



Clean Homes, Fair Work

Introduction

Cleaning, like other work around the home, is often undervalued and invisible. When this work is provided professionally, its 'hidden' nature can support informality – for instance via 'cash-in-hand' arrangements. These, in turn, make working conditions particularly precarious.

In the UK, the provision of cleaning services remains under-regulated. This can make it challenging for policymakers, advocacy bodies and businesses to make the case for better pay and employment conditions in the sector.

This briefing highlights the findings and recommendations from a Higher Education Innovation Fund (HEIF) supported knowledge exchange project between researchers at the University of Sussex and Antoinette Daniel who owns a domestic cleaning company and campaigns around fair labour standards. The project involved pilot research into estimating the size of the domestic cleaning sector and qualitative interviews with cleaning business owners to map their operating challenges and working conditions.

Contact

Dr Aleksandra Lewicki, Reader in Sociology
A.Lewicki@sussex.ac.uk

Dr Jenny Chanfreau, Assistant Professor in Sociology
Jenny.Chanfreau@sussex.ac.uk

Antoinette Daniel, Just Helpers Founder
antoinette@justhelpers.co.uk

Business owners' perspectives:

Cleaning is devalued as 'low skilled': *"people still have this sort of '£10 an hour is all I'm going to pay'"*

The 20% VAT threshold is a barrier to ethical employment in an underregulated sector:

"Cash in hand work gives this certain level of, 'why are they charging £15 an hour and you're charging £24 an hour?'"

"This is then when people go undercover"

Information gaps in official data pose barriers to improved conditions:

"the majority of Domestic Cleaning is cash in hand jobs which will not show up on any figures"

This knowledge exchange was supported by Higher Education Innovation Funding (HEIF). The qualitative interviews with domestic cleaning business owners were conducted by Associate Researcher Joey Timmins. The film accompanying this brief was produced by Purposeful Pictures.

Key findings

Advocates for better pay and employment conditions in the domestic cleaning sector face three related challenges:

1. Social attitudes and regulation
2. Lack of robust data to inform campaigning
3. Rising business costs and barriers for registered businesses

Undervalued and underregulated

Societal perceptions of cleaning as 'unskilled' or 'not-work' feed expectations that domestic work needs to be 'cheap'. These stereotypes undermine decent employment conditions across the domestic cleaning sector.

Registered businesses offer better working conditions and provide various advantages over irregular or informal arrangements (e.g. cash-in-hand). Cleaning operators express a preference for regulation and only go 'undercover' or accept cash-in-hand if they see no other option.

Size of the sector is unknown

It is harder to make the case for fairer work if the size of the sector cannot be estimated. Available data makes it impossible to quantify the UK domestic cleaning market in terms of turnover, the number of businesses, or the number of cleaning operatives (employed or self-employed).

Two key reasons make it difficult to estimate the size of the domestic cleaning sector. First, government data reporting on businesses combines both domestic cleaning of houses and flats and commercial cleaning, such as hotels, hospitals and offices. Second, official data collection focuses on businesses registered for VAT or PAYE, excluding very small businesses, sole trader self-employed operatives, and informal (unregistered/ cash-in hand) arrangements characteristic of the sector.

Rising Costs and VAT 'cliff edge'

Brexit, the Covid-19 pandemic, the Cost-of-Living crisis and recent policy reforms have increased the cost of domestic cleaning services. This includes expenses for cleaning products, and for employers: salaries, statutory sick pay, NIC, pension, holiday pay etc. The VAT threshold is a major challenge for small registered domestic cleaning businesses. Once their taxable turnover exceeds £90 000, businesses are legally required to charge 20% VAT.

Domestic cleaning business owners explained that price rises, especially those caused by entering the VAT threshold, lead to a 10-25% loss of clients. Ethical employers offering decent salaries, good working conditions and sick pay find themselves disadvantageously competing with fractionally smaller businesses and cleaning operatives who offer services informally (e.g. cash-in-hand). To encourage proper payroll and working conditions, one business owner suggested: "VAT should exclude wages".

Policy implications

- The rise of the minimum wage and improved statutory entitlements are positive - but their impact on small businesses needs to be examined more carefully. Further adjustments and accommodations are needed to address the challenges faced by small businesses.
- The impact of rising costs - including salaries, cleaning products etc. - and VAT thresholds pose barriers to ethical business practices. The VAT threshold needs adjusting - e.g. via the prioritising of the 'bigger players' in the industry, e.g. commercial cleaning businesses with higher turnarounds.
- Improvements to official business data and new sources of data are needed to estimate the size, shape and working conditions of the domestic cleaning sector to inform policy change.
- The supply of domestic services needs better regulation. Domestic labour needs to be fully recognized and valued as work that is essential for the maintenance of everyday life - symbolically and materially.