

Women in work: Childcare and Caring Responsibilities

Women and Work APPG Meeting, Monday 14 June 2021 3-4pm via Zoom

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

Guest speakers:

Helen Lamprell, External Affairs Director, Vodafone UK Laura Dewar, Policy and Research Lead, Gingerbread Emily Holzhausen, Director of Policy and Public Affairs, Carers UK Justine Roberts CBE, Founder and CEO, Mumsnet

Minutes

Co-chair of the Women and Work APPG, Jess Phillips MP convened the meeting, welcoming the guest speakers and attendees. She explained that access to affordable, high quality childcare is critical to working mothers, and the development of their children. She said there is lack of childcare provision in the UK, leaving working mothers with few affordable options. According to the Office for National Statistics, childcare fees account for almost 40% of the average adult earnings, which is around £585 a week. She then explained that in the past year alone, childcare costs went up by 2%, and during the pandemic, 46% of mothers who were made redundant blamed the the lack of childcare provision during COVID-19. She said the impact of the childcare crisis risks widening the gender pay gap.

Jess then introduced the first speaker, Helen Lamprell, External Affairs Director, Vodafone UK.

Helen explained that women are often disproportionately affected by caring responsibilities, whether that is caring for children, for elderly relatives or both and have often have taken part time roles due to this. She explained that coronavirus has led to women dropping out of the workforce in greater numbers than before due to pressures at home. She also highlighted a recent <u>report</u> by Deloitte, which found that 51% of women are less optimistic about their career prospects than before the pandemic.

She then began to discuss childcare policies that exist at Vodafone and how the company has adapted well to those working from home with childcare responsibilities. She explained Vodafone had taken the practical steps needed to allow employees to be looking after children whilst working. Helen then said that maternity policies offered to women at Vodafone include up to a year's leave, payment across the year and enhanced support upon their return. However, she also explained that parental policies, offered to partners, offers 16 weeks paid leave. Helen recognised that it would that it would be difficult to equalise this as it could involve either potentially increasing parental leave or reducing maternity leave. She added there is a new generation of men joining Vodafone, who tend to be more involved in childcare responsibilities.



She also recognised that flexible working has a lot of benefits, however as remote and flexible working is introduced more, it is important to avoid a disproportionate effect of mainly women taking flexible roles or remote work, as those roles often lead to less progression in the workforce. She emphasised the importance of implementation to equalise the workforce and not perpetuate the gender pay gap.

Jess thanked Helen for her contribution and introduced Laura Dewar, Policy and Research Lead, Gingerbread.

Laura began by explaining that there are 2 million single parents in the UK, and that they make up a quarter of all families with dependent children. She also noted that 9 out of 10 single parents are women. She raised Gingerbread's recent research report <u>caring without</u> sharing, which found that 69% of single parents were in work, and they were much more likely to be in part time low-paid work. They also found that just before the pandemic, 46% of single parents were working in hospitality and retail which has been particularly hard hit by the pandemic. Laura said that the pandemic made things considerably worse for single parents in terms of childcare. In terms of availability, the Government's figures show that in the first three months of 2021, 2000 childcare providers shut down. In London, 64% of non-domestic childcare providers, nurseries, said that for financial reasons they were at immediate risk of closure or that they would not be operating within the next 12 months.

Laura explained that the single parents Gingerbread interviewed for the research report, reduced their working hours as they could either no longer secure an after-school place for their children. Also, those with a preschool aged child, their childcare provider had closed during the pandemic and there was no other availability locally. She explained that ongoing restrictions on the availability of childcare will make it harder for single parents to stay in a job, and will also make it more difficult for those who were trying to move into a job.

She said that in terms of childcare costs, while childcare costs can be supported within Universal Credit, the amount that someone can claim is paid in arrears, so those costs have to be met in advance. Universal Credit childcare levels were set in 2003, and there do not meet the expected 85% of childcare costs.

Gingerbread is calling on the Government to create a child infrastructure support fund to help stabilise the childcare market, for the Government to roll out a national childcare deposit fund to help parents meet any upfront costs of childcare, the Department of Education to review the childcare caps and the Department for Work and Pensions to change the payment structure under Universal Credit so that childcare costs are made up front, rather than in arrears.

Jess thanked **Laura**, agreeing that Universal Credit childcare levels should take into account the spiralling costs of housing and rent spaces for childcare providers. She then introduced **Emily Holzhausen**, **Director of Policy and Public Affairs**, **Carers UK**.

Emily explained that she will be discussing women who specifically care for older and disabled relatives. She said that when the pandemic hit, overnight 2.7 million women started taking on caring responsibilities for older or disabled relatives to keep them safe.



She said that these women tended to be younger, and they tended to be of working age, and in work. They also saw an increase in the number of women who were "sandwich" generation, looking after both children and parents. Between women and men, women have a 50/50 chance of providing unpaid care for older or disabled relatives, by the time they are 46 years old. Men have the same 50/50 chance by the time they're 57 - 11 years later. She explained the impact this had on women in terms of lower pensions, not taking promotions and working closer to home in jobs beneath their potential.

Emily explained that carers were able to stay in work during the pandemic due to the flexibility and change of employers, such as Vodafone. Also, because furlough included caring for an older relative. 9% of people providing significant care were furloughed. Emily said that Carers UK run an employer's forum with 230 employers and found that carer friendly employers felt they were better equipped to support people who were juggling work and unpaid care. She said the care movement is 25 to 30 years behind the childcare movement in terms of visibility within the workplace and support.

She explained that looking forward, flexibility needs to continue, women who have unpaid care responsibilities are significantly more likely to be working part time and therefore benefit from hybrid working. She also raised the importance of carers leave, which is a manifesto commitment from the Government of one-week unpaid leave, however Carers UK would prefer it was paid, and for longer.

Jess thanked Emily, and invited Justine Roberts CBE, Founder and CEO, Mumsnet, to comment.

Justine began by explaining that Mumsnet is an online community of 7 million mums, 80% of whom are working, and that childcare is a huge topic on their forums. She explained that childcare in the UK is failing parents, provision is patchy, complex and inflexible, and sometimes expensive to the point of being unusable. Women are often forced out of work and out of senior positions, which wastes their potential and leads to pension inequality. Women in their 60s have an average of £51,000 in their private pension, compared to £156,000 pounds for men of the same age, according to the pensions Policy Institute. Justine explained that the gender pay gap in the UK is essentially a *"motherhood penalty"*, the IFS reported that the gender pay gap widens consistently for 12 years after a first child is born, by which point women receive 33% less pay per hour than men. 65% of mothers on Mumsnet, say that having a child has had a negative effect on their career, 38% said that they considered quitting their job because of childcare costs and 12% left their job due to the extortionate cost of childcare. One in five have turned down a job due to childcare costs.

According to last year's childcare survey, part time nursery care for two preschool children cost an average of £13,434 pounds a year and even more in London, and in the southeast. The same survey found that only 56% of councils in England report having enough childcare for parents working full-time. Justine explained that there has been a welcome focus on the provision of free and subsidised childcare over the past decade however this provision does not account for specific periods. During this period, most families pay full cost childcare, and that many women decide to leave work their childcare costs are greater



than or equal to their wage. In a survey of working mothers, 1/3 had been asked at job interviews, whether they had children, and 1/5 have been asked about their childcare arrangements. Justine noted that both questions were discriminatory and shouldn't be asked in job interviews. According to Mumsnet data, from late 2020, nearly a third of mothers in paid work or seeking work, expected earnings reduced in the next six months, and 10% were expected to leave or be forced out the labour market in the same period. Of those who have been in paid work at the beginning of March 2020, 10% of their working hours reduced.

Home-schooling primary school aged or younger, fell almost entirely to mothers in November 2020. A survey of over 1500 women found that 78% said that responsibility for home schooling fell largely to them. She explained that on Mumsnet there is a swear-ometer which tracks the use of swear words, a useful indicator of times of additional stress and anxiety, instances of the F word rose dramatically during this period. 69% said a lack of childcare during the COVID crisis had a negative impact on their mental health, with many users, saying that they requested to be furloughed in order to keep on top of home schooling and their family's mental health. 77% of women reported that they felt the Government did not do enough to support parents with childcare costs and 47% agree employers should contribute more to the cost of childcare. 88% agreed that childcare should be viewed as essential infrastructure just like roads, rail and broadband, and it needs a similar political focus and long-term investment.

Jess thanked all attendees and panellists and introduced the Q&A.

<u>Q&A</u>

Rebecca Swindles explained that she runs a 63-place nursery, that offers full day-care for those nought to five. She explained the nursery runs at a loss, which is why the cost is higher. She explained that in order to keep the nursery open, she has to cross subsidise, as she is unable to offer it completely free to all three-year-olds. She said the Government announced it is free childcare, she explained that it is not free.

Jess Phillips responded the reality is that a solution to the fundamental issue of women's ability to work, is providing good early years education, for a variety of children.

Baroness Brady raised the apprenticeship levy, where employers contribute half a % of their annual wage bill if it's more than £3 million. Baroness Brady highlighted that a report recently revealed that the funding is unused and apprenticeships are down by about 25%. She explained that employers should use their levy towards childcare for people at work, so that they could stay at work. She said that 27% of companies were unclear on how apprenticeships could benefit them. She said there is a big pot of money that employers are paying into which could be used to give more hours to working parents by using the money to pay for childcare.

Jess Phillips responded that that it is a brilliant idea, and the apprenticeship levy doesn't seem to improve apprenticeships. Jess said that one of the things the APPG focused on,



was that returnships should be as important as apprenticeships so that women returning to work, are offered similar levels of support and training.

Laura Dewar, Policy and Research Lead, Gingerbread agreed that it was a good point and would fit in with the childcare deposit scheme that Gingerbread are calling for the Government to develop, to help with those upfront costs of childcare for people entering work. In terms of apprenticeships and training more generally, Gingerbread believe that the 30-hour childcare offer for parents of three-and four-year-olds should be offered to people who are job seeking.

Baroness Deech said that if she were an economist, she would calculate whether totally free childcare would pay for itself by more women going back to work and becoming taxpayers.

Rachael Martin-Smith asked what the latest Carers UK figure for the estimated number of unpaid carers in the UK.

Emily Holzhausen, Carers UK responded the figure is 13.6 million across the UK - one in four adults. Other estimates put it between 17% and 20%.