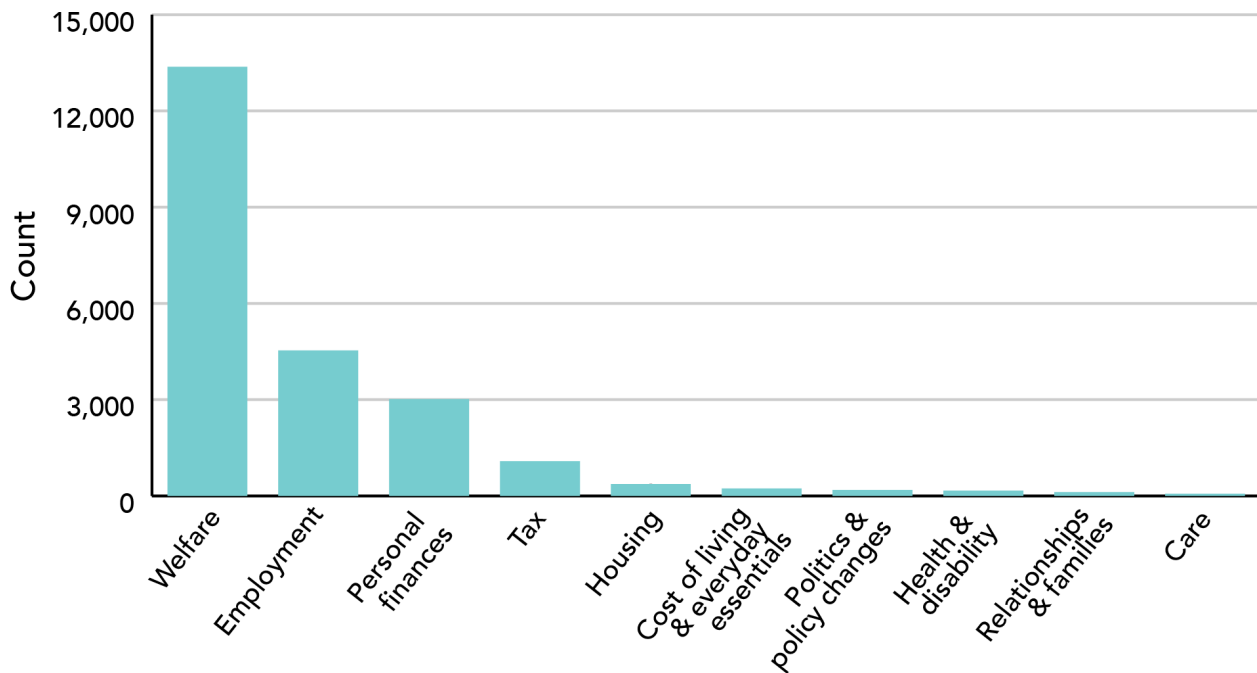
4. Financial

Prices, income and wealth.

Key themes

We identified 11 overarching themes of conversation. Of these, welfare, employment, and personal finances were the three most commonly discussed themes. This echoes wave 2 of this year, in which we identified a noticeable increase in the proportion of people talking about employment, unemployment, and financial challenges. Unlike waves 1 and 2, Politics and Policy Changes ceased to be a prominent theme.

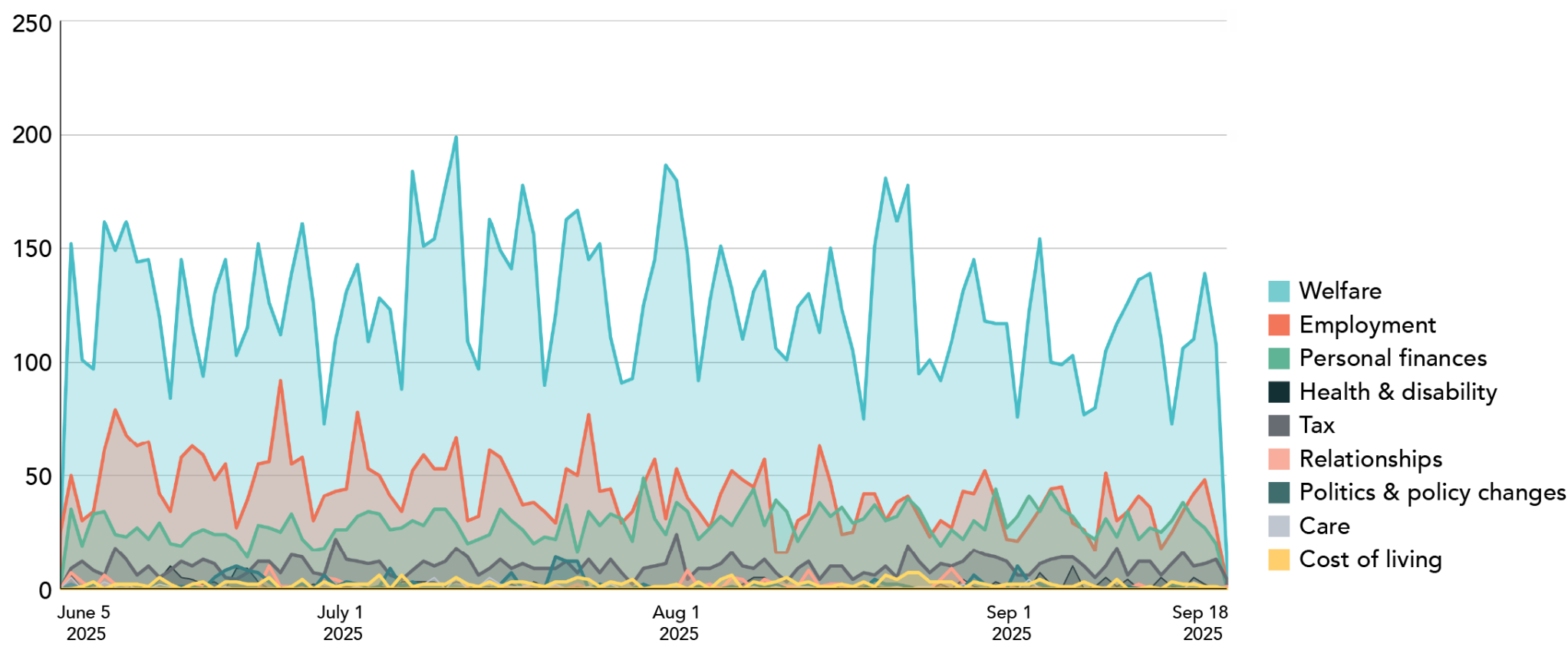
CHART 2
MAIN THEME COUNTS



MAIN THEME	DOMAINS
Welfare	Financial, social
Employment	Financial
Personal finances	Financial
Tax	Financial
Housing	Financial, social
Cost of living & everyday essentials	Financial
Politics & policy changes	Social, financial
Health & disability	Personal, financial
Relationships & families	Social, financial
Care	Social, financial

The analysis did not suggest there were any significant or interesting increases in the volume of discussion about these themes over time. This contrasts with wave 1 of this year, in which we noticed substantial increases in the volume of conversations about welfare and policy changes at the time that the government announced reforms to Universal Credit and PIP.

CHART 3
FREQUENCY OF MAIN THEMES OVER TIME



KEY SUBTHEMES

We have identified 22 subthemes within our 11 overarching themes. For example, welfare as a main theme had at least 7 subthemes including: disability benefits, Universal Credit, housing benefits, and care-related benefits. The five most frequently discussed subthemes were Disability benefits (within Welfare), Finding, losing & changing jobs (Employment), Universal Credit (Welfare), Savings & pensions (Personal finances), and Debt & credit (Personal finances). These subthemes are primarily related to the financial dimension of hardship - further underscoring the challenging economic environment people face today.

SUBTHEME	MAIN THEME	DOMAINS
Disability benefits	Welfare	Financial, personal
Finding, losing & changing jobs	Employment	Financial
Universal Credit	Welfare	Financial
Savings & pensions	Personal finances	Financial
Debt & credit	Personal finances	Financial
Calculating & Reporting taxes	Tax	Financial
Housing benefits	Welfare	Financial
House prices, housing market & mortgages	Housing	Financial
Care-related benefits	Welfare	Financial, social
Tax & pension benefits	Welfare	Financial

Our analysis of these subthemes highlighted three continuing trends from previous waves:

1. Unemployment and a very difficult job market

As we highlighted in wave 2 of this year, many people online said they had recently been made redundant and/or were facing severe challenges when they tried to find jobs. This formed the bulk of the second most commonly discussed subtheme: Finding, losing & changing jobs. Our [employment deep dive](#) examines this trend in greater detail.

2. Difficulties accessing PIP

Experiences of trying to access Personal Independence Payments (PIP) formed one of the most common topics of discussion. These stories closely mirrored ones we described in waves 1 and 2 of this year: people spoke of very challenging experiences when they underwent the PIP assessment process, including what they perceived as inaccurate scores and misrepresentations of their conditions.

"I had a mandatory review for my PIP recently. I scored for mobility about a decade ago but only got 4 points. Then I had a change of circumstances and the DWP removed the points, saying I wouldn't get points for mobility because I didn't take anxiety meds... except I do. They only just gave me the points back."

"Am I going to have to go through a PIP assessment again? I'm terrified and in tears right now. I can't handle another assessment."

3. ESA to UC migration

The transition from Employment Support Allowance to Universal Credit continues to be a pain point. Conversations about this process featured heavily in both the Disability Benefits and Universal Credit subthemes. Echoing both waves 1 and 2 of this year, we found challenges and concerns for people making the transition, such the potential for a loss of income - even in cases where a person's income was meant to be protected (termed 'transitional protection').

"The migration from ESA to UC has made my anxiety spike."

"I thought the ESA migration was meant to be straightforward. I was told in January that I would be migrated to UC by March. It took another 4 weeks to actually start. And it isn't even sorted. I was told my ESA would affect by UC income. Then I was told I'm on New Style ESA, which isn't right because I can't work. I'm left with £20 less a week and no explanation. I'm tearing my hair out and the DWP is no help at all."

Most commonly discussed public figures, organisations, and benefits

Our analysis used Named Entity Recognition and keyword matching to track mentions of public figures, organisations, and benefits. These results are broadly consistent with waves 1 and 2 of this year.

FIGURE 1
MENTIONS OF BENEFITS

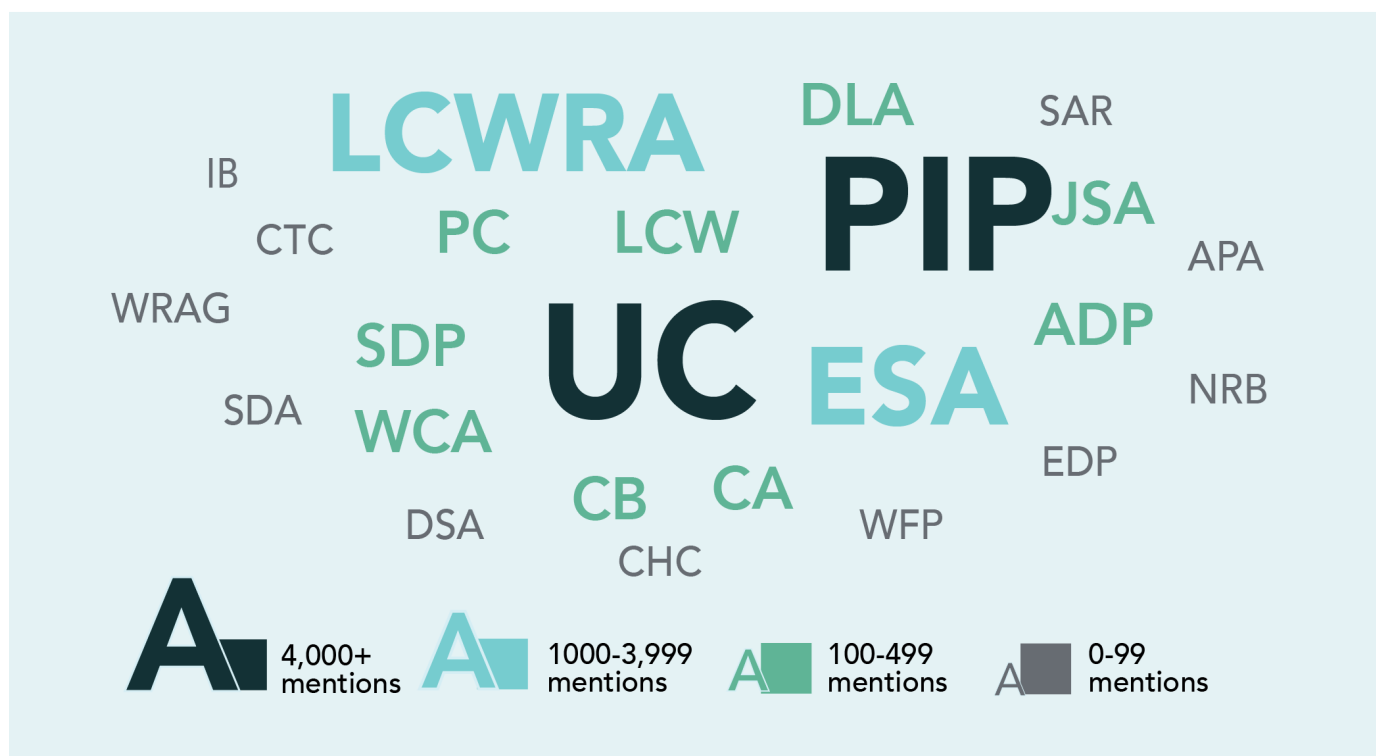


FIGURE 2
MENTIONS OF PUBLIC FIGURES



FIGURE 3
MENTIONS OF ORGANISATIONS



EMERGING TOPICS

This wave also picked up on two emerging trends: (1) challenges with debt and (2) stories about scams impersonating the DWP. Both trends are concerning and add to the overall picture of an economy that is not working for people on low incomes, many of whom are at risk of falling into debt or being preyed upon by predatory scammers.

1. Challenges with debt, credit, and bankruptcy

Debt came to the fore as a prominent cross-cutting issue in this wave. It formed the fifth most frequently discussed subtheme across the data. Common issues that were mentioned included being unable to service debts, navigating bankruptcy, low credit scores, and problems with gambling. Online conversations about debt told a story of a challenging economic environment, where people found it hard to have enough money to get by, leading them to seek loans for essentials and to put what money they had in high-risk, speculative ventures in the hope of a quick win. Our [employment deep dive](#) examines these issues from the perspective of people who were unemployed, self-employed, and in insecure work.

"I've been in and out of work since the pandemic and built up loads of debt as a result. I've got a £5k bank loan, £2.5k overdraft and £1.2k on a maxed out credit card - all to pay for essentials for me and my family."

"I've been weighed down with debt for 2 years. I've had loans, credit cards, overdrafts, everything. To pay it off, I've had to stop spending on anything but the basics."

"I've owe the council nearly £900 for council tax. I've got bailiffs after me, telling me they'll take my things. I'm pregnant and have mental health difficulties which stop me working. My partner has debt too and nothing left after rent, bills, and debt payments. But we can't claim Universal Credit because he earns over the limit."

2. DWP Scams

We found a striking uptick in the volume of people talking about scams that impersonated the DWP (as well as other government bodies such as HMRC). People spoke of receiving calls and text messages claiming they owed money or were owed refunds, before asking them to follow links to websites where they were told to provide their bank details. These scams appear to prey on vulnerable people who are anxious about their welfare claims and may not notice the telltale signs of a fraudulent message. They risk further undermining people's trust in the welfare system - causing them to question every message they receive and creating further stress. DWP scams received some mainstream news attention during the period of our research.⁸¹

⁸¹ Jordan Coussins (2025). 'DWP 'cost of living' text scam warning with 23.7m targeted'. BirminghamLive. <https://www.birminghammail.co.uk/news/cost-of-living/dwp-cost-living-text-scam-31999103>

"I got a strange text message saying I needed to contact the government about Winter Fuel Allowance and I'd be able to get £300 for it. There was a link with gov.uk in it but the number looked like it came from the Philippines."

"Is this a scam message? It linked to a page that seemed like a real DWP site, but it wanted to charge a pound to 'verify' my bank account."

"I had a message arrive that said it was from the DWP and asked for my bank details. I didn't find it weird because the real DWP have done this before when I received Universal Credit. I gave them my email, home address and name but not my bank details."

DEFINITIONS AND KEY TERMS

Insecure work

Employment in which a person does not receive the legal protections of a full employee. This includes all people with Limb (b) worker status as well as people who are considered to be self-employed contractors. Examples include gig work, agency work, and some zero hours contracts.

Limb (B) worker status

Under the Employment Rights Act 1996, 'Limb (b) worker' is an employment status that is given fewer employment rights than a 'full' Employee but does not count as self-employed.⁸² According to government guidance, Limb (b) workers "are less likely to be working in permanent, full-time employment with a single employing organisation" and "are more likely to have more casual and flexible working relationships often involving multiple and sometimes rival employers". This status therefore encompasses agency workers, some work for so-called 'gig economy' employers like DPD, and some types of zero hours contracts depending on the specific working arrangements. These roles tend to involve variable hours, pay, and few guarantees of future employment - thus making them insecure.

Zero hours contracts

A non-legal term for a casual working contract in which the employer does not guarantee the worker any hours of work.⁸³

Gig work

Work undertaken in the 'gig economy' - usually referring to flexible, temporary contract work undertaken on a per-shift basis through an app. Gig work can often involve variable hours and pay rates depending on demand. Examples of gig employers include Uber, Deliveroo, JustEat, Amazon, and DPD. The employment status of workers in the gig economy depends on the specific employment arrangements of their employer: some are considered Limb (b) workers, while others are classed as self-employed contractors.

⁸² Department for Business & Trade (2025). 'Employment status and employment rights: guidance for HR professionals, legal professionals and other groups'. <https://www.gov.uk/government/publications/employment-status-and-employment-rights-guidance-for-hr-professionals-legal-professionals-and-other-groups#section-2-introduction-to-employment-status>

⁸³ Department for Business and Trade (2025). 'Zero hours contracts: guidance for employers'. <https://www.gov.uk/government/publications/zero-hours-contracts-guidance-for-employers/zero-hours-contracts-guidance-for-employers>

Key organisations

- **DWP:** The Department of Work and Pensions
- **HMRC:** His Majesty's Revenue & Customs
- **NHS:** National Health Service
- **CMS:** Child Maintenance Service

Welfare and benefits

- **UC:** Universal Credit
- **DLA:** Disability Living Allowance
- **ESA:** Employment Support Allowance
- **JSA:** Jobseeker's Allowance
- **NS JSA:** New Style Jobseeker's Allowance
- **SDP:** Severe Disability Premium
- **PIP:** Personal Independence Payment
- **WCA:** Work Capability Assessment

DETAILED METHODOLOGY

This wave followed an updated methodology that built on previous waves: it combined the quantitative analysis methodology used in wave 2 of 2025 with a qualitative deep dive into a specific subject (employment) using an updated qualitative analysis methodology.

The quantitative analysis combined Named Entity Recognition (NER), Surprising Phrase Detection (SPD), Link Analysis, Topic Modelling, and Semantic Mapping. We performed these analyses using Method52, a platform for social media monitoring and analysis co-developed by CASM Tech and technologists at the University of Sussex.

Where we have included quotes in order to elevate people's lived experiences, we have been careful to ensure that we preserve their privacy by bowdlerising the quotes. This method ensures that the meaning of the post has been preserved, but the wording or syntax has been changed, so that the author cannot be identified via text matching.

Quantitative methodology

Our computational text analysis proceeded through 3 stages: (1) Named Entity Recognition, (2) Surprising Phrase Detection (SPD), (3) Link analysis, (4) Topic Modelling, (5) Semantic Mapping and (6) data visualisation.

Named Entity Recognition (NER)

As in previous waves, we have used the technique Named Entity Recognition to extract names of individuals and organisations from our dataset. NER is a form of Natural Language Processing (NLP) wherein we use a pre-trained algorithm to identify particular entity types within a dataset. In our case, a model trained to identify people and organisations was used. For example, NER seeks to isolate proper nouns from within sentence structures, as these are likely to be of interest.

Surprising Phrase Detection (SPD)

SPD is a [form of NLP](#) which breaks down texts in a dataset into phrases and compares these with a reference dataset in order to identify which phrases are more unusual.⁸⁴ It [does so by analysing semantic features](#) in each phrase and assigning a score for how likely the phrase was to appear in the reference data.

Link analysis

Link analysis is a process which extracts internet hyperlinks and website addresses from text. After extracting these links, we analysed which links appeared most frequently across the forums. Additionally, we analysed which website domains (such as www.gov.uk) appeared most within the links and how often they did so.

Topic Modelling and Semantic Mapping

Semantic Mapping (SeMa) is a part of the Method52 technology and methodology stack designed to aid analysts in performing quantitative and qualitative discourse analysis over a large number of documents. The SeMa process combines a human-in-the-loop strategy with large language model (LLM) based clustering tools, to organise each document into manageable, semantically related sub-collections. As a result, the analysts gain a better understanding of the source material whilst creating a reusable map of discovered themes for future work. SeMa can be broken down into two key phases: 1) a semi-automated clustering and topic analysis, and 2) an analyst driven thematic mapping, detailed below.

Document embedding and clustering

The embedding stage is the process of transforming each document into a numerical representation in a way that captures the document's semantics. Document embeddings can then be compared mathematically, such that documents with similar embeddings share similar meanings. Embeddings are computed using a pre-trained LLM.

For clustering the widely adopted approach of applying UMAP is used to simplify our numerical representations to a lower-dimensional space, suitable for the second step of applying HDBSCAN to identify clusters. We utilise the BERTopic package to encapsulate this process.

Thematic mapping

Thematic mapping is the process of a human analyst inspecting samples of documents within each cluster identified in phase one and identifying whether that cluster is relevant to the research, and if so, applying a single theme and subtheme to that cluster. The themes and subthemes used for labelling are generated by the analyst, which will evolve as more of the clusters are understood and experienced. The process of applying labels to the clusters may require one or more iterations over the set of clusters as the analyst's understanding of the data grows. For example, master themes may be combined or split based on shared or disparately related subthemes. Conversely, subthemes may be removed, condensed or influence master themes as the nuances of the conversations in the dataset are better understood.

The aim of this process is to end with a coherent mapping of themes and subthemes to each relevant cluster, that provides a reduction of the clusters into a distinct set of semantic groups. We then took random samples from the themes and subthemes identified by the thematic mapping, which we used for our qualitative analysis.

⁸⁴ Robertson (2019). Characterising semantically coherent classes of text through feature discovery. Doctoral thesis, University of Sussex. https://sussex.figshare.com/articles/thesis/Characterising_semantically_coherent_classes_of_text_through_feature_discovery/23470460; Robertson. 'Surprisingly Frequent Phrase Detection'. GitHub. <https://github.com/andehr/sfpd?tab=readme-ov-file>

Visualisation

Finally, we visualised the results of our clustering and mapping using histograms of themes over time to present an overview of the thematic representation.

Qualitative deep dive methodology

In consultation with JRF, we selected one thematic area which was prominent in wave 2 of 2025 – employment – for a deep dive. We selected this topic due to its importance in the previous wave, its policy significance given the Employment Rights Bill, and the fact that financial concerns are a core dimension of hardship today. We chose to specifically focus on unemployment, self-employment and insecure work – three employment statuses which may leave people in precarious situations. Employment was the 2nd most frequently discussed topic in this wave.

The deep dive analysis consisted of two stages:

1. Identifying posts talking about unemployment, self-employment and insecure work
2. Qualitatively analysing random samples from these posts

For stage (1), we used keyword matching to find relevant posts. We devised the keywords based on a combination of: Surprising Phrase Detection applied to the whole dataset, key words identified in wave 2 of this year, and our own background knowledge.

For stage (2), we took random samples of the posts we identified using keyword matching. Two researchers then analysed between 200 and 300 posts each using qualitative thematic coding, which involved them applying labels from an iterative list of themes, which we developed for this deep dive and expanded with additional codes where necessary. The result was an analysis of the significant areas of discussion within each of the sub themes, which showed where particular areas of discussion overlapped.

Where we speak about the prevalence of conversations about a topic – using language like ‘many’ or ‘some’ – this is in reference to the posts we analysed from our dataset. These statements should not be understood as representative claims about the UK public as a whole or about all the people affected by a given issue. Instead, they indicate the prominence of these conversations in the data we analysed.

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