

Making Flexible Working the Default consultation

Gingerbread written submission to the Department for Business, Energy and Industrial Strategy (BEIS)

About Gingerbread

Gingerbread is the leading charity working with single parent families. We campaign against poverty, disadvantage and stigma to promote fair and equal treatment and opportunity for single parents and their families. Over 1,500,000 single parents visited our website last year, many of them seeking the expert information and advice we provide online and through our AQS-accredited helpline and webchat services.

Written Submission

Do you agree that the Right to Request Flexible Working should be available to all employees from their first day of employment?

Strongly Agree - There are nearly two million single parents with dependent children in the UK. Before the pandemic there were record numbers of single parents in work (69%). However, they were concentrated in jobs that have been particularly impacted by the pandemic, including High Street retail, travel, and hospitality. Single parents are also more likely to work part-time (50%) compared to coupled parents (25%). Among single parents who are women, even where a single mother has the same qualification level as a coupled mother, they are less likely to be working in a job that reflects their qualification. Before the pandemic coupled mothers earned nearly twice as much per week than single mothers. Too many single parents are underemployed for lack of other way to secure the flexibility that they need to care for their children on their own.

Gingerbread is supportive of a change in legislation to open up more flexible working options through a Day One right but the proposed change is far too limited. The unemployment rate for single parents is high at 12%. A Day One right to request flexible working would certainly be a step in the right direction but from our research we do not think that this measure goes nearly far enough to address the needs of single parents and the particular restrictions and barriers they face. Our evidence is drawn from our research report 'Caring without Sharing: Single parents' journeys through the Covid-19 pandemic', published May 2021, and our new research in progress where we are looking at the experiences of single parents who have lost their job during the pandemic. Both sets of research involve both qualitative research, with sampled parents from across England and Wales at two points in time, and quantitative analysis from the Institute for Employment Studies.

Our evidence is also in the context of:

- The high number of single parents who are on Universal Credit (60% or more than 1.3 million and rising) either because they are unemployed or on low pay.
- The rules on work conditionality which mean that single parents must look for a job when their youngest is aged three (it was aged five under legacy benefits).
- Welfare rules that exist for single parents means that they can restrict their hours of work dependent on the age of their youngest child. They must work a minimum of 16 hours when their youngest is aged three- to four-years-old, 25 hours when their youngest is aged five- to 12-years-old. It is therefore vital for single parents to be able to secure flexible employment,



including part-time work that fits in with caring for a child on their own, and enables them to meet their obligations under welfare rules.

• Single parents need to meet their childcare costs from one income. All low- and middle-income families can receive support with childcare costs through Universal Credit. However, childcare costs are capped to a level set in 2003 which means that it often does not pay for a single parent to work full-time hours. In 9% of local authorities, the maximum limit per child under Universal Credit of £175 per week (HMRC, 2019b) does not cover even a part time place in childcare for a child under two. This rises to 99% for a full-time place. If a family's childcare costs exceed these maximum limits, they will not receive any additional financial support to cover these costs. This can mean that they are paying more in childcare costs than they are earning, and so are worse off financially for working more hours (analysis by Coram Family and Childcare Trust). This means for low- and middle-income families, including single parent families, there is particular reliance on part-time jobs.

A Day One right to request flexible working will not provide the requisite certainty for single parents trying to move into employment or change jobs. For those on Universal Credit it will not enable them to decide whether a job that they are applying for will fit in with the minimum hours requirement under Universal Credit rules. Single parents need to know from the onset what hours are on offer, where the work needs to be done and how those hours can be worked. They need that information in order to judge whether the job will work for them and their child as they parent on their own. Taking a job on the off chance that flexible working might be on offer after a period of consideration by an employer will be a huge risk for a single parent. For those single parents who are on Universal Credit, taking a job and then having to turn it down should they not secure the flexibility, will be an even greater risk, a risk that might result in them being financially sanctioned by the DWP.

Single parents need certainty in how a job is advertised in order to make an informed choice about whether the flexibility on offer will suit their needs as a parent and crucially the flexibility that an employer needs for a role. There is a dire shortage of flexible jobs with the recently published Timewise Flexible Work Index 2021 showing the stark figures including the very low level of part-time work. Only 1 in 10 advertised vacancies state that a job can be worked part-time and yet 3 in 10 people work part-time and 5 in 10 single parents work part-time in the UK. The right to request from day one does not address the shortage of advertised part-time and flexible vacancies.

What is needed is a duty on employers to advertise vacancies as flexible by default unless there are sound business reasons not to do so. Our latest research with single parents shows the impact of the lack of advertised vacancies, including the waste of talent. This comes at a personal financial loss to the single parent but crucially a loss to the economy of skills, experience and higher taxes alongside the potential longer-term reliance on in-work social security. The government's Behavioural Insights Team has shown the importance of job adverts being explicit about flexible working options: this increases applications by 30%. The BIT also calculated that the greater transparency in job adverts would create at least 174,000 flexible jobs for the UK economy per year. This led the Minister for Women and Equalities, Liz Truss, to call for employers to make flexible working a standard option for employees, to help level-up the UK, boost opportunities for women and reduce geographic inequality as we recover from COVID-19. However, relying on the good practice of some employers is not enough; there are already informal schemes such as the 'Happy to Talk Flexible Working' strapline but this good practice does not address the scale of the problem.

In order to really open up flexible jobs in the numbers needed for those looking for work, there needs to be legislation to make job advertising flexible by default through the



Employment Bill. Gingerbread interviewed 45 sampled single parents across England and Wales who have lost their job during the pandemic about their experience of trying to find a flexible job that fits with their caring responsibilities. The lack of advertised flexible and part-time vacancies was a constant theme through the interviews.

<u>Mary</u>

Mary was a business development manager and on a good wage. Her employer was really flexible in how she did her role which meant that she could do a full-time role over the hours she cared for her young son including working in the evenings when her son was in bed. The firm where she worked folded during the pandemic and she lost her job. Since then, Mary cannot find an equivalent flexible job. Mary is on Universal Credit and her work coach has suggested she apply for part-time cleaning jobs (the only part-time advertised vacancies in her area).

Sue

Sue worked as cabin crew for a major airline and had a well-paid role. Due to the impact of the pandemic on the aviation sector, Sue lost her job. Sue has applied for numerous jobs but has had few replies. Even where a job is advertised as part-time, she has found employers are not specifying in the advertisement that she needs to be available for short notice shifts and to work evenings and weekends. Sue has been turned down at interview when she has made it clear she cannot be flexible around hours of work because of the lack of evening and weekend childcare.

In your organisation, do you currently accept requests for flexible working arrangements from employees that have less than 26 weeks continuous service?

Yes - although the consultation response is not provided by Gingerbread as an employer.

Business reasons for rejecting a flexible working request

Given your experiences of Covid-19 as well as prior to the pandemic, do all of the business reasons for rejecting a flexible working request remain valid?

No - There is a danger that the eight business reasons may be used as tick box exercise for employers to turn down a request. Having the eight business reasons for refusing a request set out in the legislation also seems incompatible with a 'Flexible Working by default' approach, under which a refusal should be permitted only in exceptional circumstances. To accord with the exceptional circumstances it would be better if the framework is revised to provide: that a request can only be refused for 'sound business reasons' and that these reasons are evidenced by the employer at a meeting with the person making the request.

Requiring employers to suggest alternatives, where possible

Do you agree that employers should be required to show that they have considered alternative working arrangements when rejecting a statutory request for flexible working?

Disagree - For most single parents who would apply under the proposed Day One right to request this is an enabler to work and care for a child or children on their own. Offering an alternative working arrangement may still not support a single parent in employment. In Gingerbread's research on in-work progression 'Held back: Single parents and in-work progression in London' (Nov 2019) it was found that many single parents identified precise time-frames within which they were able to work and found it hard to flex their time at work beyond this. This is because single parents cannot shift caring in the same way as parents in



a couple – in sharing the childcare drop offs and pick-ups or splitting the care of children during the school holiday through two sets of annual leave entitlements. Alternative arrangements may be more challenging for a single parent to accommodate than for someone in a couple.

Would introducing a requirement on employers to set out a single alternative flexible working arrangement and the business ground for rejecting it place burdens on employers when refusing requests?

Don't know

<u>Time taken by employers to handle a request: The Administrative process</u> underpinning the Right to Request flexible working

Do you think that the current statutory framework needs to change in relation to how often an employee can submit a request to work flexibly?

Yes

Do you think that the current statutory framework needs to change in relation to how quickly an employer must respond to a flexible working request?

Yes - The current right to request framework applies to those who are an employee with at least 26 weeks of continuous employment and an employer has up to three months to consider a request. The revised framework will include those who are moving to a new job as well as those in work. The new framework needs to address the issue that individuals may not be able to start their new job until they know that they will be able to work within their flexible working request.

If the Right to Request flexible working were to be amended to allow multiple requests, how many requests should an employee be allowed to make per year?

Three requests - Allowing more requests each year would take better account of the changes in circumstances that many single parents may face as they juggle working and caring on their own. Gingerbread appreciates that for business reasons it would not be feasible for employers to open up unlimited number of requests each year.

If the Right to Request flexible working were amended to reduce the time period within which employers must respond to a request, how long should employers have to respond?

Less than two weeks - As set out earlier, the current three-month wait for confirmation of a request to work flexibly will be too long for many individuals, including those who are moving into work from an out-of-work benefit (Universal Credit and legacy benefits). A much quicker response is needed. In the consultation background notes, the government says it expects that employers will be thinking about the Day One right to flexibility before they advertise a vacancy. If this is the case, then a quick response should be open to those who apply for a vacancy and who wish to request to work flexibly.

Requesting a temporary arrangement

Are you aware that it is possible under the legislation to make a time-limited request to work flexibly?

No



Beyond the current framework for flexible working

A lack of access to good quality flexible roles is a significant barrier for many single parents, including those who lost their jobs because of the pandemic and need to find new employment. Amending the Right to Request legislation is one way in which to increase the number of flexible jobs on offer. However, in view of the scale of the problem of securing a quality flexible job for single parents, Gingerbread would like the Flexible Working Task Force to produce other ways of opening up flexible vacancies and, in particular, quality part-time vacancies.

More than 50% of single parents work part-time, which is allowed under welfare rules to reflect their need to both work and care on their own. However, the recent Timewise Flexible Jobs Index 2021 shows that only 1 in 10 jobs are advertised as part-time and that these vacancies are lower paid per hour than full-time jobs. What single parents really need is access to better quality part-time roles. A lack of such roles prevents many single parents from entering or progressing in employment – which comes at a personal cost to the individual parent but at a financial cost to the Treasury through lower tax revenue and higher in-work benefit costs. It also impacts the economy by not fully utilising single parents' skills and qualifications.

Considerable change is needed in how work is structured, including greater access to good quality, part-time work. Single parents already face high unemployment at 12% and this is likely to get higher as the impact of the end of furlough scheme is fully felt - single parents were more likely to have been furloughed and for longer spells than coupled parents. We propose the Flexible Working Taskforce develop job-sharing as a part of the flexible working menu in adapting to new ways of working after the pandemic. Access to part-time work is still very restricted, not least for those entering work or trying to change jobs. More splitting of full-time roles into job shares would help single parents to move into a wider variety of roles and better paid employment.

The government can evidence good practice from the Civil Service in trail-blazing job shares which has opened up part-time opportunities at all levels of the Civil Service. Job shares mean that a role can be divided up for two people where full-time hours are needed for a role. The benefit is two-fold as this not only allows applicants to apply for a wider range of jobs including at more senior levels but the Civil Service gains from the experience and skills of two people for a role. The Civil Service has a job share finder and actively supports existing and new recruits for job share roles. It would be positive if the government were to take forward the good practice from the Civil Service and use it to encourage scaling up of job share practice more broadly in the public and private sectors.

We propose government work with employers and employer bodies to emphasise the business case for greater flexibility in job roles and consider financially incentivising employers to divide full-time roles into job shares. The government has provided similar financial incentives for employers creating new jobs for 16–24-year-olds through Kickstart. The government also has a 'find a job' website through the DWP where employers can post vacancies so has a mechanism for encouraging and supporting job shares.