

Response to the Matthew Taylor Independent Review of Employment Practices in the Modern Economy

Written evidence from Carers UK

About Carers UK

- Carers UK is a membership charity of carers – we work to represent and support the 6.5 million people in the UK who provide **unpaid** care for ill, older or disabled family members or friends.
- Carers UK is a membership organisation of carers, run by carers, for carers. We have 35,000 members and a reach of many more. We provide information and advice about caring alongside practical and emotional support for carers. Carers UK also campaigns to make life better for carers and influences policy makers, employers and service providers, to help them improve carers' lives.
- Carers UK's advice and information services answer around 20,000 queries from carers and professionals every year. Our website is viewed by over 100,000 people every month; over 24,000 subscribe to our monthly email newsletters. Carers UK works across the UK with offices in England, Wales, Scotland and Northern Ireland.
- Carers UK and major businesses have set up Employers for Carers offering help to employers to retain the 1 in 9 employees who are caring for a family member. Employers for Carers is a forum of employers – large and small – currently chaired by British Gas and supported by the specialist knowledge of Carers UK. Our Employers for Carers network including over 120 employers covers well over 1,000,000 people juggling working and caring.

Introduction

Carers UK welcomes the opportunity to contribute to this consultation. There is a real opportunity to boost the modern economy by changing way carers are supported in the workplace and to join or return to the labour force. This would be in step with creating

modern work that fits with our ageing society, supports families better and bring us in line with other European countries.

For those combining paid work and care, trying to juggle it all without the understanding and support of employers and without access to statutory leave means that many are using annual leave or sickness absence to manage caring and employers have identified caring as a factor in both absenteeism and presenteeism.

Our ageing and shrinking workforce is driving a need to extend working lives and to make our workforce more productive. Employers, workplace rights and investment in skills all have a role to play in enabling people to combine work and care and to return to work after time out to provide care.

Key Recommendations

Security, pay and rights

- Introduce a statutory right to 5-10 days paid care leave from work and start a debate on longer term leave.
- Introduce day one right to request flexible working.

Progression and training

- Employers should consider providing carer awareness and age diversity training, health and wellbeing programmes and policies to create carer friendly workplaces.
- Skills training and retraining should be facilitated on a lifelong basis by employers and the Government.
- The Department of Work and Pensions should consider providing additional support for working age carers including tailored back to-work support and specialist careers advice.
- Incentives for employers through national insurance to promote apprenticeships and employment of carers returning to work.
- Support for sharing of best practice amongst employers through established networks and institutions and signposting.

Opportunities for under-represented groups

- Improve access to paid for care and ensure sufficient funding of adult social care to support carers and those in need of care to enter and remain in the workforce
- Widespread public sector commitment to promoting carer-friendly employment.
- Stronger occupational health and work-based well-being and work support for people juggling work and care.

- The future Government should recognise care services as a pre-condition for work – part of the infrastructure needed for participation in the labour market.

New business model

- Government should encourage investment in care and care related technologies that enable carers to continue working.
- The care market should be seen as an area of potential economic growth – both enabling people to continue to do paid work alongside caring, and as an area of innovation and growth itself.

Overview

Increasing numbers of people find themselves juggling caring unpaid for disabled, older or seriously ill family or friends with paid work. According to the 2011 Census, 1 in 9 employees in any workplace, an estimated 3 million people, are juggling paid work and care whilst Carers UK's own research, carried out by You Gov, suggests over 2 million people have given up work at some point to care for loved ones and 3 million have reduced working hours.¹

Demographic data suggests that the trend of increasing numbers of people providing unpaid care whilst active in the workforce will continue. There will be a projected 9 million carers by 2037. The majority of carers are of working age and the peak age for becoming a carer is 50-64. By 2022 one in three of the working population will be aged 50 or over.²

Despite this, employment rights have failed to evolve quickly enough to support carers to stay in or return to work and provide support for the people they care for. Moreover British employment rights lag behind European competitors when it comes to flexible working and care leave and a lack of suitable and affordable social care provision means many carers feel they have little choice but to reduce working hours or give up work altogether.³ Carers UK has carried out research in 2013 and 2014⁴ into different models of care leave internationally. Different countries have adopted a variety of models e.g. Belgium has shorter periods of paid leave with longer unpaid leave.

¹ Carers UK and YouGov (2013) as part of Caring & Family Finances Inquiry UK Report (2014) Carers UK

² DWP Fuller Working Lives A Partnership Approach
www.gov.uk/government/uploads/system/uploads/attachment_data/file/587654/fuller-working-lives-a-partnership-approach.pdf

³ Carers UK (2014) Caring & Family Finances Inquiry UK Report

⁴ Carers UK (2013) *The Case for Care Leave* and Carers UK (2014) *Care Leave – Impact on Business*

Many employers are recognising the importance of supporting carers in their workforce and the cost of losing highly skilled and experienced employees.

The impact on health, loss of skills, knowledge and experience which result from a break from the workplace and insufficient support to assist individuals to return to work or retrain, can make it difficult for carers when their care journey is over.

Carers UK believes carers should be supported and enabled to continue working and to return to work if they wish to do so.

The costs of failing to make our modern economy fit for the needs of its modern workforce are not just measured in lost opportunities and income for carers or increased spend on state support. Every worker avoidably lost to an employer represents a cost on that business. The Corporate Leadership Council, for example, estimates that the cumulative costs to an employer of an employee leaving work are equal to the employee's last salary, while Hay Group suggests it could cost anywhere from 50-150% of their salary⁵. An emphasis on retention and retraining of employees who provide care and aiding flexibility to allow for roles to meet the needs of employees and employers alike is necessary for the country to address the future needs of an ageing population, both inside and outside of the workplace.

Care services need to be recognised as a vital part of economic productivity, a 'condition for employment' as essential to employee recruitment and retention as good transport links and a decent housing supply.

As well as addressing these barriers, stimulating a vibrant care market to meet this growing demand can turn the challenges of an ageing population and an ageing workforce into a driver for economic growth. Social care should be seen as an industry with potential for growth and for creation of better paid and higher status jobs.

Carers UK has a unique insight into the support needs of those with caring responsibilities and what policy works for employers and employees through our business forum Employers for Carers. Administered by Carers UK, Employers for Carers is an employer led membership forum of employers seeking to support carers in their workforce. Its membership includes over 120 organisations from the private, public and third sectors including financial services, utilities retail and manufacturing, the police, local and national Government, education and health.

Employers for Carers⁶ provides advice and support for employers, promotes the business benefits of supporting carers in the workplace and seeks to influence public

⁵ Cited in *Supporting Working Carers: The Benefits to Families, Business and the Economy, Final Report of the Carers in Employment Task and Finish Group*, HM Government, Employers for Carers and Carers UK (2013)

⁶ www.employersforcarers.org

and employment policy and practice to create a more supportive culture for carers in work.

Reviewing and refreshing rights, obligations and employment practices is necessary to ensure we have a modern economy fit for carers which allows them to care and work.

Employment Rights which Support People to Combine Care and Work

Already 1 in 9 employees in the work force also have an unpaid caring role⁷. Around 2.1 million adults begin a new caring role each year and around the same number find their caring responsibilities come to an end, creating a constant need for information on accessing support and awareness of flexibility in the workplace.⁸

New caring responsibilities often come about suddenly or a caring role can grow gradually becoming increasingly challenging to juggle with work. However employment rights are not flexible enough to support employees to remain in work in such circumstances or, indeed, for those who have existing caring commitments.

At present employees have the right to request flexible working after they have been continuously employed by the same employer after 26 weeks and have a right to a 'reasonable' amount of time off work to deal with an emergency or unforeseen matter involving a dependant, which is unpaid unless there is a contractual right to paid leave.

Existing rights are inadequate to support people in work who provide care. Of respondents to Carers UK's State of Caring 2016 survey,⁹ working carers told us they often struggle to get time off to co-ordinate with care services or attend medical appointments; 70% had used their annual leave to care¹⁰ whilst 23% had reduced their working hours. The impact of caring on an individual is substantial, over two thirds (69%) of those who responded to the survey highlighted the stress of juggling work and care whilst half (49%) said that they had given up work over care commitments.

Carers UK supports a new statutory right to at least 5 days paid care leave and in addition welcomes a debate about a longer period of leave.

⁷ Census 2011

⁸ Analysis conducted for Carers UK by Michael Hirst (2014) Transitions into and out of unpaid care

⁹ Carers UK (2016) State of Caring 2016

¹⁰ Carers UK (2016) State of Caring 2016

With an ageing workforce a lack of flexibility presents additional barriers to people finding or remaining in work. Analysis by Age UK and Carers UK found that men and women over the age of 50 who provide 10 hours or more of care per week are more likely to leave paid employment than seek to reduce their hours.¹¹ The knock on effects of people leaving their jobs to care, in terms of public expenditure cost in England (through carers' benefits and lost tax revenues), has been estimated at £1.3bn per annum.¹² Building on this, analysis from Age UK¹³, has showed a cost of £5.3 billion a year to the economy in terms of lost earnings and tax revenue and additional benefit payments.

If this trend continues in coming decades with increasing numbers of older workers unable to combine care and work, the cost implications in terms of lost productivity and the exchequer will only worsen.

Reforming employment rights to flexible working so that they apply from day one would also assist carers with existing care commitments returning to work or seeking new roles. It would also help those who find themselves with sudden caring responsibilities in the early stages of employment with a new employer; only half (49%) of employers offer flexible leave or other work arrangements.¹⁴

Increased flexibility and support when it is needed would ensure that combining care and work responsibilities is more manageable, would improve mental and physical health for carers and would be cost effective for businesses. The cost to UK businesses of employee turnover, absenteeism and stress due to providing unpaid care may be in excess of £3.5 billion every year.¹⁵

The UK lags behind other countries in terms of care leave rights; Germany, Canada, Japan, Australia, France, Italy, the United States, Belgium, Poland, Ireland, Taiwan and the Netherlands all provide a right to paid care leave. Carers UK has long made the case for the United Kingdom to follow suit¹⁶ and recent reports, including the Cridland review of the state pension age¹⁷ and from the Communities and Local Government

¹¹ Walking the tightrope: The challenges of combining work and care in later life <http://www.carersuk.org/for-professionals/policy/policy-library/walking-the-tightrope-the-challenges-of-combining-work-and-care-in-later-life>

¹² Pickard et al (2012) Overcoming barriers: Unpaid care and employment in England

¹³ *Estimation of the financial impact of leaving work due to caring responsibilities*, Age UK (2012)

¹⁴ Creating an enabling future for carers in the workplace CIPD https://www.cipd.co.uk/Images/creating-an-enabling-future-for-carers-in-the-workplace_tcm18-10530.pdf

¹⁵ Carers UK (2014) Care Leave, Impact on Business <https://www.carersuk.org/for-professionals/policy/policy-library/care-leave-impact-on-business>

¹⁶ Carers UK (2013) The Case for Care Leave <https://www.carersuk.org/for-professionals/policy/policy-library/the-case-for-care-leave>

¹⁷ Independent review of the State Pension age: Smoothing the transition

<https://www.gov.uk/government/publications/state-pension-age-independent-review-final-report>

Select Committee¹⁸ have recommended investigating implementing carers leave.

Workplace support, back to work support, progression and training

Workplace practice to support carers

Whilst employers are increasingly recognising the value of promoting support to employees with caring responsibilities, discussing and disclosing caring responsibilities for older or disabled relatives remains a challenging issue for many carers. Unlike with childcare, different kinds of caring responsibilities often remain difficult to talk about.

7 in 10 working carers responding to our survey said they have felt lonely or isolated in the workplaces as a result of their caring role¹⁹. This underlines that in addition to stronger employment rights, a carer friendly workplace culture also needs to be fostered with greater awareness and understanding from managers on how to support those in the workplace with caring responsibilities.

As the evidence base for the last Government's Fuller Working Lives paper notes²⁰ "only a third of employers (34%) have a formal, written policy or an informal, verbal policy in place to support carers in their workplace." This is low given the number of carers and our ageing society. We would hope that it continues to grow. There is a wide array of support through changed employment practices that employers could deploy. Carer awareness and age diversity training, health and wellbeing programmes and policies to create carer friendly workplaces, where employees can discuss their caring responsibilities without fear of stigma and employers can better understand pressures, can all help to keep a carer supported and capable of remaining in work.

There is a sound business case for employers in adopting these practices. A survey carried out by Employers for Carers found that of businesses which adopted similar policies 93% of businesses saw increased staff morale and loyalty, 92% saw increased staff retention and 88% saw reduced sick leave and absenteeism.²¹

¹⁸ Adult social care: Ninth Report of Session 2016–17

<https://www.publications.parliament.uk/pa/cm201617/cmselect/cmcomloc/1103/1103.pdf>

¹⁹ Carers UK (2015), Caring and isolation in the workplace

²⁰ Fuller Working Lives: Evidence Base 2017

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/600620/fuller-working-lives-evidence-base-2017.pdf

²¹ Employers for Carers Employers 'Business Benefits' Survey December 2012 – January 2013 for HM Government and EfC/Carers UK Carers in Employment Task and Finish Group <https://www.employersforcarers.org/resources/research/item/809-employers-business-benefits-survey>

Many employers already have practices which support carers and often the challenge is sharing and demonstrating best practice. It is vital that relevant business organisations and membership forums, including trade unions, are supported to raise awareness of best practice and share expertise amongst HR practitioners about policies which help to support and retain carers in the workplace. Government departments can assist this through the ACAS Code of Practice on Flexible working and through signposting information on gov.uk and other owned channels.

Support to enter or re-join the labour market

In addition to improving support for those juggling work and care – more needs to be done to help those looking for work or to return to work after a caring role enter the labour force. This should include a greater emphasis on re-skilling and training, better identification of carers at Job Centres. These programs must be flexible enough to support people out of work for a short period of time or who have been out of the workforce for long stretches.

Working-age people who provide care for 20 hours or more each week tend to have lower qualification levels. Overall, 70% of those who cared for 20 hours or more had no or low qualifications compared with around half of low intensity carers (52%) or non-carers (48%)²².

Work Carers UK carried out as part of a European Social Fund supported programme²³ – Action for Carers and Employment – showed that pre-vocational training for carers was vital to support carers to enter or return to the workforce. A skills based programme for carers could range from pre-vocational training, to skills accreditation whilst caring, to amendments in the benefits system to allow vocational training whilst caring.

Government could also play a role in encouraging employers to offer training and apprenticeships, perhaps incentivised by an offer of a National Insurance holiday for employers who train or take on a carer or former carer.

In his recent report on the state pension age John Cridland singled out carers as a group which needs particular focus and support. In particular he raised the current difficulties of reconciling working longer with caring responsibilities and highlighted that those with caring responsibilities or other significant barriers to employment will have to live longer in poverty if the State Pension age increases.

Maintaining the talents of people over the age of 50 in workplaces is good practice not just for employers, who benefit from experienced workers but also individuals, for whom remaining in work until retirement can make their later life more affordable. It is further

²² New Policy Institute (2016), Informal care and poverty in the UK

²³ Action for Carers and Employment (ACE) National Partnership (2002-2007)

important that as wide a range of occupations is made accessible to carers as possible. Evidence from a major study, the Carers, Employment and Services Report Series by the University of Leeds and Carers UK, including an analysis of the Census, showed how carers of both genders, but particularly women, are likely to be in 'elementary occupations' – process plant and machine operative jobs, or sales, customer services or personal services.²⁴

Carers who are self-employed

There is some evidence to suggest that carers are more likely to be self-employed than non-carers. Those who are self-employed say that the advantages are being able to “flex” work far more around caring responsibilities. The introduction of new rules around self-employment within Universal Credit make it far less likely that self-employment and in particular “micro self-employment” will be a viable route for carers in the future to keep a foothold in paid work alongside caring. This needs further consideration of the behavioural impacts of the new rules on carers.

Health and Social Care Services Fit for the Modern Economy

The UK's population has aged significantly. Since mid-2014 the average age has exceeded 40 and by 2040, nearly one in seven people will be aged over 75 years.²⁵ For older people, healthy life expectancy is not keeping pace with growing life expectancy meaning that people over 65 are spending more time in ill health.

It is, however, the case that today, 25% fewer older people are receiving social care support than five years ago²⁶.

Whilst carers who provide care do so willingly, providing support worth £132 billion a year,²⁷ this does not mean they can forgo support themselves. Where the correct NHS and social care services are not in place to support and supplement the care unpaid carers provide, inevitably carers will be less able to juggle work and care and stay in employment. Health and social care services must work with greater co-ordination and a sustainable funding settlement must be reached in order to support carers and the people they care for.

²⁴ Carers UK (2006) More than a job: working carers: evidence from the 2001 Census

²⁵ Government Office for Science, Future of an Ageing Population (2016)

²⁶ Kings Fund and Nuffield Trust (2016), www.kingsfund.org.uk/blog/2016/07/taking-control-our-social-care-system

²⁷ Carers UK and the University of Leeds (2015) Valuing Carers 2015

Access to properly funded social care helps to prevent carers reaching breaking point, where the stress and strain of caring becomes too much to bear, as well as preventing deteriorating health outcomes and isolation. Yet, due to long term underfunding of social care, fewer people have had access to support; 42% of carers told us that the amount of care and support arranged by social services has been reduced in the last year and 13% said that their care or support service was closed and no replacement was offered.²⁸

This is despite the need for care, and provision of unpaid care, increasing faster than population growth. Since 2001, the number of people providing 20-49 hours of care a week has increased by 43%, with those caring for fifty or more hours per week increasing by a third.²⁹

Without properly funded social care services those with care responsibilities will continue to be under-represented in the labour market. Whilst recent increases in funding announced at the 2017 budget and discussion of this issue as a priority amongst the political parties during the 2017 election is welcome, the next Government and Parliament must ensure that this issue is resolved for the long term. Additionally the lack of responsiveness of the care and support system, with delays in provision becoming available measured in weeks or months means many carers are forced to suspend or give up work during the transitional phase between a need for care arising and support being deployed whilst arrangements are made. Sadly many then find themselves out of the workplace for prolonged periods of time as a result.

The demands of juggling work and care lead to burnout for some carers - where they simply can't continue doing both. Of those who gave up work, retired early or reduced working hours, 69% said the stress of juggling work and care was a contributing factor, 31% said it was because there are no suitable care services and 21% said care services are too expensive. 16% said that the leave available from work was insufficient to be able to manage caring alongside work and 18% were unable to negotiate suitable working hours³⁰.

Back up and support for working carers to look after their own health whilst caring must be improved with greater flexibility offered by the NHS and care services and more done to identify and support working carers. Carers working full time and providing 50 hours or more unpaid care per week; are 2.4 times (men) and 2.7 times (women) more

²⁸ Carers UK (2015) State of Caring Report

²⁹ Carers UK (2015) Valuing Carers 2015

³⁰ Carers UK (2016), State of Caring 2016 Report

likely to have 'Not Good' health than those working full-time not providing unpaid care.³¹

Care services should also be seen not just as a support service in isolation but as a potential engine of economic growth in their own right. The provision of paid care has a market with demand for families willing and able to buy care, employers who want services which reduce employee stress and individuals with personal budgets paid for through the benefits system.

Care as a business sector in its own right is already seen as a means to boost employment and support other sectors by reducing unemployment in Belgium, France and Denmark.

Role of innovation and technology in changing work practices and supporting care

A modern economy needs to take advantage of innovations in the digital and communications spheres. For carers, technology represents a means to support individual wellbeing and employment prospects. It also offers employers the ability to offer more flexible working practices.

A range of technologies have the potential to change care in the home and community, reducing physical time and the psychological worry of providing care. Assistive technology can give both carers and the people they care for greater independence and reassurance. Carers UK research in 2013 showed that almost three quarters (72%) of carers using technology said that it had given them greater peace of mind and over 10% said that using health and care technologies had either helped them to get a job or stay in work alongside caring.³²

Despite this, we are only now starting to realise the opportunities for practical and online technology to help families to co-ordinate a better work-life-care balance, access peer-to-peer support and save time.

Connectivity and the ability to work remotely can enable people to combine their job with providing unpaid care. Technology enabled support networks can provide important peer to peer emotional and practical support at work.

³¹ Census 2011, <http://webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/guide-method/census/2011/carers-week/index.html>

³² Carers UK (2013), State of Caring Report 2013

Employers can also help by promoting health and care technologies that can support their employees with caring such as: smartphone apps which tell you that a care worker has arrived on time, co-ordination tools for them to organise care with their families, or alarms and monitors at home which give peace of mind at work.

A future government should invest in technology which can support health and care and encourage employers to utilise health and care technology in the workplace. Efforts should also be made to promote a market in health and care technologies supporting the needs of consumers and families in how they live and work.

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