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With thanks to the Group's officers:

Neil Gray MP, Hannah Bardell MP, Caroline Flint MP, Baroness Prosser and Baroness Uddin.

## **Foreword**



Flick Drummond MP Co-Chair

This inquiry and report came out of startling statistics that women who have been out of the workplace for more than six months find it very difficult to get back into employment.

As someone who took time out of the workplace to have children, and thoroughly enjoyed being at home with them, I hope that this report will encourage anyone who has taken time out of the workplace but needs some confidence and help to get back to work.

If we want to be a happier and more successful country, we must appreciate that some people take time out of the workplace for either caring responsibilities or to pursue other interests. Spending time at home with children or looking after elderly parents does not make women or men less capable and it should not be a deterrent when wanting to go back to work at the appropriate time.

I would like to see a culture where we recognise that this can have a positive impact in our ability to do the job. The recommendations in this report are very helpful and I hope that by highlighting some positive cases, other organisations will follow.



Jess Philips MP Co-Chair

Every week I sit in Parliament and hear politicians lament the UK productivity problem. I am heartened by the increased investment in infrastructure spending to improve this but remain flabbergasted that so little of the conversation about the productivity problem considers the barriers to work faced by half the population. Improving women's labour market participation is not just important for well-rehearsed social reasons, it matters to our economy. It was therefore unsurprising that throughout the evidence that contributed to this report, the best examples of specific schemes to support and encourage women back into work came from the private sector where the business case of recruiting and keeping the best talent is understood.

This report and its recommendations begin the conversation about the importance of getting women working and outlines where the government, companies and public sector employers have done well but could do more.

Every group of women was considered in writing this report, from apprentices just starting out, to women leading global companies. For women in work there are a number of universal truths and this report aims to tackle them and get the women of the UK working.

We would like to thank everyone who contributed to the inquiry, and particularly thank Leonie Blakeway and Charlie Wells who put this report together.

Flick Drunhad.

Jess Philips

### The context

Theresa May used her first speech as Prime Minister to highlight the differences in earning power between women and men, and to vow to fight against this "burning injustice". This built on the work of the former Prime Minister, David Cameron, who introduced measures "to eradicate gender inequality in the workplace and remove barriers to women's success", including a commitment to "end the gender pay gap in a generation".

Despite these good intentions, figures show that British women have 71% of the economic opportunity men have. According to the Women's Business Council, only 69% of working-age women are employed, compared to 78% of men.

Interestingly, ONS data shows that, on average, women earn more than men when aged between 22 and 29.¹ It is only when they turn 30 that men begin to significantly outstrip their female counterparts when it comes to earnings.² Figures from the Fawcett Society show that this pay gap widens even further once women enter their forties.³ Recent analysis from the Resolution Foundation found that the generational progress on gender pay shows signs of stalling and old challenges associated with having children endure for young women today.⁴ In addition, women continue to carry out the majority of unpaid work in the home, and are more likely than men to care for family members other than their partner.⁵

42% of women are likely to work part-time, compared with just 12% of men.<sup>6</sup> This likelihood increases as women get older, with half of women over 50 working part-time.<sup>7</sup> For women who wish to return to the workplace, evidence gathered by the APPG suggests that there is a lack of support available to make this happen. Some of the problems that we have identified include skills which are no longer current, a "CV gap", the cost of childcare and a lack of confidence. For many women, barriers such as these lead to them dropping out of the labour market altogether.

This report looks at the reasons why women leave the labour market, how we can mitigate the problems that they face and what should be done to support women who want to return to the workplace.



"This means fighting against the burning injustice that... if you're a woman, you will earn less than a man"

Theresa May MP, Prime Minister, July 2016

#### **OUR EVIDENCE**

In compiling this report the APPG took evidence from our programme of meetings and private roundtables on the broad topic of women returners. The group looked at enterprise, agile working, disability, gender and employment, apprenticeships and the journey to full employment. We also considered the question of "Why aren't women working at Labour and Conservative party conferences?".

After an open call for evidence, the APPG received submissions from a range of organisations which have been referred to throughout the report. A full list of contributors can be found at the end of the report.

<sup>&</sup>lt;sup>1</sup> What is the Gender Pay Gap?, Office for National Statistics, 2016

<sup>&</sup>lt;sup>2</sup> Ihic

<sup>&</sup>lt;sup>3</sup> The Gender Pay Gap, Fawcett Society, available at http://www.fawcettsociety.org.uk/policy-research/the-gender-pay-gap/

 $<sup>^4</sup>$  Is the gender pay gap on the brink of closure for young women today?, Resolution Foundation, 2017

<sup>&</sup>lt;sup>5</sup> Ihid

<sup>&</sup>lt;sup>6</sup> Gender Pay Gap, The Women and Equalities Committee, 2016

<sup>&</sup>lt;sup>7</sup> Ibid

## **Contents**

This report looks at a woman's journey through employment through the prism of a 'woman returner'. We start by explaining the reasons why many women take a career break, such as motherhood and caring responsibilities, and then look at what needs to be done to support their return back into the work place as a returner, for example through flexible working, enterprise and apprenticeships.

We have built a number of recommendations into the report which are summarised at the end of the document. We hope that these recommendations will help to mitigate and eradicate gender inequality in the workplace in the future.

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# Why do women 'fall out' of the economy?

## THE MOTHERHOOD PENALTY: MATERNITY LEAVE, PATERNITY LEAVE AND SHARED PARENTAL LEAVE

Despite advances in gender equality, women still tend to shoulder the majority of parenting responsibilities. One reason for this is that legislation around parental leave positions women as the primary carer.

To address this, the Government introduced Shared Parental Leave (SPL) in April 2015. This enables parents to share up to 50 weeks off work, following the first two weeks after birth, with statutory pay.

Although the introduction of SPL was welcomed by many as a step in the right direction, uptake has been low. For example, a survey of 200 employers conducted by My Family Care, found that just 1% of men have so far taken up the opportunity to share their partner's parental leave and 55% of women say they would not want to share their maternity leave.<sup>8</sup>

#### A complicated system?

Many of those responding to our call for evidence suggested that the current process for using SPL is complicated and unwieldy. 45% of respondents to a CIPD survey stated that the implementation of SPL was 'complicated' whilst 26% described it as 'very complicated'. 77% said that they had to go as far as consulting external advice to understand the process and how it works.



"45% of respondents to a CIPD survey stated that the implementation of SPL was 'complicated' whilst 26% described it as 'very complicated'."

CIPD Survey, 2016

#### Case study • Network Rail - shared parental leave in practice

In Scotland, a Network Rail employee was awarded £28,321 following his discrimination complaint over Shared Parental Leave when his employer refused to pay his SPL at the same rate as his wife, who was employed by the same company.

In Snell v Network Rail, both the claimant and his wife were employed by Network Rail. The tribunal established that the male claimant was indirectly discriminated against in relation to his sex by the operation of Network Rail's family-friendly policy. While the case has established that unequal pay within the parameters of shared parental pay is likely to be unacceptable, "it provides little clarity on the far more complex question of whether it is

acceptable to raise maternity pay while offering paternity pay and shared parental pay at the statutory rate".

In response to this case, Network Rail amended its family-friendly policy so that men and women are treated equally when shared parental leave and pay is taken. This follows Government policy recommendations for public sector bodies. Both mother, primary adopters and fathers/mothers or primary adopters partners would receive statutory shared parental pay.

This change did not affect Network Rail's maternity policy, which remains that mothers receive enhanced pay.

<sup>&</sup>lt;sup>8</sup> Shared Parental Leave – One Year On – Where Are We Now?, My Family Care, 2016



#### **Unaffordable?**

Financial unaffordability was given as the reason behind a lack of take up of SPL by the majority of those submitting evidence to the APPG.

Statutory Maternity Pay (SMP) is paid to eligible female employees for up to 39 weeks and comprises 90% of the employee's average weekly earnings (before tax) for the first 6 weeks, followed by £139.58 per week or 90% of the employee's weekly earnings (whichever is lower) for the next 33 weeks.

In contrast, Statutory Shared Parental Leave Pay (ShPP) is paid for 37 weeks at £139.58, or 90% of the employee's weekly earnings, whichever is lower. Unlike SMP, there is no provision for the first six weeks to be paid at 90% of the parent's actual weekly earnings.



"Only one in six would consider taking up the offer of Shared Parental Leave as financially it doesn't add up."

Mumsnet survey, 2016

To encourage a greater take up of SPL, the Government should equalise Statutory Maternity Pay and Statutory Shared Parental Leave Pay so that couples are not financially penalised if they choose to take up Shared Parental Leave. Employers should also be encouraged to be better informed about the different types of leave as it applies to their employees.

#### RECOMMENDATION

Equalise Statutory Maternity Pay and Statutory Shared Parental Leave Pay so that couples are not financially penalised if they take up Shared Parental Leave.

#### What about the self-employed?

Evidence submitted by IPSE, one of the group's sponsors, also raised questions around the availability of maternity and paternity pay for the self-employed.

Maternity Allowance is usually paid to you if you do not qualify for Statutory Maternity Pay and you can claim it as soon as you have been pregnant for 26 weeks. The amount that you get depends on your eligibility but on average, it means that you receive £138.18 in benefits for 39 weeks.

If you are self-employed, this is likely to be the benefit that you qualify for, meaning that you receive less than someone on SMP.

## Case study • Charlotte Wibberley, 2015 IPSE Freelancer of the Year Finalist - complex maternity arrangements for the self-employed

Charlotte is a busy mother of two small children. She lives in Chelmsford and is an Online Business Manager, coach and mentor. She is the winner of Mumpreneur 100 Award 2015 and Virtual Assistant of the Year South East 2015.

Charlotte set up her business while on maternity leave from employment with her first child and had her second child while running her own business. There is a difference in the maternity pay received while employed and the maternity allowance for self-employed individuals, but most of that is made up from individual company's maternity policies.

"I wasn't sure about what I was entitled to; I had to do a fair amount of digging to find this out. To top things up I had to plan ahead and set aside funds for my maternity period. It was a smooth process and a relief to get access to maternity allowance but it should be easier to find out what you are entitled to".



#### "It should be easier to find out what you are entitled to".

Charlotte Wibberley, IPSE Freelance of the Year Finalist, 2015

To increase the number of women who are self-employed and ensure that they are supported back into work, we recommend that the Government should enhance the first six weeks of the Maternity Allowance to bring it in line with SMP. Paternity benefits should also be re-examined as eligibility in this area is similarly unclear.

#### RECOMMENDATION

Government to enable mothers who are self-employed to claim a form of 'Statutory Maternity Pay' and re-examine how the self-employed are treated for maternity and paternity related benefits.

Wider recommendation:

• Employers should be encouraged to put in place gender-neutral policies regarding parental leave.

#### **DOUBLE JEOPARDY**

Some women face multiple barriers to both entering and re-entering the labour market. Women with disabilities face double jeopardy based both on their disability and their gender. Acquiring a disability or experiencing worsening health can result in women leaving their workplace for extended periods of time. They need tailored support when returning to work. This is compounded by motherhood and caring responsibilities, leading to further challenges in returning to the workplace.



Clare Gray, Disability Advocacy Adviser, Shaw Trust, 2016

According to evidence submitted by Shaw Trust, whilst the gap in employment between men with disabilities and women with disabilities has diminished in recent years, the wage gap between the two has widened.

Research from the Equality and Human Rights Commission shows that men with disabilities face a pay gap of 11% whilst women with disabilities face a pay gap that is twice as large, at 22%. Despite qualifications, disabled women have lower participation rates in higher skilled jobs and work fewer hours than both non-disabled women and disabled men. As a result, women with disabilities have both lower earnings and fewer opportunities to progress up the career ladder.

According to Shaw Trust, the reasons behind this are many, with multiple social and institutional barriers restricting the career options of women with disabilities. For example, gender roles and socio-institutional stereotypes restrict the range of jobs open to women with disabilities. In addition, work experience and training opportunities for women with disabilities are limited when compared to those offered to their peers without disabilities.

Despite this, there is currently little evidence on what is driving high economic inactivity among disabled women and more research is needed. Research from Shaw Trust shows that there is a population of people with disabilities who say their reason for economic inactivity is a lack of employer confidence rather than any health condition or disability they may have. According to Shaw Trust 95% of recruitment agencies say that companies are fearful and unsure of hiring disabled candidates.<sup>10</sup>

#### A new direction?

In October, Work and Pensions Secretary, Damian Green published *Improving Lives*: The *Work, Health and Disability Green Paper*. This outlined the Government's proposals and timescales for halving the disability employment gap, which many hope will enable more disabled women to return to work. The proposals set out to combat "prejudices and misunderstandings", ensuring "equal access to labour market opportunities", preventing people with disabilities from falling out of work, and supporting them to progress in the workplace. Although this is a positive development, there is no mention in the Green Paper of improving employment outcomes for women with disabilities in particular.



Shaw Trust, 2016



<sup>&</sup>lt;sup>9</sup> Research report 9: Pay Gaps Across Equalities Areas, Equality and Human Rights Commission, 2008

 $<sup>^{10}</sup>$  Companies still 'fearful' of hiring disabled people, finds REC research, REC, 2016

<sup>&</sup>lt;sup>11</sup> Work, health and disability green paper: improving lives, Department for Work and Pensions and Department of Health, 2016

<sup>12</sup> Ibid

#### Case study • Rahmat, Weston-super-Mare - the importance of tailored support

"Six months after I started my job I was hit with depression, anxiety, paranoia and agoraphobia. I was beating myself up about everything. I felt suicidal and would self-harm. I was struggling to handle things at work and care for my family. It was a difficult time because I needed to work full time – I'm a single mum of two children.

"I went to Shaw Trust and my adviser supported me. By taking small steps I was building my confidence, week by week. I went to groups to see how I felt around other people and then I discovered a woodwork course. When I'm there I forget about everything. It's like when you read a good book – you're gripped and immersed in the story. It makes me feel relaxed. In my mind I felt nothing was right, but in reality everything was fine. Shaw Trust helped me to be a stronger, happier and more comfortable person. "



The Government should commit to providing targeted support to improve employment outcomes for women with disabilities, working across all departments to map and understand the barriers preventing these women from securing employment and progressing within the workplace.

A greater policy focus on women with disabilities who are economically inactive, as well as tracking the destination and earnings of women with disabilities, would help to identify and combat the barriers that currently exist.

#### RECOMMENDATION

Government to work across all departments, in consultation with disabled user groups, to map and better understand what is needed to help women with disabilities to secure employment and progress within the workplace.

- The Government should continue to build on the successes of Work Choice and provide specialist employment support, which has been proven to help disabled people move into work.
- The Work and Health Programme, which will replace both the Work Programme and Work Choice, should better integrate employment support with health and provide more holistic support for people with disabilities to move into work.
- Improving Lives: The Work, Health and Disability Green Paper should address the barriers facing women with disabilities in employment.

#### **CARING RESPONSIBILITIES**

Throughout our APPG meetings and in the evidence submitted to the inquiry, participants repeatedly highlighted the lack of understanding of, and support for, those with caring responsibilities in the labour market. Too often, caring responsibilities within the family fall to women, and there is little flexibility within the workplace to deal with this.

#### Childcare

Despite having relatively high female employment rates, the UK has comparatively low maternal employment rates. <sup>13</sup>

"Childcare costs are an enormous barrier for parents who want to return to work, with many women choosing not to work because of the small financial reward once childcare costs are taken into account."

Flick Drummond MP, Co-Chair of the Women and Work APPG, 2016

A survey by Mumsnet and the independent think tank Resolution Foundation, found that around 67% of mothers in work and 64% of those not working, said the high cost of childcare is a barrier to taking on more employment.<sup>14</sup>

The report found that childcare costs are named as the biggest single obstacle to more work by more than four in ten mothers. For working mothers, the next most common barrier to more work is employers being unable or unwilling to offer more hours once they decided that they are ready to go back to work.<sup>15</sup>

The Government has attempted to change this and from September 2017, working parents of three- and four-year-olds in England will be eligible for an additional 15 hours a week of free childcare (on top of the universal entitlement of 15 hours a week of free early education for all three and four year olds). To qualify for the full 30 hours of free childcare, each parent (or the sole parent in a single parent family) will need to earn, on average, the equivalent of 16 hours on the national minimum wage per week (currently £107 per week) and no more than £100,000 per year.  $^{16}$ 



 $<sup>^{13}</sup>$  Childmind the gap: Reforming childcare to support mothers in work, IPPR, 2014

<sup>&</sup>lt;sup>14</sup> Careers and Carers: childcare and maternal labour supply, Resolution Foundation and Mumsnet, 2014

<sup>&</sup>lt;sup>15</sup> Ibid

<sup>&</sup>lt;sup>16</sup> 30 hour free childcare entitlement: delivery model, Government consultation response, Department for Education, 2016

Despite this, evidence to the APPG suggests that there is a lack of awareness and readiness among employers for some of the impending childcare policy changes. Many have also questioned whether the increased childcare will achieve the aim of enabling parents to work more. Recent research by the Institute for Fiscal Studies (IFS) suggests that the parents who use free childcare to reduce their own childcare costs could, in principle, even have cause to work less, as their disposable income increases through saving money on childcare.<sup>17</sup>

Evidence submitted to the APPG suggested that the Government could consider offering more flexible, targeted support to a smaller number of parents for whom free childcare is most likely to make the biggest difference to encourage women back into work.

In addition, evidence submitted to the APPG by IPSE and the Childcare Voucher Providers Association demonstrates how the new Tax-Free Childcare (TFC) system, which will come into force from early 2017, could offer an opportunity to support more self-employed women.

However, the current plans to roll out the scheme, which will open first to families with the youngest children, including those who already have access to childcare vouchers, will mean that self-employed parents will have to wait to access this support. This will particularly affect the increasing numbers of self-employed women. In order to provide greater support to self-employed women more quickly, the APPG recommends that TFC should be opened to self-employed parents first.

#### RECOMMENDATION

Government to consider offering more flexible, targeted support to a smaller number of parents for whom free childcare is most likely to make the biggest difference.

#### A growing army of (unpaid) carers

Evidence from Carers UK points to the three million people in the UK who combine working with providing unpaid care. From 2017, the number of older and disabled people needing long-term care is predicted to outstrip the number of family members able to provide it. 2.3 million adults have given up work and nearly 2 million have reduced their working hours as a result of caring at some point. 19



"Women are more likely to be carers than men, with 58% of carers being female."

Carers UK, 2014

The percentage of carers who are female reached 60% for those caring for 50 or more hours a week and in total, women make up 73% of those receiving Carer's Allowance (caring for 35 hours or more a week).<sup>20</sup>

According to figures submitted to the APPG by The Young Women's Trust, 61% of young women who are not in education, employment or training (NEET) or are economically inactive, said that this was because they were caring for family and/or home. In addition, caring responsibilities often mean that young women are "unable to sacrifice lower pay in exchange for training in the way that young men are".

<sup>&</sup>lt;sup>17</sup> Does free childcare help parents work?, Institute for Fiscal Studies, 2016

<sup>&</sup>lt;sup>18</sup> More people needing social care than family carers available from 2017, IPPR, 2014

<sup>&</sup>lt;sup>19</sup> Research reveals over 2 million quit work to care, Carers UK, 2013

<sup>&</sup>lt;sup>20</sup> Facts about carers, Carers UK, 2014

#### A juggling act

According to the CIPD, the difficulty of combining work and caring responsibilities is one of the main barriers to increased female participation in the labour market. Their evidence shows that one in five employees with caring responsibilities has seen their work disrupted as a result, and this is often a reason for taking an extended career break.

Furthermore, 64% of female workers feel that revealing information about their personal circumstances, such as details of their caring responsibilities, would make it less likely that they would be offered a job during the recruitment process.<sup>21</sup> 10% of respondents confirmed that they have been asked to disclose information on whether they have caring responsibilities at interview – which is prohibited by the Equalities Act 2010.<sup>22</sup>

In the submission to the APPG from the Women's Budget Group, they cited evidence showing that flexible working and quality part-time opportunities in the formal labour market, which may cater for women with caring responsibilities, are often very limited.



"Juggling caring responsibilities and the need to earn an income may be fuelling the rise in self-employment among women aged 50 and over".

Women's Budget Group, 2016

#### The sandwich generation

Increasingly, some women are now part of the so-called "sandwich generation", caring for both elderly relatives and children. Crucially, women are far more likely than men to be carers in middle age, with one in four women aged between 50 and 64 having caring responsibilities, compared to just one in six men in the equivalent age group.<sup>23</sup>

According to the CIPD "caring for both children and older loved ones is negatively affecting the employee's ability to earn, along with restricting opportunities for career progression". Informal carers often experience adverse financial effects as a result of their responsibilities, with both short and long-term impacts such as a reduction in immediate income or lessening their ability to build up pension provisions and savings. There are also negative impacts for the employers, who may suffer a loss of productivity in the short-term, as well as dealing with the longer-term impacts on employees' health and wellbeing. CIPD research shows that these impacts can include "tiredness, exhaustion and lack of concentration".

Whilst support is offered to allow those caring for young children to take time off work and with childcare, little equivalent support is offered to those who care for elderly parents or disabled or chronically ill family members.

In order to overcome some of these barriers, the APPG recommends that every workplace should have a formal or informal carers policy detailing organisational support available for those with caring responsibilities. This will help to legitimise and normalise balancing caring responsibilities with working responsibilities, and make it clear to employees that their needs will be supported. This would be beneficial to both the employee, allowing them to have confidence that they can stay in work and balance their responsibilities, and to the employer, who can mitigate the loss of productivity and the negative impact on employee health and wellbeing.

"Businesses and government must work together to deliver one holistic diversity strategy – aimed at attracting and retaining female talent from the classroom to the boardroom, and from school all the way to retirement."

Ann Pickering HR Director at O2 (Telefonica UK), January 2017

<sup>&</sup>lt;sup>21</sup> Employee attitudes to discrimination against pregnant women and women with young children during the recruitment process: survey result, Mumsnet, 2016

<sup>&</sup>lt;sup>22</sup> Ibid

<sup>&</sup>lt;sup>23</sup> Facts about carers, Carers UK, 2014

#### RECOMMENDATION

Every workplace with 250 or more employees should have a carers policy detailing organisational support available for those with caring responsibilities.

#### Case study • Patrick McCarthy - Head of Technical Transformation, Staines - care and support at work

Patrick McCarthy's daughter Martha was born with a very rare chromosome abnormality: a micro-deletion on chromosome 16p 13.11. This means that a part of one of her chromosomes has been lost or deleted. When her parents were told she had it, only 50 other people in the world had been diagnosed with the disorder.

As a result of the disorder, Martha, who is nine, cannot walk or talk or stand, and has very poor fine and gross motor skills. She is wheelchair-bound, and is dependent on her parents for feeding and moving around.

Patrick has worked for Centrica for over ten years and part of his commitment to the firm is due to the support they have given him. He says his colleagues and line manager were very understanding of his situation from the start. "They allowed me the flexibility I needed so I could go to appointments, and do other things like get a statement of special educational needs to ensure Martha got into the right school (with the physio and speech and language therapists she needed) so she could progress as much as possible," says Patrick.

Since those early days, Centrica has developed an award-winning carers programme. This includes an innovative carer's leave policy whereby the company provides up to one month of paid matched leave. That means if Patrick takes two days off for caring needs, Centrica give him one day as care leave so he only has to take one out of his annual leave.

"If I just had to use holiday every time I had to go to appointments, it would run out very quickly and we would have no family time," says Patrick, who has another daughter, aged seven. "It's great that Centrica recognises the extra requirements of carers."

He has also found the company's carers network very supportive. "Meeting up with other people with caring responsibilities makes you feel you are not on your own and that other people are facing similar things," says Patrick, who chairs the Staines/Windsor carers network. As such he is in touch with head office and the head of the carers network and can discuss any issues that he or other carers might have.



- The Government should make Carers Allowance available for those who are studying, thereby increasing the opportunities for up-skilling, retraining, and career progression, as well as supporting younger carers.
- The Government should consider introducing a form of statutory 'Family Leave' or 'Care Leave' to make it easier for members of the "sandwich generation" to take time off work.
- Both the Government and employers should support greater recognition of the skills developed whilst carrying out caring responsibilities.
- There should be a greater policy focus on providing effective employment support for those considering a return to work after time off caring for family.

## Returning to work

#### **RETURNSHIPS**

The latest national employment data shows that whilst the employment rate for working age women without dependent children is 76.2%, the rate for women with dependent children is 67.5%.<sup>24</sup> The rate for women with fewer qualifications is particularly low.<sup>25</sup> Research has shown that increasing overall maternal employment by up to 5% could generate around £750 million in increased tax revenue and decreased benefit spending for the country. <sup>26</sup>

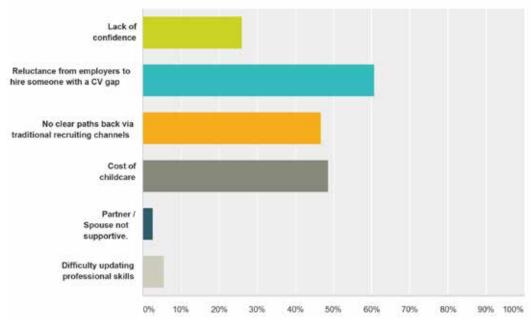
#### 'Lost women'

Many speakers and participants at the APPG's programme of meetings throughout the year spoke of a generation of older "lost women" who have stepped out of their roles for an extended period of time and who do not go back to work. As people are living longer and the retirement age is increasing, many women need to return to work but don't know where to start. Julianne Miles, the Co-Founder and Director of Women Returners, highlighted figures showing that three-quarters of these women wish to return to the workplace but face significant challenges in doing so.

Evidence submitted to the APPG from The Return Hub, which conducted a survey of professional women who have returned to work, in order to formulate a response to the APPG's call for evidence, shows that 60% believe that the main barrier preventing women from returning to work is reluctance from employers to hire someone with a CV gap. 47% thought that no clear paths back via traditional recruiting channels was one of the top two barriers preventing women to return to the workplace.

"There is a largely untapped talent pool of highly skilled women who want to return to work. It's time to increase awareness amongst employers of the benefits of hiring returners."

Dominie Moss, Founder, The Return Hub, 2016



The Return Hub, 2016

 $<sup>^{24}</sup>$  Employment and employee types, Office for National Statistics, 2016  $\,$ 

<sup>25</sup> Ihio

 $<sup>^{26}</sup>$  No more baby steps, a strategy for revolutionising childcare, IPPR, 2014

#### Re-couping 'value'

In recent years, a number of employer initiatives have been designed to support women back into work following a career break. So-called 'returnships' are usually designed to support senior professionals who have been on an extended career break, back into their industry, and offer a paid opportunity to fill in CV gaps and receive support and mentoring. Lloyds Banking Group, for instance, offers a programme built around a ten-week placement with a 'real vacancy', including support and guidance, training, and internal and external briefings.

#### Opportunities for low paid women



**"Too often conversations about women returners leave behind those that don't work in the City."** 

Jess Phillips MP, Co-Chair of the Women and Work APPG, 2016

Whilst such schemes are overwhelmingly viewed as positive, some submissions suggested that the focus of these schemes could be broadened. For example, many returnship initiatives are focused on supporting women, and men, in senior professional-level positions. Women on low incomes, or women with mid-level positions are not covered by the majority of returnships initiatives.



"If you want to get back into a mid-level sort of job after several years out, if you want to work part-time and not be paid an absolute pittance, it's very hard indeed".

Mumsnet, 2016

Almost 90% of respondents to The Return Hub's survey said that they think that the Government should provide incentives to employers to increase the number of returnships available. The APPG recommends that larger employers, in more diverse sectors, put in place returnship schemes with guaranteed training and the possibility of employment upon completion.

#### RECOMMENDATION

Employers with 250 or more employees should consider putting in place paid returner programmes or returnships with guaranteed training, advice, and support.

- Employers should develop more returners' initiatives at all levels to support employees and potential employees at all stages of their career back into the workplace.
- As most returnship initiatives are currently located in London, the Government and employers should work to support the development of returnships initiatives across the rest of the UK.
- Employers should work to develop networks of mentors and peers to deliver advice and support for those returning to work the importance of one-to-one support should not be underestimated.
- All employers with 250 or more employees should develop a return to work policy for any employee coming back to the workplace after an extended career break. This should include participation from line managers and HR teams, and paid training days in order to keep up with skills.



#### APPRENTICESHIPS AND SKILLS

Apprenticeships have been suggested as a route back into work for some women who have been out of the work place for an extended period of time, and particularly for those wishing to enter a new profession. Since 2010, there have been more female apprenticeship starts than male apprenticeship starts, but gender imbalances are still widely prevalent within apprenticeship opportunities.<sup>27</sup>

#### **Unbalanced earnings**



"Male apprentices are paid around 21% more per hour than female apprentices"

Young Women's Trust, 2015

Female apprentices receive an average of £4.82 an hour compared with an average of £5.85 an hour for male apprentices.<sup>28</sup> This means that male apprentices are paid around 21% more per hour. Women are less likely to receive training as part of their apprenticeship than men, and women are more likely to be out of work at the end of their apprenticeship than men.<sup>29</sup>

#### **Sector specific**

According to evidence submitted by the Young Women's Trust, there are also vast sectoral imbalances. For example, women take up 94% of childcare apprenticeships and the proportion of female apprenticeships in STEM industries is small. In 2014/15, women made up 16.9% of ICT apprenticeships, 8.2% of Engineering and Manufacturing Technologies apprenticeships, and 1.7% of Construction, Planning and the Built Environment apprenticeships.

#### Older women?

With older workers making up an ever more significant proportion of the UK workforce, apprenticeships for older workers, and older women in particular, must not be overlooked. In 2014/15 in England, more than 55,700 of apprenticeship starts were aged between 45-59, and 34,000 were aged 60 or older.<sup>30</sup>

<sup>&</sup>lt;sup>27</sup> Apprenticeships by geography, equality & diversity and sector subject area: starts 2002/03 to 2015/16, Department for Education and Skills Funding Agency, 2016

 $<sup>^{28}</sup>$  Apprenticeships- where pay gap first appears, Young Women's Trust, 2015

<sup>&</sup>lt;sup>29</sup> Ibid

<sup>&</sup>lt;sup>30</sup> Apprenticeship Statistics: England, House of Commons Library, 2016

#### Case study • Ryannie Scallion – apprenticeships in practice

Before joining British Gas, Ryannie was at school and volunteered at a school for children with disabilities. She had always thought about staying on in education but wasn't sure what her options were.

"If I'm honest I was going to go to university to be a physiotherapist, but the more I thought about it, the more I knew that university wasn't really for me. Even though I had no idea what it was like being an apprentice in a contact centre, it's been one of the best things I've done, as I can earn money whilst studying. I also feel like I have a career."

Ryannie said, "I really am a people person and learning about helping customers every day and some of the responses from them are what the job is about, it makes you feel good about yourself knowing you can help others".

"I applied for the apprenticeship because I think it is exciting to be a part of something completely different from what I thought I wanted to do. Now I've been here for four months it's definitely the opportunity for me as I can develop and help customers. I can also make a career in customer service."

Ryannie's team are one of the top performing teams in Edinburgh and are making a key difference to British Gas by improving customer satisfaction scores alongside increased productivity, therefore helping more British Gas customers in a shorter time period. The team managers have put this down to the quality, structure and investment of the apprenticeship scheme.

However a March 2016 survey conducted by Centrica found that the majority of respondents "mistakenly believe apprenticeships are just for school leavers" and that age is a perceived barrier to the uptake of apprenticeships. Whilst apprenticeships are often only considered at the start of an employee's career, 83% of respondents stated that the main benefit of undertaking an apprenticeship would be to learn new skills, whilst 54% identified learning by doing, rather than from a book, as one of the main advantages.

#### Part-time and flexible options?



Centrica, 2016

The lack of part-time and flexible options for apprenticeships is a significant barrier for women, particularly those with caring responsibilities. The majority of evidence received by the APPG indicates that employers remain unaware of the possibility of employing apprentices on a more flexible basis. Given this, the Government should issue renewed guidance on part-time and flexible apprenticeships.

#### RECOMMENDATION

Government to take steps to further diversify the apprenticeships sector by specifying that a percentage of apprenticeships should be part-time or flexible.



#### Wider recommendations:

- Remove the upper age limits for apprenticeship schemes.
- Increase transparency around apprenticeships to help increase employers' accountability and responsibility when it comes to diversity within apprenticeships. Employers should publish data on apprenticeships, including information on age and gender.
- Employers and training providers should remove formal academic entry requirements for apprenticeships, unless they are directly necessary for performing the role, to encourage greater diversity within apprenticeship schemes.
- Employers should ensure that apprentices are able to access support to cover childcare costs on the same basis as other workers.
- Providers of information, advice and guidance should be trained and encouraged to deliver advice that challenges stereotypes within the apprenticeships sector, for example surrounding gender and age.

#### **FLEXIBLE WORKING**

Figures suggest that many women are still being forced to leave their jobs, or are unable to return to the workplace, because their request for flexible working has been denied. Of the 2.6 million mums who are not working in the UK, 68% of them living with children aged 18 and under would go back to work in some capacity if flexible working around childcare was an option.<sup>31</sup> However, one in five working mums have been forced to leave their jobs after their request to work flexibly was rejected.<sup>32</sup> Yet since June 2014, every employee in the UK has had the statutory right to request flexible working after 26 weeks of employment.

#### 'Toothless' legislation?

The overwhelming majority of the evidence received suggests that the "right to request" flexible hours does not mean that they are easily secured. In fact, of the women surveyed for the APPG report by The Return Hub, 63% of them felt that they were not able to work flexibly because of their company's "culture of presenteeism". In addition, CIPD research has shown that the three main obstacles to flexible working are traditional organisational cultures, a lack of trust in the workplace, and negative attitudes towards flexible working by senior leaders and managers.



Digital Mums, 2016

#### The benefits of flexible work

The evidence is clear that flexible working has a positive impact on employees and employers. Lancaster University's Work Foundation argues flexible working leads to increased productivity, improved employee wellbeing and talent attraction and retention.<sup>33</sup> Further evidence from the CIPD shows that flexible working helps employees reduce the amount of stress and pressure they feel under (29%), enables better work-life balance (54%) and has been a factor in them staying with their current employer (28%).

Over a fifth of respondents to CIPD's survey said that flexible working helps them to manage their caring responsibilities for children, with 33% stating that that flexible working helps them manage caring responsibilities of some description. Women are more likely to say that working flexibly enables them to manage caring responsibilities than men, who are more likely to say that it helps to reduce the time and cost of commuting.

Building a case for successfully creating a culture that embraces agile working will support businesses by attracting the best talent and achieving gender diversity. It will also increase colleague satisfaction goals, according to evidence from Lloyds Banking Group. However, there is a significant gap between flexible working and flexible hiring. The Timewise recruitment site states that less than 9% of jobs which are paid over £20,000 full-time equivalent (FTE) are advertised as being open to flexible working options. <sup>34</sup>

<sup>&</sup>lt;sup>31</sup> #work that works, Digital Mums and the Centre for Economics and Business Research, 2016

<sup>32</sup> Mums forced out due to lack of flexible jobs, Working Mums, 2016

<sup>33</sup> Working 9am-5pm no longer 'the way to make a living', Lancaster University, 2016

<sup>&</sup>lt;sup>34</sup> Timewise Flexible Jobs Index 2016, Timewise, 2016



## "Individual conditions or parental and caring responsibilities can often prevent women with disabilities from moving into traditional, full-time employment"

Shaw Trust. 2016

Evidence from Shaw Trust also points out that flexibility in the workplace is an essential mechanism for women with disabilities, or those with caring responsibilities for someone with a disability. Individual conditions or parental and caring responsibilities can often prevent women with disabilities from moving into full-time employment and, despite equality legislation, disabled women are still less likely to be able to access employment, be paid equally and advance their careers. According to Shaw Trust, there is still a pay gap of 22% between disabled and non-disabled women. To counter this, tailored employment support must be offered in order to best fit the needs of women with disabilities, including more awareness around disability leave.

#### Agile working?

Giving evidence at a meeting of the APPG, the Chair of the 30% Club, Brenda Trenowden, argued that the term 'agile working' should replace 'flexible working' as the term 'flexible' makes the issue sound like it is only of relevance to women and mothers working part-time. Agile is a much more positive concept which includes everyone in the workplace. To create change around flexible working, the debate needs to be gender neutral.



## "Agile is a much more positive concept which includes everyone in the workplace."

Brenda Trenowden, 30% Club, 2016

To support employees, and employers, in making flexible working a reality, businesses should join and strive for a flexible working standard accreditation, setting a gold standard for businesses who offer genuine flexible working. The Government should also develop clearer guidance on flexible working, including information on the justification needed by employers to decline a request for flexible working.

#### RECOMMENDATION

Employers should promote best practice through a flexible working kitemark with official accreditation and assessment to increase flexible working visibility and actively encourage the uptake of flexible working.

- Senior managers should be seen to support flexible working for all employees both in principle and in practice.
- There should be more information available explaining the reasons why employers can turn down a request for flexible working.
- The Government should encourage companies to report on flexible working requests and how often they are granted. Employers with best-practice examples to share could lead the way by voluntarily publishing data on flexible working requests.
- There is a gap between flexible working and flexible hiring. Job descriptions should include information on flexible working options and these should also be offered throughout the job application process, and at point of hire.
- The Government should continue to provide an overarching legal framework that supports the provision of flexible working and consider introducing penalties for companies that limit opportunities for flexible working where flexibility would not damage business performance.
- The Government and employers should work towards referring to 'flexible working' as 'agile working' in order
  to remove negative perceptions surrounding flexibility.

#### PROMOTING SELF EMPLOYMENT AND ENTERPRISE

Self employment offers many women an opportunity to return to work, by providing flexibility, independence and the ability to dictate their own work-life balance. Despite this, the rise in female entrepreneurship seems to go alongside a sharp downward trend in their incomes, access to training and social protection.



## **"Enterprise, access to entrepreneurial support and opportunities** for the self-employed are key to supporting women in work."

NatWest, 2016

Self-employment in the UK is at the highest point since records began 40 years ago and, according to the Women's Budget Group, two-thirds of new jobs created since 2009 are accounted for by people working for themselves. In the UK, twice as many men as women start a business and women account for 32% of the 4.79 million people who class themselves as self-employed today.<sup>35</sup>

A survey of female entrepreneurs submitted as evidence to the APPG by NatWest found that more than half of those questioned (52%) had received negative, stereotypical comments while running their business. These figures show that a high percentage of female entrepreneurs still experience gender-specific challenges.



"It is vital to the UK economy that we do all we can to encourage more women to be confident in their skills, champion their strength and to start new businesses".

Julie Baker, Head of Enterprise for Business Banking at NatWest, 2016

#### Raising awareness in our schools

Research conducted by IPSE and ComRes in 2014 and submitted to the APPG found that out of 1,143 freelancers surveyed, just 1% received information about self-employment in school or college and only 2% did so at university.

Enterprise education is not currently part of the National Curriculum. In 2014, the Prime Minister's Adviser on Enterprise, Lord Young, recommended "the embedding of an enterprise flavour into new curriculum materials and examinations, supported by a higher profile for enterprise skills and activities in Ofsted school inspections". Following this the Government announced they would accept Lord Young's recommendations in full, but this has not yet happened.

Ofsted released a report this year which argues that future economic prosperity is being put at risk as the majority of schools in England are failing to give sufficient priority to enterprise education and work-related learning. It found that the extent to which schools used their curriculum to prepare pupils for the world of work was largely dependent on whether school leaders considered it to be a priority and that there is a lack of coordination across local areas.<sup>36</sup>

Ofsted made several recommendations for the Government and secondary schools, including that schools should provide a "coherent programme to develop enterprise education, including the economic and business knowledge, understanding and skills of all pupils". Evidence submitted to the APPG illustrates one example from NatWest, which runs financial education programmes for 5-18 year olds, helping young people to understand and make the most of their money. NatWest's programme, MoneySense, run workshops in primary and secondary schools across the UK, and teachers are able to register to download and use the bank's resources.

Ofsted also suggested that the Department for Education should revisit Lord Young's report and promote the importance of well-planned provision for enterprise education.<sup>37</sup>

<sup>35</sup> UK Labour Market: February 2016, Office of National Statistics, 2016

<sup>&</sup>lt;sup>36</sup> Getting ready for work, Ofsted, 2016

<sup>&</sup>lt;sup>37</sup> Ibid

#### Case study • Not so barmy after all - enterprise at school

A good idea, a passion to succeed and a never-give-up attitude made Eve Lodge an unstoppable force - even at 14 years old. Eve Lodge's idea for Barmy Bunting came about as a result of a school competition. When the challenge was over, she wanted to keep it going. However, she couldn't open a business account at any high street bank, no matter how hard she tried, because she was just 14 at the time. Then NatWest gave her the opportunity to trial a pilot account for under-18s. Now, shortlisted for a host of awards, the business is going strong, even as Eve prepares for university.

Sir Anthony Seldon, Vice-Chancellor of the University of Buckingham, has argued that schools should have tables which measure how many of their pupils go on to jobs. He argued that this will force schools into teaching entrepreneurship and employment skills.



"No country on earth has the raw talent in its young that Britain

Sir Anthony Seldon, Vice-Chancellor, University of Buckingham, 2017

#### **Mentoring?**

A number of organisations that submitted evidence to the APPG suggested that the Government should go further and create a business-led self-employment mentoring scheme in schools, administered by the Department for Business, Energy and Industrial Strategy. IPSE argued that the Government already administers and oversees a number of training, mentoring and apprenticeship schemes for larger businesses, so why not introduce one for those that want to go into enterprise too. It was suggested that this type of scheme could help to boost the confidence of girls looking to freelance and equip them with the skills needed to run businesses.



"The importance of mentoring for young girls considering a career in freelancing and enterprise should not be underestimated."

IPSE, 2016

In order to increase the number of women in employment and ensure that they are supported after having children, we recommend that the Government encourages schools, through their careers service, to educate their students about the opportunities that self-employment offers and the flexibility it provides.

#### RECOMMENDATION

Schools should ensure that information about self-employment and entrepreneurships are on the curriculum at secondary and sixth form level.

- The Government should promote the role of Local Enterprise Partnerships in encouraging and supporting female entrepreneurs.
- The Government should introduce an impact assessment for all new policies to assess the impact on the self-employed and specifically women in self-employment.
- The Government should ensure that advice about self employment is available at job centres and via the Department for Work and Pensions website.
- The Government should include the self-employed in official earnings data.
- Schools should concentrate more on developing pupils' decision-making and problem-solving skills.
- Employers should support local schools more, offering activities such as mock interviews, participation in careers fairs and careers talks.
- Local companies should provide well-planned and constructive opportunities for pupils to gain work experience and an insight into working life.

## Summary of recommendations

- 1. Equalise Statutory Maternity Pay and Statutory Shared Parental Leave Pay so that couples are not financially penalised if they choose to take up Shared Parental Leave.
- 2. Government to enable mothers who are self-employed to claim a form of 'Statutory Maternity Pay' and re-examine how the self-employed are treated for maternity and paternity related benefits.
- 3. Government to work across all departments, in consultation with disabled user groups, to map and better understand what is needed to help women with disabilities to secure employment and progress within the workplace.
- 4. Government to consider offering more flexible, targeted support to a smaller number of parents for whom free childcare is most likely to make the biggest difference.
- 5. Every workplace with 250 or more employees should have a carers policy detailing organisational support available for those with caring responsibilities.
- 6. Employers with 250 or more employees should consider putting in place paid returner programmes or returnships with guaranteed training, advice, and support.
- 7. Government to take further steps to diversify the apprenticeships sector by specifying that a percentage of apprenticeships should be part-time or flexible.
- 8. Employers should promote best practice through a flexible working kitemark with official accreditation and assessment to increase flexible working visibility and actively encourage the uptake of flexible working.
- 9. Schools should ensure that information about self employment and entrepreneurships are on the curriculum at secondary and sixth form level.

#### **REPORT CONTRIBUTORS**

With thanks to all those that contributed to and supported the meetings of the APPG and thanks to the following organisations that submitted evidence:

**Campaign for Better Transport** 

Centrica

**CIPD** 

**Daphne Jackson Trust** 

**Digital Mums** 

**IPSE** 

**Lloyds Banking Group** 

Mumsnet

**Natwest** 

Organise Platform

**Shaw Trust** 

**The Return Hub** 

**Women's Budget Group** 

**Women Returners** 

**Working Families** 

**Young Women's Trust** 

**5Live** 



For further information about the Women and Work All Party Parliamentary Group, please visit **connectpa.co.uk/the-women-and-work-all-party-parliamentary-group/** 

The APPG secretariat is provided by Connect Communications. To discuss supporting the group in the future, please contact **womenandworkappg@connectpa.co.uk** 

