



FACTSHEET

BUILDING BACK BETTER WORKPLACES

JULY 2020

COVID-19 has impacted every aspect of our lives, through enforced lockdowns and the need for disciplined social distancing and hygiene measures. Whilst lockdown restrictions are beginning to ease, many of their effects will remain in place as for the foreseeable future we will continue to live in a “1m+” society.

Employers’ duty of care to protect employees is balanced with the need to mitigate the worst effects of an impending recession, which the OECD predicts will lead to an 11.5% contraction of the UK economy in 2020ⁱ. BITC is calling on its member companies to consider which elements of the pre-COVID system they want to retain, what can be left behind, and what improvements to make to ensure that we use the crisis to Build Back Better.

This extends to our workplaces where COVID has caused two significant disruptions. First, we have seen a widespread shift to homeworking in all but the most essential roles. Secondly, where employees are returning to central workplaces, they do so at much reduced capacity due to the social distancing measures introduced inside buildings.

In consultation with member companies through interviews and a Chatham House Rule round table, BITC’s Circular Economy campaign has identified six risk and opportunity areas for businesses

thinking about how they can Build Back Better Workplaces. These are:

1. **Shift of emissions from central workplaces to employees’ homes (Scope 1 to Scope 3)**
2. **Employee engagement for sustainability at home**
3. **Commuting and business travel disrupted**
4. **Large scale, unforeseen waste and materials impacts**
5. **Underutilisation of workplace buildings**
6. **The rise of resilience**

BITC’s Circular Office Guide calls for “**change to the way we design, use and operate in these areas [workplaces] to eliminate waste and create more efficient, resilient spaces which contribute to the long-term sustainability of businesses and the wider economy, and to the wellbeing of occupants**”ⁱⁱ.

Wellbeing is a crucial driver to consider in this context. Whilst data suggests that homeworking will become more commonplace, we know that for many employees accessing a physical workplace can promote better mental health, more social interaction, enhanced creativity and personal developmentⁱⁱⁱ.

This Factsheet draws on this prior research and aims to provide basic principles for businesses on how to Build Back Better Workplaces in response to the COVID-19 crisis.





1. Shift of emissions from central workplaces to employees' homes

47% of UK employees – 14 million people – now report to be working from home, up from 14% in 2019, with 86% of these citing COVID-19 as the underlying reason ^{iv}. Many businesses, including Fujitsu, Google and Twitter have indicated they will encourage employees to continue to work from home in the longer term.

For many companies it is still too early to know what mix of home and office working to employ after the pandemic. However, the rapid shift towards greater rates of homeworking has highlighted a risk that greenhouse gas emissions generated in employees' homes go unaccounted for. Energy used in central offices is reported as Scope 1 under the GHG Protocol, whereas energy used in homeworking is counted as Scope 3 and is not mandatory to report. Bulb, an energy company, and EcoAct, a consultancy, estimate that **470,000t carbon generated by increased homeworking will go unreported by business in the UK in 2020** ^v for this reason.

Build Back Better actions

- *Identify and adopt a methodology for measuring and reporting energy use associated with home workers. Establish a baseline to assess engagement against. WSP's [home office calculator](#) offers an illustration*
- *Use staff surveys to understand how employees manage their energy use at home, and appetite support in improving home efficiency. See Zero Waste Scotland's plan [here](#)*

2. Employee engagement on sustainability at home

Trust in business has risen during the pandemic according to Edelman, with employees more likely to listen to guidance and advice from their employer than before the crisis ^{vi}. Meanwhile **Google searches related to 'how to live a sustainable lifestyle' increased by 4,550% as lockdowns took hold**, reinforcing growing appetite from individuals and families for developing more sustainable behaviours ^{vii}. Leading employers including PwC and JLL have taken the chance to share tailored guidance on sustainable living with employees and have cited positive engagement as a result.

Coupled with the emissions impacts outlined in point 1, this represents the beginning of a potential shift towards greater employee engagement around sustainability. A number of members have indicated appetite to **go beyond basic information and guidance, towards providing a more holistic package of sustainable benefits to homeworkers, including things like financial contributions towards renewable energy tariffs, loaned office furniture and interactive platforms to monitor energy and waste at home**. Should companies choose to reduce office footprints, savings could be passed onto home-based employees in this way to ensure effective management of their Scope 3 emissions.

Build Back Better actions

- *Use this window to review employee engagement strategy and identify opportunities to inform, enable and equip home-based employees to live more sustainably*
- *Share BITC's '[Living Sustainably in Lockdown](#)' Factsheet with employees to get the ball rolling*





- Consider what benefits could be offered to employees that may help accelerate uptake of renewable energy (tariffs or domestic installations), energy efficiency retrofits (insulation, boiler, smart meters) and repurposed/remanufactured home office equipment
- Support employee wellbeing whilst at home through BITC's Wellbeing resources, [here](#)

3. Commuting and business travel disrupted

Three main trends underpin this opportunity area. First, where homeworking becomes permanent, commuting can be avoided altogether, benefitting both air quality and the climate. **Commuting accounts for around 20% of the UK's transport emissions, which in turn represent 24% overall emissions** ^{viii}, so a shift to greater home working can have a significant impact.

Secondly, the UK government has been forced to discourage the use of public transport to slow COVID-19 transmission. Acknowledging the risk that people returning to work begin to use private cars to commute, they have also committed to an unprecedented £2.1bn package to improve infrastructure for active travel, like cycling and walking ^{ix}. BITC members returning to offices have been trialling staggered working hours to reduce risks of overcrowding on public transport and existing cycle storage and shower facilities in offices to help increase uptake of active travel.

Finally, video conferencing has been adopted at unprecedented scale, moving from being a supplement to face to face business engagement, to the primary mode. For companies that have previously relied on high business travel volumes and face to face meetings, there is now an

opportunity to make this a permanent shift to virtual meetings for all but the most crucial engagements – particularly in service sectors where aviation forms a significant part of business travel emissions.

Build Back Better actions

- Lead from the top to minimise business travel. Set an expectation that carbon intensive travel should only be used as a last resort. There is a window now to shift behaviours
- Invest in the right infrastructure. A lack of showers and bike storage present high perceived barriers for some staff. Make it easy for people to adopt new modes of travel
- Use BITC's Active Travel guide (coming August 2020), produced on behalf of the DfT, to inspire a new approach to active commuting
- Bear in mind that for many employees the office remains a place of safety and could be an important source of meaningful social interactions. Access BITC's COVID-19 Wellbeing resources [here](#)

4. Large scale, unforeseen waste and materials impacts

Where workplaces are reopening, they are being forced to operate at much reduced capacities, with many BITC members aiming for around 20% occupancy rates for offices. In reality, employees have returned at lower rates, with 5-8% being reported within our roundtable focus groups. Social distancing and PPE measures are also being widely implemented to enable workplaces to reopen safely. The rise of single use items





presents an acute, immediate challenge, to prevent this waste from polluting oceans^x. There is strong scientific evidence that reusable containers like coffee cups are safe to continue using^{xi}, and that reusable PPE and handwashing can be as effective as disposables. Visit [City to Sea](#) for guidance.

In the longer term, reduced office occupation risks creating gluts of unwanted furniture and other assets, presenting a real opportunity for reuse and remanufacturing to prevent waste. **Crown Workspace are already supporting clients to adapt office furniture assets to be used comfortably in peoples' home offices instead**^{xii}.

Build Back Better actions

- *Embed a materials audit as part of your transition planning. Identify opportunities to use reusable items over single-use, and assets at risk of being wasted through the transition*
- *Consider how excess furniture could be remanufactured and offered to employees for use in home offices*
- *BITC's [National Business Response Network](#) can connect you with community partners in need of unwanted IT equipment. Use our [IT Appeal](#) to redirect employees' old IT assets with communities in need*
- *Change your procurement specifications to ensure that future purchases are circular, allowing you greater resilience to future shocks by focusing on leasing, 'products as a service' or remanufactured items*
- *Access general guidance on supporting supply chains through COVID-19 [here](#)*

5. Underutilisation of workplace buildings

It is clear that in the short term, office and workplace buildings will be operating at low occupancy rates due to capacity restrictions and increased home working. It is less clear what the picture will look like in the longer term, though McKinsey predict that companies may be able to realise real estate cost savings of 30-100% by scaling back to footprints of the buildings they occupy^{xiii}. Whether companies choose to retain all of their office space, or none, we can expect there to be a trend towards underutilisation of existing space in the medium term, as this transition takes place.

With buildings designed to operate most efficiently at or close to full capacity, pockets of underutilisation create inefficiencies in terms of energy use and the potential to support economic and social value creation. There is an opportunity for businesses to consider how they can continue to make positive use of space they may no longer require for their own operation, such as offering it free or at reduced rates to social enterprises or small businesses, 24-36% of which may go out of business permanently as a result of the first four months of the pandemic alone^{xiv}. We have also seen instances of businesses directly supporting community needs by opening up unused space. For example, **RBS have turned the conference centre in their Gogarburn HQ into a [facility to support local food banks during the pandemic](#).**

WSP also cite businesses seeking to make workplaces more attractive to employees that may be nervous about returning to offices, by focusing on providing more resilient environments where meaningful interactions can occur safely^{xv}. Using space more creatively with a focus on supporting employee wellbeing can add value to workplaces



that may not support as large a headcount as they once did.

Build Back Better actions

- *In the short term, consider where on your estate you may have pockets of underutilised space that could be used to accommodate SMEs, social enterprises or charities that may be looking to save costs*
- *Many employees value the workplace as a means of connecting with colleagues or finding refuge during the crisis. Consider how to redesign spaces to give workers confidence and comfort as they come back into workplaces*

6. The rise of resilience

COVID-19 has dramatically exposed the fragility of our economic system. We have witnessed its existential impact on small businesses as mentioned above, the scarcity of PPE as cases peaked in the UK in May 2020^{xvi}, or even a lack of access to IT equipment within civil society and vulnerable families^{xvii} all creating profound shocks to the way we live and exacerbating inequalities.

For businesses considering the impact of COVID-19 on the workplace, taking the opportunity to adopt a more circular approach to how they design and operate workplaces, what they buy and how they engage with suppliers, can build increased long term resilience whilst saving costs. This will be particularly important as the impact of climate change become more severe: WEF predicted the top 5 economic risks at the start of 2020 were all environmental, so we can expect these to compound the effects of COVID-19 in years to come^{xviii}.

BITC's [Circular Office Guide](#) (p 7-9) demonstrates how creating circular workplaces dependent on



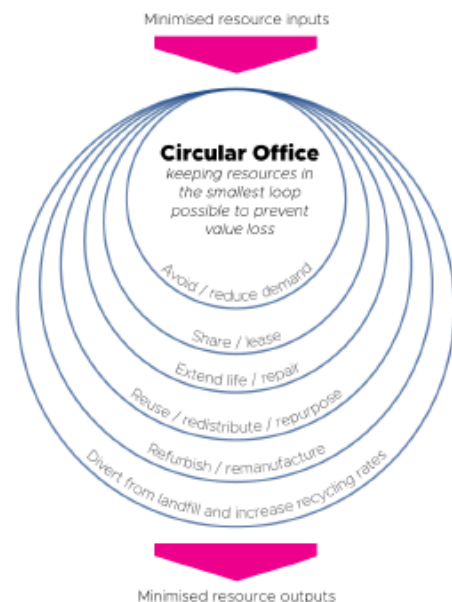
shorter supply chains, less materials, re-used/remanufactured goods, and reductions in waste, can help to reduce the impact of future shocks, support job creation and small businesses, and engage employees. Whilst small on their own, all of these actions contribute to the future resilience of our system.

Build Back Better actions

Use BITC's Circular Office Guide to:

- Understand your resource use and impacts, identifying the assets/categories of assets and materials you most depend on in workplaces
- Identify stakeholders to engage within your business to build greater circularity and resilience
- Identify circular product category ideas and relevant suppliers

Prioritising actions for maximum value



- *Elevate resilience as a priority outcome of your business planning, reducing dependency on long supply chains and resources exposed to environmental shocks*



- Engage teams outside of Sustainability, including Finance and Procurement, to ensure circular thinking is embedded within your processes going forward
- **Get in touch with our Circular Economy Team** by contacting Pete Belk – Circular Economy Director (Peter.Belk@bitc.org.uk)
- Sign our [Waste to Wealth](#) commitment to demonstrate your ambition to reduce the impact of the resources you use

How BITC can support you

If you would like further support tailored to your business, we would be happy to help in the following ways:

- We are providing BITC members with guidance across the Environment agenda, with webinars and workshops on topics like 'Setting Net Zero targets'; 'Developing Net Zero Action Plans'; 'Using the Circular Economy to Accelerate your Net Zero Journey'. **If you are not yet a member, you can [join here](#)**
- **Speak to your BITC Relationship Manager** about how we might support through an Environment Advisory package

ⁱ OECD (10 June 2020). *OECD Economic Outlook: The world economy on a tightrope*. Available [here](#).

ⁱⁱ Business in the Community (2019). *The Circular Office Guide*. Available [here](#).

ⁱⁱⁱ CIPD (2020). *COVID-19: Returning to the workplace*. Available [here](#).

^{iv} Office for National Statistics (June 2020). *Home working in the UK*. Available [here](#).

^v Edie (12 June 2020). *Remote working means UK businesses will underreport 470,000 tonnes of carbon in 2020*. Available [here](#).

^{vi} Edelman (March 2020). *Edelman Trust Barometer Special Report on COVID-19 Demonstrates Essential Role of the Private Sector*. Available [here](#).

^{vii} Brandt, K (22 April 2020). *Sustainable living tips for life at home*. Available [here](#).

^{viii} Department for Transport (2020). *Decarbonising Transport: Setting the Challenge*. Available [here](#).

^{ix} Department for Transport (9 May 2020). *£2 billion package to create new era for cycling and walking*. Available [here](#).

^x Kassam, A. (8 June 2020). *'More masks than jellyfish': coronavirus waste ends up in ocean*. The Guardian. Available [here](#).

^{xi} Laville, S (22 June 2020). *'Reusable containers safe during COVID-19 pandemic, say experts'*. The Guardian. Available [here](#).

^{xii} Crown Workspace (June 2020). *Implementing circularity in a sustainable workplace*. Available [here](#).

^{xiii} Boland, B et al (8 June 2020). *Reimagining the office and work life after COVID-19*. Available [here](#).

^{xiv} McKinsey (18 June 2020). *'Which small businesses are most vulnerable to COVID-19 – and when?'*. Available [here](#).

^{xv} WSP (20 May 2020). *'How will COVID-19 change demand for office space?'*. Available [here](#).

^{xvi} The Guardian (3 May 2020). *'Nearly half of England's doctors forced to find their own PPE, data shows'*. Available [here](#).

^{xvii} BITC (9 July 2020). *'National Business Response Network secures further £3m in donations from the Covid-19 Support Fund, National Lottery Community Fund and The UPS Foundation'*. Available [here](#).

^{xviii} WEF (2020). *The Global Risks Report 2020*. Available [here](#).

