

## 'Out of Office' - the world of work reimagined

21 OCTOBER 2020

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**CATEGORY:**  
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### #WorkingWorld

My favourite riverside run takes me past the gleaming towers of London's financial district: Canary Wharf. Once packed, these buildings are now largely idle as workers stay at home, waiting out the pandemic. In our recent report, the [Future of Real Estate](#), the experts we spoke to predicted a move away from tall single use buildings in central business districts to a more dispersed model with people working at home or in nearby co-working spaces and hospitality venues.

Many commentators predict that we will never return to 5 days a week in these shiny skyscrapers and that the location and manner in which we work has changed for ever. As one commentator put it: '*no one will want to get into a lift for more than four floors*'.

Business leaders will now need to rethink their empty work spaces. Should the work force be divided into say three teams and attend the office for 1.5 – 2 days each? Should the open plan office with its banks of desks taking up the whole of the eighteenth floor now be converted to more informal creative seating and socialising areas? Should they include some boutique hotel style rooms in which employees can stay the night thereby optimising the two days a week that employees attend work? Should they give up their statement offices in the business district altogether in favour of four dispersed offices north, south, east and west of the centre to enable employees to cycle and walk to work? Can they install ventilation so that employees can open windows, rather than anxiously breathing in recycled air?

Some of these more imaginative ideas may need changes to the tax rules. Currently, offering overnight accommodation is a taxable benefit unless such accommodation is '*necessary or usually provided for the job*' (e.g. caretakers, farm workers or security staff). So currently offering comfortable overnight accommodation as a perk to facilitate an office worker's two days in the office would be a taxable benefit for the employee. Some lobbying of the chancellor may be necessary here to avoid unintended tax consequences.

And what has been called in our report '*the biggest experiment in homeworking ever*', may also need some legal changes to legitimise what is already happening. Many workers, especially younger ones at the beginning of their careers, are in rented or leased accommodation and their leases and rental agreement either contain an outright prohibition on commercial activity or such activity can only be carried out with landlord consent. Employers will want to ensure that they are not putting their staff in breach of their lease arrangements. Should the government simply outlaw such clauses as everyone moves towards mixing home and working arrangements?

As we settle into more permanent home working, employers are now having to give more thought to safe home working environments. Employees who have perched for months on the edge of their beds or at makeshift desks are developing physical health issues. The home working environment was always a bit of a grey area in which employers tried not to ask too many intrusive questions about the set up and satisfied themselves with vague assurances from the employee that the environment was 'safe and confidential'. However, now, as home working arrangements are laid bare on zoom, employers cannot escape knowing that some arrangements simply don't cut it. Unless we are careful, employers will witness a rise in musculoskeletal problems as well as increased risk of stroke and obesity from too much sedentary home working. These may well lead to well-founded personal injury claims from employees, who will argue that the conditions they have acquired through months of home working were reasonably foreseeable.

To guard against this, employers might offer home visits from an IT / work station assessment expert to help set up the environment appropriately. In addition, employers may have to lend their own equipment to employees working at home or provide cash allowances for employees to purchase their own home office equipment. The lending of equipment will need decent asset tracking systems to ensure equipment is returned at the end of employment.

Employees who had to work from home are able to claim tax relief for additional capital items they purchased from their own funds (without reimbursement) in order to work from home such as desks and computer equipment as well as the additional cost incurred of heating their homes

during the day, upgrading their broadband, improved home contents insurance, business calls and metered water. Employers would be well advised to tell their employees to keep detailed records of their additional expenditure so that they can claim tax relief. Such relief is not available if employees 'choose' to work from home. We can see there could be a fair amount of debate on this point. The alternative would be for the government to create an additional tax allowance of say £2,000 – £3,000 per person to cover those who have been working from home.

The world of work has probably changed for ever. Our home and office working environments as well as the tax system will now need to evolve to match these changes.

For more information on our changing world of work, take a look at our [#WorkingWorld campaign](#).

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