



House of Commons  
Work and Pensions Committee

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# Employment support for carers

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**Thirteenth Report of Session 2017–19**

*Report, together with formal minutes relating  
to the report*

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## Work and Pensions Committee

The Work and Pensions Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Work and Pensions and its associated public bodies.

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### Contacts

All correspondence should be addressed to the Clerk of the Work and Pensions Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 8976; the Committee's email address is [workpencom@parliament.uk](mailto:workpencom@parliament.uk).

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## Summary

Most people will be carers at some stage in their lives. The responsibility is often assumed without question. Carers are simply doing the only thing imaginable: looking after a partner, parent, friend or disabled child who cannot cope without their support. Balancing care with paid employment is a tricky juggling act, which gets the better of many, causing them to reduce their hours or give up work. This is costly to the carer, who can lose financial security, and to their employer, who loses their skills and experience and may well need to recruit a replacement. These costs also extend to the wider economy—productivity, and ultimately tax revenues, suffer from people who want to work, or work more, being avoidably unable to do so. Carers must be better supported to stay in, or enter, employment. Our report sets out how this can be achieved.

### Improvements to the benefits system

Many carers rely on the support of Carer's Allowance, which is currently £64.60 per week. This benefit is withdrawn in full if an earnings threshold of £120 a week is breached, meaning that working additional hours can leave carers worse off. A pay rise can leave parents facing the choice between losing Carer's Allowance and losing free childcare for their three or four-year-old which requires them to work 16 hours a week. These benefits system cliff edges are contrary to the Government's objective of ensuring work always pays. Universal Credit will remove disincentives to work for many carers. But it will be several years before Universal Credit is fully rolled out and, regardless, some carers will still face cliff edges. We recommend Carer's Allowance is withdrawn gradually as income rises, in line with the Universal Credit taper system. We further recommend that the earnings threshold is linked to rises in the National Living Wage.

Carers lead complex lives in which time is precious. But obvious opportunities to help them are being missed. These are as simple as providing complete information on the gov.uk website and making basic guidance available in Jobcentres and GPs' surgeries. We recommend steps to improve information and support for carers.

### Improvements in the workplace

Having flexibility over when, where or how a job is done can be a critical factor in carers' ability to juggle care and work. In fact, any employee can benefit from flexibility and so too can employers. The Government is already pushing for wider acceptance of flexible working, but the rules are at odds with its rhetoric. The right to request flexible working only kicks in after six months of continuous employment. But more carers could be encouraged to enter the workforce if they could request such arrangements from day one. We recommend amending the Flexible Working Regulations 2014 to ensure a day one right to request flexible working for all employees.

Supporting carers during times of difficulty is beneficial to carers and employers alike. Too many carers are currently forced to use annual leave or sick days to fulfil caring responsibilities. The Government has accepted the case for statutory carer's leave, but to ensure such a provision is affordable for all carers, it must be paid time off. The system of statutory pay for parental leave works well for employees and employers alike.

The Government's backing for the Parental Bereavement (Leave and Pay) Bill currently before Parliament shows its willingness to extend this model to support people in other circumstances. We recommend the Government introduce five days' paid carer's leave when resources allow and provide a full impact assessment for such a policy in response to this report.

### **Government as a model employer**

Our recommendations will only go so far in the absence of a wider cultural shift. The Government has an important role to play, not just as a policy-maker, but as an employer. It should lead by example and, by sharing the benefits of its approach, encourage more employers to follow suit. Government departments should all adopt best practice in supporting the carers they employ, including participating in the Employers for Carers forum and using the *Happy to Talk Flexible Working* strapline for job vacancies. We further recommend the Government encourage improvements by publishing departmental statistics relating to flexible working, carer's leave, carer's policies and levels of attainment in the new employer benchmarking scheme.

We know that the Government shares our admiration for the hard work and devotion of the UK's 6.5 million unpaid carers. It is moving in the right direction to support them better in employment. But actions speak louder than words. It is time for the Government both to instigate real policy change and to take up the mantle of a model employer in supporting carers at work.

# 1 Introduction

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## The case for action

1. Most people will be carers at some stage in their lives. A carer is anyone who cares, unpaid, for a friend or family member who, due to illness, disability, a mental health problem or an addiction, cannot cope without support.<sup>1</sup> From helping an elderly parent, to looking after a disabled child or assisting a sick neighbour, caring is wide-ranging. It is not defined by age, gender, income or employment status. The role of carer is often assumed without question: carers are simply doing the only thing imaginable. The responsibility could fall to any one of us.

2. According to the latest census data, there are 6.5 million carers in the UK.<sup>2</sup> This number is set to rise as our population and workforce age.<sup>3</sup> Carers UK, a membership charity, estimates that there will need to be a 40% increase in the number of carers by 2037, to a total of nine million. Carers UK valued the annual unpaid economic contribution of carers at £132 billion.<sup>4</sup> They are indispensable to the person they care for and vital to society.

3. We were moved by the stories of all the carers we spoke to. They are strong, hard-working, devoted people. They undertake their caring role first and foremost as a parent, child, spouse or friend. More than three million carers (1 in 9 people in the workforce) juggle care with paid work.<sup>5</sup> As well as a financial necessity, work can be an escape from the demands of caring. It boosts self-esteem,<sup>6</sup> provides a sense of identity,<sup>7</sup> and can be a welcome source of “normality”.<sup>8</sup> On the other hand, work can add pressure to an already stressful life. This can be exacerbated by a lack of flexibility or understanding on the part of the employer. Many carers therefore find it difficult to work. One third of working age carers are in full time employment, compared with almost half of non-carers. One in six carers have at some point given up work to take on caring responsibilities, and almost three million have reduced their working hours.<sup>9</sup> The loss of income from employment can cause financial difficulty, and carers are more likely to be in poverty than non-carers.

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1 Carer’s Trust, [About carers](#), accessed 14 May 2018

2 Office for National Statistics, [2011 Census data](#), accessed 14 May 2018

3 Department for Work and Pensions ([SFC 0044](#))

4 Carers UK, [Valuing Carers 2015](#), 12 November 2015

5 Carers UK ([SFC 0033](#))

6 Professor Alisoun Milne ([SFC 0002](#))

7 Motor Neurone Disease Association ([SFC 0012](#))

8 Motor Neurone Disease Association ([SFC 0012](#)), Cystic Fibrosis Trust ([SFC 0045](#))

9 Carers UK ([SFC 0033](#))

**Table 1: Carers in employment**

	Full-time employment	Part-time employment	Poverty rate <sup>A</sup>
All adults <sup>B</sup>	46%	14%	21%
Adult carers <sup>C</sup>	33%	17%	35% <sup>D</sup>

A Poverty is measured as having a household income below 50% of the median (incomes are adjusted to account for household size)

B "Adult" is defined as any individual aged 16 and over, unless that individual is defined as a dependent child. A dependent child is: aged between 16 and 19; not married, in a civil partnership nor living with a partner; living with parents/a responsible adult; and, in full-time non-advanced education or in unwaged government training.

C "Informal carer" is defined as "individuals who provide any regular service or help to someone, in or outside of their household who is sick, disabled or elderly". It excludes those who only give this help as part of a formal job.

D This relates to adults providing between 20 and 49 hours of care a week.

Source: Family Resources Survey 2015/16 and New Policy Institute

4. The loss of carers from the workforce is costly to employers. A recent study estimated the direct costs of losing an employee, including lost productivity and recruitment costs, to be between 100% and 150% of the employee's annual salary.<sup>10</sup> As carers are predominantly aged 45 to 64, the loss of skill and experience can be especially damaging. We heard that the effects on small businesses of losing a key member of staff to caring can be "disproportionately large".<sup>11</sup> On the other hand, employers who have supported carers to remain in employment report benefits in staff retention, attendance and engagement and higher productivity.<sup>12</sup>

5. Enabling carers to stay in, or enter, work brings wider benefits to the economy. The London School of Economics (LSE) found that unpaid carers leaving employment cost the public purse £2.9 billion a year in welfare payments and lost tax revenue.<sup>13</sup> At a time when employment rates are very high, but productivity growth has been sluggish, carers are an untapped resource for the economy. With better support, more carers could work, and work longer hours in a fuller range of jobs.

## Juggling caring and work

6. We heard, however, that carers face significant barriers to juggling care and employment:

- The structure of carer benefits can mean that working, or working longer hours, can leave carers worse off.<sup>14</sup>

10 Ian Peters and Katherine Wilson ([SFC 0056](#))

11 Ian Peters and Katherine Wilson ([SFC 0056](#))

12 HM Government, Employers for Carers and Carers UK, [Supporting working carers: The benefits to families, business and the economy](#), August 2013

13 London School of Economics ([SFC 0064](#))

14 Ian Peters and Katherine Wilson ([SFC 0056](#)), MS Society ([SFC0017](#)), Contact ([SFC 0008](#))

- Carers can find it hard to manage their caring responsibilities while rigidly tied to when, where or how they work. Flexible working arrangements are therefore often critical to balancing care and work successfully.<sup>15</sup>
- Carers might at times need to be absent from work, for example, to accompany the person they care for to a hospital appointment. To do this, they often must choose between taking a sick day or using a day's annual leave.<sup>16</sup> This can be detrimental to their own physical and mental well-being.
- Many carers do not have information on their rights and entitlements. Employers are also often ill-equipped to understand and support their employees' circumstances effectively.
- Carers are too often "nervous",<sup>17</sup> even "fearful",<sup>18</sup> of discussing their circumstances with their employer. Stigma still exists. It leaves carers struggling, isolated, and more likely to conclude that caring and work cannot be combined.

7. Too many carers reach this conclusion. However, our inquiry also uncovered wonderful examples of employer best practice. They demonstrate two things: first, there is great variability in experiences of juggling care and work; and second, it is possible to combine successful caring with successful employment.<sup>19</sup> This report aims to make it easier for carers who wish to stay in or enter work. It focuses on three areas:

- the benefits system;
- employment law and practice; and
- the Government as a model employer.

8. We are extremely grateful to all the carers who spoke to us at our hearings in Westminster and when we visited Stoke-on-Trent. The carers we met shared their stories candidly, providing an invaluable insight into the day-to-day realities of juggling care and work. Those in Stoke-on-Trent highlighted the importance of tapering Carer's Allowance, flexible working and carer's leave. Employers we met told us of the value in keeping carers in their workforce, but the need to raise awareness of such benefits amongst employers. We hope they feel their concerns have been heard and reflected through our report.

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15 Young Women's Trust ([SFC 0007](#)), Disability Law Service ([SFC 0009](#)), 0011 Name Withheld, Employment Related Services Association ([SFC 0013](#)), Working Families ([SFC 0018](#)), Sefton Metropolitan Borough Council ([SFC 0024](#)), Hospice UK ([SFC 0026](#)), Professor Alisoun Milne ([SFC 0002](#)), Social Care Institute for Excellence ([SFC 0023](#)), Carers UK ([SFC 0033](#)), Age UK ([SFC 0034](#))

16 Carers Leeds ([SFC 0027](#)), Northamptonshire Carers ([SFC 0030](#)), Kent County Council ([SFC 0036](#)), Carer Support Wiltshire ([SFC 0040](#))

17 Aviva plc ([SFC 0032](#)), Carer Support Wiltshire ([SFC 0040](#)), Carers Trust ([SFC 0022](#))

18 Kent County Council ([SFC 0036](#)), Carers Support Centre Bristol South Gloucestershire ([SFC 0025](#))

19 NHS Improvement ([SFC 0063](#)), NHS Improvement's Workforce Retention Programme, West Yorkshire and Harrogate Health and Care Partnership ([SFC0061](#)), Centrica ([SFC0048](#)), Sainsbury's ([SFC0047](#)), Cystic Fibrosis Trust ([SFC0045](#)), Aviva plc ([SFC0032](#)), Working Families ([SFC0018](#))



## 2 Benefits system

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### Carer's Allowance

9. Carer's Allowance is a flat rate, non-contributory, non-means-tested benefit paid to full-time carers of someone who is severely disabled.<sup>20</sup> It aims to provide “a measure of financial support and recognition”.<sup>21</sup> In 2018–19, Carer's Allowance is £64.60 a week.<sup>22</sup> To be entitled to these payments, a person must:

- be aged 16 or over;
- be providing at least 35 hours of care a week for someone in receipt of a qualifying disability benefit;
- not be in full-time education or studying for 21 or more hours a week; and
- if in paid work, have earnings after certain deductions of no more than £120 a week.<sup>23</sup>

10. Evidence to our inquiry highlighted three main concerns with Carer's Allowance:

- the income “cliff-edge” that results from Carer's Allowance being removed in full when earnings exceed the threshold;
- the disconnect between the earnings threshold and the National Living Wage; and
- insufficient information on what constitutes an “allowable deduction”.

We consider each in turn.

### *The cliff edge*

11. If earnings calculated for the purposes of Carer's Allowance exceed the threshold of £120 per week, the carer loses 100% of the benefit. A marginal increase in income can therefore result in £64.60 being withdrawn.<sup>24</sup> Carers UK described this as “one of the harshest penalties in the benefits system”.<sup>25</sup> It also acts as a disincentive for carers to increase their working hours. One carer told Contact, a charity for families with disabled children, that she felt “trapped” as she wanted to move into part time work but it was not a financially viable option.<sup>26</sup> Another said:

*“My employer created a part time role. Because of loss of benefits it didn't pay any more than being on benefits”.*<sup>27</sup>

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20 While Carer's Allowance has an earnings threshold, it does not have a test of wealth

21 Department for Work and Pensions ([SFC 0044](#))

22 Department for Work and Pensions ([SFC 0044](#))

23 HM Government, [Carer's Allowance](#), accessed 14 May 2018

24 Ian Peters and Katherine Wilson ([SFC 0056](#))

25 Carers UK ([SFC 0033](#))

26 Contact ([SFC 0008](#))

27 Age UK ([SFC 0034](#))

### *Carer's Allowance and Universal Credit*

12. Universal Credit (UC) is designed to reward work, partly by removing 'cliff edges' in the benefits system which leave people worse off by working more or receiving a pay rise. The interaction of Carer's Allowance and UC means that carers eligible for UC do not face a cliff edge (see Box 1). While the Carer's Allowance earnings threshold remains, if a claimant exceeds the threshold, their UC award adjusts to compensate.

#### **Box 1: Example 1: A carer eligible for Universal Credit**

Susan is a single parent. She receives UC and has no other earnings. Based on her circumstances, she is eligible for £225 UC per week. Susan's mother has a sudden accident and Susan takes on responsibility for her care. She is now eligible for Carer's Allowance at £64.60 per week. Under UC, this counts as "income other than earnings". So, Susan's UC award reduces by £64.60 per week to £160.40, but the incorporation of Carer's Allowance means she still receives a total of £225 per week. She also now qualifies for the carer's element in UC (£156.45 per month, around £36 per week), which is added on top.

Susan accepts a part-time job, which pays £140 per week. Even after allowable deductions, her earnings exceed the threshold for Carer's Allowance. She loses all her Carer's Allowance, but as the income other than earnings is no longer deducted, her UC award increases to make up the difference. Her UC payments will gradually reduce as her earnings increase.

13. UC does not, however, offer a complete solution to the cliff edge. UC is currently being gradually rolled out for new claimants. The process of transferring existing claimants from legacy benefits such as tax credits is not now scheduled to be complete until March 2022.<sup>28</sup> Given the long history of delays to the programme, there is a risk that date could shift further. In addition, some Carer's Allowance claimants are not eligible for UC. For example, a carer who has (or whose partner has) savings or other capital of more than £16,000 is not entitled to UC.<sup>29</sup> Exceeding the earnings threshold would still mean losing the entire Carer's Allowance. Other carers may choose not to claim UC.

#### **Box 2: Example 2: A carer not eligible for Universal Credit**

Keith cares for his wife, who has a long-term illness, and claims Carer's Allowance. Their savings exceed £16,000, which means they are not eligible for UC. He wants to start a part-time job, but even after deductions his earnings would exceed the threshold of £120 per week and he would lose his £64.60 Carer's Allowance.

### *A taper for Carer's Allowance*

14. Sarah Newton MP, the Minister for Disabled People (the Minister), acknowledged that the Carer's Allowance cliff edge was a "barrier" to work.<sup>30</sup> She said the Government had raised the earnings threshold and value of the benefit, and would continue to do

28 House of Commons Library Briefing Paper Number 8096, [Universal Credit roll-out: Autumn/Winter 2017](#), 15 November 2017

29 House of Commons Standard Note SN06469, [Universal Credit: an introduction](#), 9 November 2012

30 Q144 (Sarah Newton MP)

so.<sup>31</sup> While this will benefit people close to the current threshold, a cliff edge will remain. Andrew Latto, a Deputy Director at the Department for Work and Pensions (DWP), said that the mechanism for determining eligibility for Carer's Allowance had "not changed very much" since the benefit was introduced in 1976. It was the last benefit to use a negative test of earnings, meaning claimants had to continually prove they were not earning too much to receive it.<sup>32</sup> The effect of the cliff edge was contrary to the Government's objective in welfare policy, which the Minister explained as "for every hour that people work, they should always be better off".<sup>33</sup>

15. A wide variety of witnesses told us that the solution to this problem was to introduce a taper for Carer's Allowance.<sup>34</sup> We also heard strong support for such a measure from carers we met in Stoke-on-Trent. Rather than being withdrawn in its entirety at an earnings threshold, the benefit would be gradually withdrawn as earnings increased, at a rate that rewarded work. This system is used in UC, which currently uses a 63% taper rate. For each additional £1 earned above a threshold, the claimant loses 63p in UC. Andrew Latto acknowledged that a taper was "something we do need to look at".<sup>35</sup> He noted that a taper applied from the current earnings threshold would have a fiscal cost. A cost-neutral approach would require the taper to kick in at a lower level.<sup>36</sup> The Minister agreed, however, that the positive effects of removing the anomaly in the benefits system, which would include better incentives to work, would need to be incorporated in policy decisions.<sup>37</sup>

**16. The current Carer's Allowance system includes a cliff edge. Claimants can lose their entire weekly Carer's Allowance of £64.60 by earning just £1 over the threshold. This is an outdated anomaly in the benefits system and counter to the Government's objective of making work pay. The introduction of Universal Credit will resolve this problem for some claimants. However, it will be several years before Universal Credit is fully operational and even when it is, some Carer's Allowance claimants will not receive Universal Credit. The Government already has a solution for work incentive cliff edges in the taper it uses for Universal Credit. Coherence and fairness in the benefits system dictates Carer's Allowance should be withdrawn at the same rate. We recommend that the Government introduce a taper for Carer's Allowance at the same rate as used for Universal Credit.**

### **Interaction with the National Living Wage**

17. We heard that a further problem with the Carer's Allowance earnings threshold is the absence of a link between it and the National Living Wage (NLW).<sup>38</sup> Employees could be inadvertently tipped over the threshold by an increase in the NLW, meaning they lose their Carer's Allowance and are worse off because of a pay rise.

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31 Q147 (Sarah Newton MP)

32 Q149 (Andrew Latto)

33 Q146 (Sarah Newton MP)

34 See for example Carers UK ([SFC 0033](#)) and Ian Peters and Katherine Wilson ([SFC 0056](#))

35 Q150 (Andrew Latto)

36 Q149, Q150 (Andrew Latto)

37 Q151 (Sarah Newton MP)

38 Carers UK ([SFC 0033](#)), MS Society ([SFC 0017](#)), Contact ([SFC0008](#)), Low Incomes Tax Reform Group ([SFC0039](#)), Name Withheld ([SFC0006](#))

### 16 hour thresholds

18. This is a particular problem for people claiming both Carer's Allowance and Working Tax Credit (WTC). Certain claimant groups, such as single parents, must work at least 16 hours per week to receive WTC. However, 16 hours at the current NLW (for people aged 25 and over) of £7.83 pays £125.28, more than the current Carer's Allowance earnings threshold of £120. Carers on the NLW can effectively face a choice between the two benefits.

19. Andrew Latto said that, as it does not have a 16-hour threshold, UC will largely resolve this problem.<sup>39</sup> The current UC rollout schedule means, however, that some existing claimants will still be on WTC in 2022. Furthermore, a wide range of organisations and individuals highlighted that a 16-hour rule will persist, despite the advent of UC.<sup>40</sup> Parents must work at least 16 hours at the NLW or more to be eligible for free childcare for three and four-year olds.<sup>41</sup> A rise in the NLW could tip a carer working 16 hours a week over the Carer's Allowance earnings threshold, but if they chose to work one fewer hour each week to retain their benefit, they could lose entitlement to free childcare. Again, a pay rise works against the carer and a delicate balance between work, parenting and other care could be upset. Carers UK said:

Each year, with the uprating of the National Living Wage, Carers UK hears from carers whose earnings rise over the earnings threshold by just a matter of pence and who are forced to choose between giving up work, reducing their hours or losing their benefit.<sup>42</sup>

This is likely to continue as progress is made towards the Government's recommendation to the Low Pay Commission that NLW reaches 60% of median earnings by 2020.<sup>43</sup>

### *A link between the National Living Wage and the threshold*

20. Carers UK, the Low Incomes Tax Reform Group (LITRG) and Contact all suggested that the most appropriate remedy to this problem was to create a link between the NLW and the Carer's Allowance earnings threshold.<sup>44</sup> This would mean that an uprating of NLW would be automatically reflected in an increase to the threshold and would not financially disadvantage claimants.

**21. A taper for Carer's Allowance will remove many of the work disincentives currently built into the benefit. There will continue to be problems, however, for as long as the threshold for removing or reducing Carer's Allowance is below 16 hours at the National Living Wage. While the 16 hour eligibility rule in Working Tax Credit will be removed by Universal Credit, the transition between those two benefits will not be complete for several years. Regardless, a similar 16 hour rule remains in eligibility for free childcare. For parents who both work and care, a pay rise could mean they lose their benefit and must reassess the precarious balance between their commitments.**

39 Q150 (Andrew Latto)

40 MS Society ([SFC 0017](#)), Contact ([SFC 0008](#)), Low Incomes Tax Reform Group ([SFC0039](#)), Name Withheld ([SFC0006](#)), Carers UK ([SFC0033](#))

41 HM Government, [Help paying for childcare](#), accessed 14 May 2018

42 Carers UK ([SFC0033](#))

43 Department for Business, Energy and Industrial Strategy, [National minimum wage and national living wage: Low Pay Commission Remit 2017](#), August 2017

44 Carers UK ([SFC 0033](#)), Low Incomes Tax Reform Group ([SFC 0039](#)), Contact ([SFC 0008](#))

**Parent carers considering work can face a disincentive to take a job. The Government should seek to eradicate such barriers in its quest to make work pay. We recommend a link between the National Living Wage and the Carer’s Allowance earnings threshold. For as long as 16-hour rules exist in the benefits system, the Carer’s Allowance threshold should be equivalent to no less than 16 hours at the National Living Wage.**

## Information and support

### *Allowable deductions*

22. The DWP told us that the Carer’s Allowance earnings threshold applies after deductions, which include National Insurance and half the contribution to a workplace or a personal pension. Deductions of up to half of net earnings can also be allowed towards the cost of alternative care for the disabled person, or for a child aged under 16, while the carer is at work.<sup>45</sup> LITRG told us that many carers do not fully understand these deductions. They said that greater awareness of allowable deductions “may give more people the opportunity to work part time and still qualify for Carer’s Allowance”.<sup>46</sup> They pointed out that there was no mention on the gov.uk website of the rule that carers can deduct expenses not repaid by the employer but “wholly, exclusively and necessarily” incurred through employment duties.<sup>47</sup> The Minister told us “if there is any evidence of things not being on the gov.uk website [she] would be very pleased to hear it”.<sup>48</sup>

### *Jobcentres*

23. Many carers do not realise that support is available to them. Evidence to our inquiry highlighted missed opportunities to provide carers with advice and information. Bethan Pound, a young carer, told us that her experience of applying for Carer’s Allowance was “the routine questionnaire and filling in forms. Nobody mentioned any support for carers”.<sup>49</sup> Katie O’Shaughnessy had a similar experience at the Jobcentre. She told us “they did not identify me as a carer, even though I was taking the Carer’s Allowance”.<sup>50</sup> The Minister recognised this issue. She said that Jobcentre Plus Work Coaches, frontline staff who help people find work, “have had good training in identifying carers and being able to signpost to local support”.<sup>51</sup> However, someone applying only for Carer’s Allowance, which is administered by the Pension Service, a different part of the DWP, will not get access to a Work Coach. The Minister told us it was something to think about

so that, when that person comes into the Jobcentre to fill in that form, we can improve communications and referrals into other services, which they may benefit from.<sup>52</sup>

24. We also heard of varying levels of understanding of caring among Work Coaches. Fiona Malpas, a representative of a carer employment pilot scheme that operated in Bristol and South Gloucestershire, told us:

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45 Department for Work and Pensions ([SFC0044](#))

46 Low Incomes Tax Reform Group ([SFC0038](#))

47 Low Incomes Tax Reform Group ([SFC0038](#))

48 Q145 (Sarah Newton MP)

49 Q74 (Bethan Pound)

50 Q78 (Katie O’Shaughnessy)

51 Q141 (Sarah Newton MP)

52 Q141 (Sarah Newton MP)

There is nothing worse than somebody going into the jobcentre and being told that there is a full-time job that they need to take, when they could never do it because they are already caring for somebody.<sup>53</sup>

Sarah Jackson, Chief Executive of Working Families, a work-life balance charity, said:

one work coach will be incredibly understanding of your care responsibilities and the restrictions and constraints that those create; and another will not be, and you will be quickly into the sanctions system.<sup>54</sup>

She said better Work Coach training on caring would be a simple step to improve consistency.<sup>55</sup> Carers UK told us that in 2017 their Adviceline was contacted by over 150 carers who had been told to attend a Work Focused Interview. They explained, “a common theme is that carers are told attendance at the interview is mandatory” when in fact, for the majority, that was not the case.<sup>56</sup>

### *Other frontline services*

25. Jobcentre visits are not the only frontline public service opportunities to support carers being missed. Olga Budimir, a carer, described her regular contact with nurses, GPs and consultants when looking after her father:

All these people around me knew I was a carer, yet none of them came forward and said, “Do you need any help?”[ ... ] I did not know I was a carer but they knew.<sup>57</sup>

Nikki Kimber, a carer for her disabled daughter, shared a similar experience:

For a long time we were in a complete bubble with this child, working with the health professionals. We had no idea there was potentially support and guidance, which is legislated for, for families like ours.<sup>58</sup>

Many carers have regular contact with the NHS accompanying the person they care for. The evaluation of Carers in Employment pilots, which took place in nine locations across the country, found that GP surgeries and hospital wards “proved to be effective in identifying working carers and signposting carers to available support provision”.<sup>59</sup>

**26. The life of a carer can be very complex. This complexity is only added to by the intricacies of the benefits system. Information and support for carers is, however, very patchy. Some carers do not even realise they are carers. Others have contact with the benefits system or other public services, but valuable opportunities to offer or signpost assistance are missed.**

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53 Q35 (Fiona Malpas)  
 54 Q12 (Sarah Jackson)  
 55 Q12 (Sarah Jackson)  
 56 Carers UK ([SFC0060](#))  
 57 Q83 (Olga Budimir)  
 58 Q76 (Nikki Kikber)  
 59 Institute for Employment Studies, [Evaluation of the Carers in Employment \(CiE\) Project](#), January 2018

27. *We recommend a series of simple steps to improve support for carers:*

- *Guidance on Carer's Allowance on the gov.uk website should include full details of the taxes and expenses that can be deducted from earnings before the threshold applies.*
- *As part of the application process for Carer's Allowance, claimants should receive information on support services, including signposts to those provided locally by the third sector. This information should also be made available in GP surgeries and hospitals.*
- *People who only claim Carer's Allowance are not currently entitled to an appointment with a Jobcentre Work Coach. If they want one, they should be eligible for one.*
- *DWP should review Work Coach training and guidance to ensure it adequately covers carer awareness, and collect data on the quality of the support and accuracy of information given to carers as part of its regular performance monitoring.*

## 3 Employment policy

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### Flexible working

28. Flexible working “is a way of working that suits an employee’s needs”. It might mean flexible start and finish times, working compressed hours, job sharing or working from home.<sup>60</sup> It does not necessarily mean working less, but working differently. Flexibility can be particularly beneficial to people managing caring responsibilities alongside work.<sup>61</sup> Moira Wilkinson, Network Manager of Carers Trust, a charity, told us that, for many carers in or considering work, “flexibility is the key issue”.<sup>62</sup>

29. We heard evidence, however, that employers are often reluctant to adapt to enable carers to stay in work. Carers UK found that 21% of carers had given up work “because of workplace issues around getting flexible hours or a lack of understanding from their employer”.<sup>63</sup> Research by Aviva, an insurance company that supports flexible working for its employees, found that, across 500 private employers, one in five of the workforce “dare not ask for flexible working”.<sup>64</sup> Carers who request flexible working can be met with hostility from colleagues who assume they are receiving “preferential” or “special” treatment.<sup>65</sup> One carer said the perception that she was “slacking” when allowed to work from home pushed her to work “double time”. She “couldn’t manage and had a breakdown”.<sup>66</sup> A Government survey found that 32% of employees thought that working flexibly would reduce their chances of promotion.<sup>67</sup> This reflects Working Families’ assertion that “old attitudes towards presenteeism and longer hours remain persistent”.<sup>68</sup>

### Benefits to the employer

30. The Government’s November 2017 Industrial Strategy argued that “a workplace which is truly flexible can improve productivity”, partly by realising the labour market potential of under-employed groups such as carers.<sup>69</sup> The LSE concurred that offering flexible working was associated with “improved [staff] retention but also higher productivity and good employee relations”.<sup>70</sup> Aviva’s research came to similar findings:

- More than half (51%) of businesses that offered flexible working reported that it increases productivity and more than two thirds (68%) believed it makes their employees happier.
- Almost two thirds (63%) of employees admitted they are more likely to stay with an employer who offers flexible working.

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60 HM Government, [Flexible working](#), accessed 14 May 2018

61 Q2 (Moira Wilkinson)

62 Q2 (Moira Wilkinson)

63 Carers UK, [Caring and family finances: inquiry: UK report](#), accessed 14 May 2018

64 Aviva plc ([SFC 0057](#))

65 Cystic Fibrosis Trust ([SFC0045](#)), North Tyneside Carers Centre ([SFC0046](#))

66 Cystic Fibrosis Trust ([SFC0045](#))

67 Department for Business, Innovation and Skills, [The fourth work-life balance survey](#), July 2012

68 Working Families ([SFC0018](#))

69 HM Government, [Industrial Strategy](#), November 2017

70 London School of Economics ([SFC0064](#))



- More than one in three (36%) of employees identified flexible working as a deal breaker when considering whether to accept a new job.<sup>71</sup>

Aviva concluded that “the hard business benefits of initiatives such as flexible working are undeniable”.<sup>72</sup>

31. Some witnesses cautioned that flexible working may not work for every post or every employer. A businesses’ ability to advertise or offer flexible working can depend on its size and the nature of its work.<sup>73</sup> It may be difficult to offer jobs with rigid shift patterns, such as production workers, sales assistants and drivers, on a flexible basis. The Federation of Small Businesses (FSB) said small businesses, which may lack HR resources, “often find the flexible working process bureaucratic”.<sup>74</sup>

32. The FSB also noted, however, that “more and more small firms are embracing flexible working”. These employers were attracted by:

benefits in terms of staff morale and satisfaction, which has a knock-on effect on business productivity, staff recruitment and retention, and ultimately sales and profitability.<sup>75</sup>

Arthur Allen, founder of Listawood, a trade supplies company which employs 120 people, said “I do not buy this argument about small companies or big companies”.<sup>76</sup> Instead, he said that the key to flexible working operating in the interests of both employees and the employer was “organisational culture [ ... ] based on mutual trust and respect”.<sup>77</sup> The DWP told us that it was seeking to “drive a cultural change which sees flexible working patterns normalised and the negative attitudes around them lifted”.<sup>78</sup>

### ***Right to request flexible working from day one***

33. In its Industrial Strategy, the Government said it would “work with business to make flexible working a reality for all employees across Britain”.<sup>79</sup> This position was reiterated in the DWP’s evidence to our inquiry:

Government calls on firms to make flexible working a reality for all employees by advertising all jobs as flexible from day one, unless there are solid business reasons not to.<sup>80</sup>

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71 Aviva plc ([SFC0057](#))

72 Aviva plc ([SFC0057](#))

73 Work Foundation ([SFC0038](#)), Ian Peters and Katherine Wilson ([SFC0056](#)), Forum of Private Business ([SFC0062](#)), Federation of Small Businesses ([SFC0059](#))

74 Federation of Small Businesses ([SFC0059](#))

75 Federation of Small Businesses ([SFC0059](#))

76 Q44 (Arthur Allen)

77 Q44 (Arthur Allen)

78 Department for Work and Pensions ([SFC0044](#))

79 HM Government, [Industrial Strategy](#), November 2017

80 Department for Work and Pensions ([SFC0044](#))

34. Current regulations give employees the right to request flexible working once every 12 months. The employer is not required to accept, but it must handle the request “in a reasonable manner”.<sup>81</sup> To become eligible for this right, however, the employee must first complete 26 weeks of continuous employment.<sup>82</sup> Carers UK said that this period created uncertainty for carers which may put them off working:

Many carers tell us that they cannot find the flexible or part-time style of working which they are looking for. Without knowing that they will have an understanding employer or be able to request flexible working from day one, carers can be worried that they will be unable to balance their working life with caring.<sup>83</sup>

35. Some employers already allow employees to request flexible working from day one. The MS Society argued, however, that “it should not be a case of ‘luck’ that carers are supported in the workplace”.<sup>84</sup> The Minister agreed that employers’ approach to flexible working needs to be “consistent right across the country”.<sup>85</sup> The Government intends to review the Flexible Working Regulations in 2019. Organisations including Carers UK, Age UK and the Young Women’s Trust said there should be a statutory right to request flexible working from day one of employment.<sup>86</sup> Of course, the decision whether to accept the request would still lie with the employer.

**36. Flexible working is a crucial factor in many carers being able to juggle caring responsibilities and work. For other carers, work would be an option if they were able to work flexibly. There is a growing body of evidence that flexible working is not just good for the employee, but also highly beneficial to the employer. It is, in many cases, a win-win. We welcome the Government’s support for flexible working and call for equal treatment for all employees. The law is currently, however, at odds with that rhetoric. The statutory six month wait for a right simply to request flexible working creates uncertainty for carers and may discourage them from seeking work. We recommend the Flexible Working Regulations 2014 be amended to ensure the right to request flexible working exists from the first day of employment.**

## Carer’s leave

37. Carers can require time off to deal with both expected appointments and unexpected emergencies. Some employers have carer’s leave policies to support staff with such responsibilities. Aviva offers up to 35 hours of paid annual leave for planned events and the same for emergencies.<sup>87</sup> Centrica, a utilities company, matches days of annual leave used by employees for caring with up to one month’s additional paid caring days per year.<sup>88</sup> It told us that it loses “no more carers from our workplace than other employees”.<sup>89</sup>

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81 The Flexible Working Regulations 2014 ([SI 2014/1398](#))

82 The Flexible Working Regulations 2014 ([SI 2014/1398](#))

83 Carers UK ([SFC0033](#))

84 MS Society ([SFC0017](#))

85 Q132 (Sarah Newton MP)

86 Carers UK ([SFC0033](#)), Age UK ([SFC 0034](#)), Young Women’s Trust ([SFC 0007](#))

87 Aviva plc ([SFC0032](#))

88 Centrica ([SFC0048](#))

89 Centrica ([SFC0048](#))

These examples are, however, the exception rather than the rule. Ian Peters and Katherine Wilson, who run the Employers for Carers (EfC) forum, told us that, while carer’s leave was “an issue of increasing interest within EfC”, it is “still relatively rare”.<sup>90</sup>

### *The case for statutory provision*

38. Carers currently have the same statutory entitlement to leave as other employees. A 2013 survey of working carers found 79% had used holiday leave to fulfil caring responsibilities, while 17% had taken sick leave when they were not sick.<sup>91</sup> Bethan Pound told us:

Any leave I had during my work was taken up with appointments, meetings, support groups, consultations, social worker visits and occupational therapists.<sup>92</sup>

The Department appeared to endorse this when it told us that 28 days of paid annual leave “can be used by carers to meet their caring responsibilities”.<sup>93</sup> The Minister declined to answer when we asked her whether this was fair.<sup>94</sup>

39. We were told that having to use annual leave and sick days to fulfil caring responsibilities depletes the time available for carers to have a break and look after themselves.<sup>95</sup> It increases the risk of sickness, exhaustion and “burnout”.<sup>96</sup> Carers UK and Age UK found that of those carers who have given up work, 16% said the leave available was “insufficient to be able to manage caring alongside work”.<sup>97</sup> As we noted in Chapter 1, the loss of established employees can be a major cost to businesses.<sup>98</sup>

40. An international review of rights for carers conducted by Carers UK found that the UK “lags behind” other countries.<sup>99</sup> Japan is a world leader. There, employees can take up to 93 days of long-term family care leave over the lifetime of each family member, at 67% of pay.<sup>100</sup> A proposal for an EU directive on work-life balance would provide five days carer’s leave per year, paid at no lower than sick pay level.<sup>101</sup>

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90 Ian Peters and Katherine Wilson ([SFC0056](#))

91 Age UK ([SFC0034](#))

92 Q68 (Bethan Pound)

93 Department for Work and Pensions ([SFC0044](#))

94 Q128 (Andrew Bowie MP)

95 Q31 (Fiona Malpas), Q4 Emily Holzhausen OBE, Mark Brightburn ([SFC0010](#))

96 Carers UK ([SFC0033](#)), Ian Peters and Katherine Wilson ([SFC0056](#)), Support Wiltshire ([SFC0040](#)), Bournemouth and Poole Local Authorities ([SFC0029](#)), Carers network University of Bristol ([SFC0011](#)), Q4 Emily Holzhausen OBE, Director, Carers UK

97 Carers UK ([SFC0033](#))

98 Ian Peters and Katherine Wilson ([SFC 0056](#))

99 Carers UK ([SFC0033](#))

100 Hideki Nakazato and Junko Nishimura, Japan country note, in Sonja Blum et al, [International Review of Leave Policies and Research 2017](#), June 2017. Family members include a spouse, parents, children, parents-in-law, grandparents, siblings, and grandchildren. Leave can be taken for each occurrence of a condition where the subject family member requires constant care for a period of two weeks or more due to serious illness or disability. The 93 days can be divided into three periods or fewer.

101 Proposal for a directive of the European Parliament and of the Council on work-life balance for parents and carers and repealing Council Directive 2010/18/EU, [COM/2017/0253](#)

41. The Government has accepted the case for a UK system of carer's leave. The 2017 Conservative manifesto included the introduction of a statutory entitlement.<sup>102</sup> When giving evidence to our inquiry, the Minister assured us that this remained “an absolute commitment”.<sup>103</sup> The details of that commitment, however, have yet to be confirmed.

### **A new statutory system**

42. At the time the Conservative manifesto was launched it was reported that the commitment would be in the form of one year's unpaid leave.<sup>104</sup> However, Carers UK research found that 48% of carers live on a household income of less than £1,500 per month and 39% of carers said they were “struggling to make ends meet”.<sup>105</sup> Simplyhealth, an insurance company, told us that only 1% of carers think they could afford to stop working or take unpaid leave for a year.<sup>106</sup> We heard that while unpaid leave would provide welcome flexibility to some carers, it alone would be of little consolation to many others.<sup>107</sup>

43. Carer representative groups told us that a system of statutory *paid* carer's leave was required.<sup>108</sup> Based on international comparators and the policies already introduced by some employers, Emily Holzhausen OBE, Director of Carers UK, suggested that between five and ten days a year would be a reasonable limit.<sup>109</sup> Centrica, which offers up to 30 days' annual carer's leave, has found that carers take just three days on average.<sup>110</sup>

44. The FSB stressed that small businesses want to support carers, out of both compassion and a recognition of the business benefits.<sup>111</sup> They were concerned, however, about the costs of carer's leave:

Providing even unpaid leave can create both a cost and administrative challenge for businesses. This is particularly the case for small and micro businesses, who by nature of their size, find it difficult to redeploy staff or hire temporary cover, and need ample lead time to make changes.<sup>112</sup>

A system of paid leave that required employers to meet the costs could create further pressures on small businesses.<sup>113</sup>

45. The FSB told us that proposals for statutory paid parental bereavement leave currently before Parliament provided a model which balanced supporting employees in difficult personal circumstances with the costs facing the employer.<sup>114</sup> Statutory pay, of £145.18 per week in 2018–19, is already available for maternity leave, paternity leave, shared parental leave and adoption leave.<sup>115</sup> The Parental Bereavement (Leave and Pay) Bill, which is

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102 [Conservative Party Manifesto 2017](#)

103 Q129 (Sarah Newton MP)

104 [General election 2017: Workers' rights protections promised by Tories](#), BBC, 15 May 2017

105 Carers UK ([SFC 0033](#))

106 Simplyhealth ([SFC 0049](#))

107 Simplyhealth ([SFC 0049](#)), Carer Support Wiltshire ([SFC 0040](#))

108 Carers UK ([SFC 0033](#)), Carer Support Wiltshire ([SFC 0040](#)), Age UK ([SFC 0034](#)), Bournemouth and Poole Local Authorities ([SFC 0029](#)),

109 Q2 (Emily Holzhausen OBE)

110 Centrica ([SFC 0048](#))

111 Federation of Small Businesses ([SFC 0059](#))

112 Federation of Small Businesses ([SFC 0059](#))

113 Federation of Small Businesses ([SFC 0049](#))

114 [Parental Bereavement \(Leave and Pay\) Bill](#), 7 February 2018

115 HM Government, [Rates and thresholds for employers: 2018 to 2019](#), 4 January 2018

supported by the Government, would extend further the circumstances in which it could be paid. The Bill would make employees with more than 26 weeks' service eligible for two weeks' paid parental bereavement leave at the statutory rate.<sup>116</sup> Employers administer statutory pay on behalf of Government, but can recover payments from HMRC. Small employers can recover 103% of statutory pay—more than they paid out—while large employers can recover 92%.<sup>117</sup>

**46. Carers sometimes need time away from work to carry out their caring responsibilities. Too many carers find meeting these demands, which can be sudden, are incompatible with work. Others use annual holiday or take sick days for what can be immensely stressful caring work. Carers, employers and the wider economy benefit from supporting carers to remain employed during times of difficulty. We therefore welcome the Government's commitment to introducing a system of statutory carer's leave.**

**47. Statutory unpaid leave would be a welcome solution for some carers but simply unaffordable to many others. An existing model of parental leave, paid at a statutory rate, already assists parents while providing compensation to employers, including special assistance for small businesses. In supporting the Parental Bereavement (Leave and Pay) Bill, the Government has demonstrated a willingness to extend this assistance into further circumstances. *There is a strong case for five days' statutory paid carer's leave based on the existing statutory leave system. We recommend the Government introduce this policy when resources allow and provide a full impact assessment for such a policy in response to this report.***

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116 Or 90% of average earnings if that is lower. Department for Business, Energy and Industrial Strategy, [Parental Bereavement Leave and Pay Impact Assessment](#), October 2017

117 HM Government, [Get financial help with statutory pay](#), accessed 14 May 2018. Large employers are currently defined as those with a Class 1 National Insurance contributions bill of £45,000 or more.

## 4 Government as a model employer

48. We have considered how changes to policy and legislation can support carers to stay in, or enter, work. We have heard resounding evidence that any such changes must be matched by a cultural shift in attitudes towards carers in employment.<sup>118</sup> The Social Care Institute for Excellence, a charity, told us this is a necessary step to “alleviate the stigma that many carers have reported”.<sup>119</sup> We were widely told that the Government must lead by example as an employer.<sup>120</sup> We were pleased to hear that this view is shared in Government: the DWP told us “the Civil Service believes it should lead from the front”.<sup>121</sup> Several examples of best practice that came to light during our inquiry were from within the Civil Service, but the Government could go further as a model employer.<sup>122</sup>

### *Flexible working*

49. The Government told us it aspires to a cultural shift in attitudes which results in flexible working being considered normal.<sup>123</sup> Working Families said that requiring the employee to take the initiative in requesting flexible working was counter to this objective:

As long as we continue to rely on employees, often those with caring responsibilities, to request flexible working, we will continue to see post hoc changes made to roles to accommodate flexibility as a ‘favour’ to an employee, rather than a way to do business.<sup>124</sup>

It would be preferable for jobs to be routinely advertised as being compatible with flexible working. However, research by Timewise, a jobs board that specialises in roles that are part-time or can be performed flexibly, found that just 10% of jobs earning £20,000 or more in 2017 were advertised as being “open to flexibility”.<sup>125</sup> This is a substantial barrier to prospective employees who wish to have flexible working arrangements, including many carers.

50. Laurence Beckett, People Business Partner at Aviva, told us that vacancies in his company are advertised as suitable for flexible working by default. Managers actively must justify a role *not* being advertised with flexible working options.<sup>126</sup> Working Families have developed the *Happy to Talk Flexible Working* strapline, to be used alongside job advertisements, to advertise an employers’ commitment to flexibility and reassure potential applicants. This has been backed by the FSB.<sup>127</sup> As part of Happy to Talk, employers were expected to consider exactly how a role could be performed flexibly to accommodate the

118 Simplyhealth ([SFC 0049](#)), North Tyneside Carers Centre ([SFC 0046](#)), Carer Support Wiltshire ([SFC 0040](#)), Work Foundation ([SFC 0038](#)), Kent County Council ([SFC 0036](#)), Future Care Capital ([SFC 0035](#)), Carers UK ([SFC 0033](#)), Aviva ([SFC 0032](#)), Northamptonshire carers ([SFC 0030](#)), Bournemouth and Poole Local Authorities ([SFC 0029](#)), Social Care Institute for Excellence ([SFC 0023](#)), Working Families ([SFC 0018](#)), Caring4Elders ([SFC 0016](#)), Healthwatch Essex ([SFC 0014](#)), Motor Neurone Disease Association ([SFC 0012](#)), Carers network University of Bristol ([SFC 0011](#)), Mark Brightburn ([SFC 0010](#))

119 Social Care Institute of Excellence ([SFC 0023](#))

120 Working Families ([SFC 0018](#)), Ian Peters and Katherine Wilson ([SFC 0056](#)), Simplyhealth ([SFC 0049](#)), North Tyneside Carers Centre ([SFC 0046](#)), Carers UK ([SFC 0033](#))

121 Department for Work and Pensions ([SFC 0044](#))

122 Working Families ([SFC 0018](#))

123 Department for Work and Pensions ([SFC 0044](#))

124 Working Families ([SFC 0018](#))

125 Timewise, [Flexible jobs index 2017](#), June 2017

126 Q42 (Laurence Beckett)

127 Federation of Small Businesses ([SFC 0059](#))

needs of both employer and employee. Working Families told us that “applying flexibility on a vacancy-by-vacancy basis [ ... ] is more effective in recruiting candidates than general or blanket statements about being a flexible employer”.<sup>128</sup>

### **Accessing information at work**

51. People can find themselves in a caring role very suddenly. In this moment, one of the greatest challenges is accessing the right advice and information.<sup>129</sup> We heard that while some employers might have policies that can benefit carers, those policies are often not easily found. Sarah Jackson told us:

When something happens in your life, you do not go and look at the staff handbook, which is wodge thick. You just try to deal with the situation, and for carers that often means throwing up your hands and saying, “I’m off”.<sup>130</sup>

North Tyneside Council found that carers find it difficult to see how generic carer-friendly policies might apply to them.<sup>131</sup> We also heard that carers’ experiences can vary enormously from one line manager to the next.<sup>132</sup> Liz Abrahams, a carer, told us “as good as the company is at putting [support for carers] in place, it depends on your manager”. This can be due to differing levels of awareness about carers’ circumstances.<sup>133</sup>

52. We repeatedly heard that carers would benefit from employers having a dedicated policy that pools all information relevant to carers.<sup>134</sup> This could be supplemented by a “carer’s passport”, a tool for recording conversations about an employee’s caring circumstances and associated adjustments or flexible working arrangements.<sup>135</sup> This passport would be held by the employee, removing the need for repeat conversations as they move from one manager to the next. The same witnesses caveated these policies, however, on two grounds. First, people often do not identify themselves as carers, particularly at work, and they may therefore be unlikely to associate themselves with policies and information targeted at “carers”.<sup>136</sup> Olga Budimir, a carer, told us:

The thing is that you don’t think of yourself as a carer [ ... ] you are just helping your parents out or your child. You are just doing what is right and you don’t think of yourself as a carer.<sup>137</sup>

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128 Working Families ([SFC 0018](#))

129 Age UK ([SFC 0034](#)), Q55 (Arthur Allen), Simplyhealth ([SFC 0049](#)), Mark Brightburn ([SFC 0010](#))

130 Q9 (Sarah Jackson)

131 North Tyneside Council ([SFC 0020](#))

132 North Tyneside Council ([SFC 0020](#)), Carers network University of Bristol ([SFC 0011](#)), Ian Peters and Katherine Wilson ([SFC 0056](#)), North Tyneside Carers Centre ([SFC 0046](#)), Cystic Fibrosis Trust ([SFC 0045](#)), Carer Support Wiltshire ([SFC 0040](#))

133 Social Care Institute for Excellence ([SFC 0023](#)), Carers Leeds ([SFC 0027](#)), Carers UK ([SFC 0033](#)), Future Care Capital ([SFC 0035](#))

134 Mark Brightburn ([SFC 0010](#)), Motor Neurone Disease Association ([SFC 0012](#)) Caring4Elders ([SFC 0016](#)), North Tyneside Council ([SFC 0020](#)), Sefton Metropolitan Borough Council ([SFC 0024](#)), Carers Leeds ([SFC 0027](#)), Northamptonshire Carers ([SFC 0030](#)), Carers UK ([SFC 0033](#)), Alzheimer’s Society ([SFC 0041](#))

135 Mark Brightburn ([SFC 0010](#)), North Tyneside Council ([SFC 0020](#)), Hospice UK ([SFC 0026](#)), Bury Council ([SFC 0028](#)), Carers UK ([SFC 0033](#)), Carer Support Wiltshire ([SFC 0040](#)), Alzheimer’s Society ([SFC 0041](#))

136 Ian Peters and Katherine Wilson ([SFC 0056](#)), Bury Council ([SFC 0028](#)), Carers Leeds ([SFC 0027](#)), Social Care Institute of Excellence ([SFC 0023](#)), North Tyneside Council ([SFC 0020](#)), MS Society ([SFC 0017](#)), Healthwatch Essex ([SFC 0014](#)) Hospice UK ([SFC 0026](#))

137 Q64 (Olga Budimir)

Second, mandatory policies risked being mere “tick box” exercises if they were not accompanied by cultural change in the workplace.<sup>138</sup> Government had an important role in leading this.<sup>139</sup>

### **Government leading by example**

53. Responding to Parliamentary Questions by our Chair, most government departments could point to generic policies that were “carer-friendly”. But only five, not including the DWP,<sup>140</sup> had a dedicated carer’s policy in place and just six, including the DWP, were members of the EfC forum.<sup>141</sup>

54. Currently there is no specific UK-wide recognition scheme for carer friendly employers.<sup>142</sup> Carers UK was commissioned by the Department of Health in January 2017 to develop and pilot an employer recognition scheme to be delivered by EfC.<sup>143</sup> Carers UK told us that “there is an appetite for benchmarking in order for employers to measure the robustness of their support arrangements for carers”. They have developed a model which has three levels of recognition, based on five measurement criteria for each level. EfC is piloting the scheme between March and July 2018 with a view to it being launched on a self-sustaining basis.<sup>144</sup>

**55. The rhetoric of flexibility is widespread, but the practical reality is often quite different. The Government is right to recognise the need for cultural change in employer attitudes. Without cultural change, welcome and well-intentioned policies, such as carer’s policies and passports, will have limited impact. Too often, steps such as offering flexible working arrangements are seen as favours to carers. Designing and advertising jobs as flexible by default sends a strong message to prospective employees that work can adapt to home lives, to mutual benefit. It disassociates flexible working from carers, older workers, disabled people and women, and recognises the benefits in relation to the entire workforce, employers and the economy.**

**56. The Government must adjust policies and legislation to support carers in employment. But it also has a vital role as an employer in leading by example, and extolling the benefits of employing carers to businesses and other partners. Several examples of best practice that came to light during our inquiry were from within the Civil Service. But we were both surprised and disappointed that just six government departments are members of the Employers for Carers forum and only five have specific carer policies. We welcome the employer benchmarking scheme commissioned by the Government as a means of driving change. Every department should be targeting the highest level of recognition.**

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138 North Tyneside Council ([SFC 0020](#))

139 Future Care Capital ([SFC 0035](#)), Age UK ([SFC 0034](#)), Carers UK ([SFC 0033](#)), Working Families ([SFC 0018](#)), Mark Brightburn ([SFC 0010](#))

140 Department for Digital, Culture, Media and Sport, Foreign and Commonwealth Office, Department for Exiting the European Union, Department of Health and Social Care

141 Department for Work and Pensions, Department for Health and Social Care, Home Office, Department for Transport, Foreign and Commonwealth Office, Cabinet Office

142 The Carer Positive scheme, funded by the Scottish Government and operated by Carers Scotland, has been running in Scotland since June 2014

143 Carers UK ([SFC 0060](#))

144 Carers UK ([SFC 0060](#))



***57. We recommend that Government adopts an approach to employing carers in line with existing best practice, including membership of Employers for Carers and the Happy to Talk Flexible Working scheme. We further recommend that Government collect and publish information on each department's support for carers in their employment policies and practices. This should be published annually and should include:***

- the percentage of jobs advertised as flexible;***
- the number of requests for flexible working received, accepted and denied;***
- policy on carer's leave, and take-up of such leave;***
- whether the Department has a designated carer's policy and if so, what it includes; and***
- when applicable, the Department's level of recognition under the new employer benchmarking scheme.***

# Conclusions and recommendations

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## Benefits system

1. The current Carer's Allowance system includes a cliff edge. Claimants can lose their entire weekly Carer's Allowance of £64.60 by earning just £1 over the threshold. This is an outdated anomaly in the benefits system and counter to the Government's objective of making work pay. The introduction of Universal Credit will resolve this problem for some claimants. However, it will be several years before Universal Credit is fully operational and even when it is, some Carer's Allowance claimants will not receive Universal Credit. The Government already has a solution for work incentive cliff edges in the taper it uses for Universal Credit. Coherence and fairness in the benefits system dictates Carer's Allowance should be withdrawn at the same rate. *We recommend that the Government introduce a taper for Carer's Allowance at the same rate as used for Universal Credit.* (Paragraph 16)
2. A taper for Carer's Allowance will remove many of the work disincentives currently built into the benefit. There will continue to be problems, however, for as long as the threshold for removing or reducing Carer's Allowance is below 16 hours at the National Living Wage. While the 16 hour eligibility rule in Working Tax Credit will be removed by Universal Credit, the transition between those two benefits will not be complete for several years. Regardless, a similar 16 hour rule remains in eligibility for free childcare. For parents who both work and care, a pay rise could mean they lose their benefit and must reassess the precarious balance between their commitments. Parent carers considering work can face a disincentive to take a job. The Government should seek to eradicate such barriers in its quest to make work pay. *We recommend a link between the National Living Wage and the Carer's Allowance earnings threshold. For as long as 16-hour rules exist in the benefits system, the Carer's Allowance threshold should be equivalent to no less than 16 hours at the National Living Wage.* (Paragraph 21)
3. The life of a carer can be very complex. This complexity is only added to by the intricacies of the benefits system. Information and support for carers is, however, very patchy. Some carers do not even realise they are carers. Others have contact with the benefits system or other public services, but valuable opportunities to offer or signpost assistance are missed. (Paragraph 26)
4. *We recommend a series of simple steps to improve support for carers:*
  - *Guidance on Carer's Allowance on the gov.uk website should include full details of the taxes and expenses that can be deducted from earnings before the threshold applies.*
  - *As part of the application process for Carer's Allowance, claimants should receive information on support services, including signposts to those provided locally by the third sector. This information should also be made available in GP surgeries and hospitals.*

- *People who only claim Carer's Allowance are not currently entitled to an appointment with a Jobcentre Work Coach. If they want one, they should be eligible for one.*
- *DWP should review Work Coach training and guidance to ensure it adequately covers carer awareness, and collect data on the quality of the support and accuracy of information given to carers as part of its regular performance monitoring. (Paragraph 27)*

### Employment policy

5. Flexible working is a crucial factor in many carers being able to juggle caring responsibilities and work. For other carers, work would be an option if they were able to work flexibly. There is a growing body of evidence that flexible working is not just good for the employee, but also highly beneficial to the employer. It is, in many cases, a win-win. We welcome the Government's support for flexible working and call for equal treatment for all employees. The law is currently, however, at odds with that rhetoric. The statutory six month wait for a right simply to request flexible working creates uncertainty for carers and may discourage them from seeking work. *We recommend the Flexible Working Regulations 2014 be amended to ensure the right to request flexible working exists from the first day of employment. (Paragraph 36)*
6. Carers sometimes need time away from work to carry out their caring responsibilities. Too many carers find meeting these demands, which can be sudden, are incompatible with work. Others use annual holiday or take sick days for what can be immensely stressful caring work. Carers, employers and the wider economy benefit from supporting carers to remain employed during times of difficulty. We therefore welcome the Government's commitment to introducing a system of statutory carer's leave. (Paragraph 46)
7. Statutory unpaid leave would be a welcome solution for some carers but simply unaffordable to many others. An existing model of parental leave, paid at a statutory rate, already assists parents while providing compensation to employers, including special assistance for small businesses. In supporting the Parental Bereavement (Leave and Pay) Bill, the Government has demonstrated a willingness to extend this assistance into further circumstances. *There is a strong case for five days' statutory paid carer's leave based on the existing statutory leave system. We recommend the Government introduce this policy when resources allow and provide a full impact assessment for such a policy in response to this report. (Paragraph 47)*

### Government as a model employer

8. The rhetoric of flexibility is widespread, but the practical reality is often quite different. The Government is right to recognise the need for cultural change in employer attitudes. Without cultural change, welcome and well-intentioned policies, such as carer's policies and passports, will have limited impact. Too often, steps such as offering flexible working arrangements are seen as favours to carers. Designing and advertising jobs as flexible by default sends a strong message to prospective employees that work can adapt to home lives, to mutual benefit. It disassociates

flexible working from carers, older workers, disabled people and women, and recognises the benefits in relation to the entire workforce, employers and the economy. (Paragraph 55)

9. The Government must adjust policies and legislation to support carers in employment. But it also has a vital role as an employer in leading by example, and extolling the benefits of employing carers to businesses and other partners. Several examples of best practice that came to light during our inquiry were from within the Civil Service. But we were both surprised and disappointed that just six government departments are members of the Employers for Carers forum and only five have specific carer policies. We welcome the employer benchmarking scheme commissioned by the Government as a means of driving change. Every department should be targeting the highest level of recognition. (Paragraph 56)
10. *We recommend that Government adopts an approach to employing carers in line with existing best practice, including membership of Employers for Carers and the Happy to Talk Flexible Working scheme. We further recommend that Government collect and publish information on each department's support for carers in their employment policies and practices. This should be published annually and should include:*
  - *the percentage of jobs advertised as flexible;*
  - *the number of requests for flexible working received, accepted and denied;*
  - *policy on carer's leave, and take-up of such leave;*
  - *whether the Department has a designated carer's policy and if so, what it includes; and*
  - *when applicable, the Department's level of recognition under the new employer benchmarking scheme. (Paragraph 57)*

## Formal minutes

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**Wednesday 9 May 2018**

Members present:

Heidi Allen, in the Chair

Jack Brereton    Steve McCabe

Alex Burghart    Chris Stephens

Ruth George

Draft report (*Employment support for carers*), proposed by the Chair, brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.  
Paragraphs 1 to 57 read and agreed to.

Summary agreed to.

*Resolved*, That the Report be the Thirteenth Report of the Committee to the House.

*Ordered*, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Wednesday 16 May at 9:00

# Witnesses

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The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

## Wednesday 10 January 2018

*Question number*

**Emily Holzhausen OBE**, Director, Carers UK, **Sarah Jackson OBE**, Chief Executive, Working Families, and **Moira Wilkinson**, Network Manager, Carers Trust [Q1–17](#)

**Nicola Best**, Building Better Opportunities Project Mentor, Northamptonshire Carers, **Fiona Malpas**, Project Manager, Carers Support Centre (Bristol and South Gloucestershire), and **Joanne Speed**, Former CEO, Dove Service (Staffordshire) [Q18–38](#)

**Laurence Beckett**, People Business Partner, Savings and Retirement, UK, Aviva, and **Arthur Allen MBE**, Founder, Listawood [Q39–60](#)

## Wednesday 7 February 2018

**Nikki Kimber**, Carer, **Olga Budimir**, Carer, **Liz Abrahams**, Carer, **Katie O'Shaughnessy**, Carer, and **Bethan Pound**, Carer [Q61–111](#)

**Sally Wilson**, Senior Research Fellow, Institute for Employment Studies [Q112–126](#)

**Sarah Newton MP**, Minister of State for Disabled People, Health and Work, **Andrew Latto**, Deputy Director, Devolution and Welfare in later life, and **Duncan Gilchrist**, Deputy Director, Fuller Working Lives and State Pension Policy [Q127–157](#)

## Published written evidence

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The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

SFC numbers are generated by the evidence processing system and so may not be complete.

- 1 Age UK ([SFC0034](#))
- 2 Alzheimer's Society ([SFC0041](#))
- 3 Assn of Directors of Adult Social Services ([SFC0058](#))
- 4 Aviva ([SFC0057](#))
- 5 Aviva plc ([SFC0032](#))
- 6 Bournemouth and Poole Local Authorities ([SFC0029](#))
- 7 Bury Council ([SFC0028](#))
- 8 Carer Support Wiltshire ([SFC0040](#))
- 9 Carers Leeds ([SFC0027](#))
- 10 Carers Scotland ([SFC0054](#))
- 11 Carers Support Centre (Bristol & South Glos) ([SFC0025](#))
- 12 Carers Trust ([SFC0022](#))
- 13 Carers UK ([SFC0033](#))
- 14 Carers UK ([SFC0060](#))
- 15 Caring4Elders ([SFC0016](#))
- 16 Centrica ([SFC0048](#))
- 17 CLIC Sargent ([SFC0015](#))
- 18 Contact ([SFC0008](#))
- 19 Cystic Fibrosis Trust ([SFC0045](#))
- 20 Disability Law Service ([SFC0009](#))
- 21 Disability Law Service ([SFC0053](#))
- 22 DWP ([SFC0044](#))
- 23 ERSA ([SFC0013](#))
- 24 Faculty of Occupational Medicine & Society of Occupational Medicine ([SFC0050](#))
- 25 Federation of Small Businesses ([SFC0059](#))
- 26 Forum of Private Business ([SFC0062](#))
- 27 Future Care Capital ([SFC0035](#))
- 28 Global Women's Strike ([SFC0043](#))
- 29 Grandparents Plus ([SFC0037](#))
- 30 Headway - the brain injury association ([SFC0031](#))
- 31 Healthwatch Essex ([SFC0014](#))
- 32 Hft ([SFC0042](#))
- 33 Hospice UK ([SFC0026](#))

- 34 Ian Peters & Katherine Wilson ([SFC0056](#))
- 35 Kent County Council (submitting on behalf of Carer and Employment provider organisations) ([SFC0036](#))
- 36 London School of Economics ([SFC0064](#))
- 37 Low Incomes Tax Reform Group ([SFC0039](#))
- 38 Motor Neurone Disease Association ([SFC0012](#))
- 39 Mr Mark Brightburn ([SFC0010](#))
- 40 MS Society ([SFC0017](#))
- 41 Name Withheld ([SFC0003](#))
- 42 Name Withheld ([SFC0006](#))
- 43 NHS Improvement ([SFC0063](#))
- 44 North Tyneside Carers Centre ([SFC0046](#))
- 45 North Tyneside Council ([SFC0020](#))
- 46 Northamptonshire Carers ([SFC0030](#))
- 47 Peter Lyne ([SFC0005](#))
- 48 Professor Alisoun Milne ([SFC0002](#))
- 49 Sainsburys ([SFC0047](#))
- 50 Sefton Metropolitan Borough Council ([SFC0024](#))
- 51 SimplyHealth ([SFC0049](#))
- 52 Social Care Institute for Excellence ([SFC0021](#))
- 53 Social Care Institute for Excellence ([SFC0023](#))
- 54 West Yorkshire and Harrogate Health and Care Partnership (also known as a STP) ([SFC0061](#))
- 55 Work Foundation ([SFC0038](#))
- 56 Working Carers network University of Bristol ([SFC0011](#))
- 57 Working Families ([SFC0018](#))
- 58 Young Women's Trust ([SFC0007](#))



## List of Reports from the Work and Pensions Committee during the current Parliament

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All publications from the Committee are available on the publications page of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

### Session 2017–19

First Report	Universal Credit: the six week wait	HC 336
Second Report	A framework for modern employment	HC 352
Third Report	Protecting pensions against scams: priorities for the Financial Guidance and Claims Bill	HC 404
Fourth Report	PIP and ESA assessments: claimant experiences	HC 355
Fifth Report	Universal Credit Project Assessment Reviews	HC 740
Sixth Report	British Steel Pension Scheme	HC 828
Seventh Report	PIP and ESA assessments	HC 829
Eighth Report	European Social Fund	HC 848
Ninth Report	Pensions freedoms	HC 917
Tenth Report	Assistive technology	HC 673
Eleventh Report	Universal Credit: supporting self-employment	HC 997
Twelfth Report	Carillion	HC 769
Fourteenth Report	Appointment of Professor Sir Ian Diamond as Chair of the Social Security Advisory Committee	HC 971
First Special Report	Child Maintenance Service: Government's Response to the Committee's Fourteenth Report of Session 2016–17	HC 354
Second Special Report	Self-employment and the gig economy: Government Response to the Committee's Thirteenth Report of Session 2016–17	HC 644
Third Special Report	Disability employment gap: Government Response to the Committee's Seventh Report of Session 2016–17	HC 652
Fourth Special Report	Victims of modern slavery: Government Response to the Committee's Twelfth Report of Session 2016–17	HC 672
Fifth Special Report	Employment Opportunities for Young People: Government response to the Committee's Ninth Report of Session 2016–17	HC 872

Sixth Special Report	Protecting pensions against scams: priorities for the Financial Guidance and Claims Bill: Government Response to the Committee's Third Report	HC 858
Seventh Special Report	A framework for modern employment: Government response to the Second Report of the Work and Pensions Committee and First Report of the Business, Energy and Industrial Strategy Committee	HC 966
Eight Special Report	PIP and ESA assessments: Government Response to the Committee's Seventh Report	HC 986
Ninth Special Report	British Steel Pension Scheme: The Pensions Regulator Response to the Committee's Sixth Report	HC 987