

Daycare Trust response to Modern Workplaces consultation August 2011

About Daycare Trust

1. Daycare Trust is the national childcare charity, campaigning for high quality, accessible, affordable childcare for all and raising the voices of children, parents and carers. We undertake research, campaign on childcare issues, work with local authorities and childcare providers in different types of settings, as well as providing information for parents and carers. Our surveys of parents and providers give a comprehensive and up-to-date picture of issues facing families in the UK.

Flexible parental leave

2. Daycare Trust welcomes the proposal to create a more flexible system of shared parental leave which will enable both parents to play a more active role in caring for a child during the first year of its life. We believe that making it easier for fathers to take leave during this time will lead to more active involvement with their child, and will help create an expectation of shared parenting among both parents and employers. Along with the recent Supporting Families in the Foundation Years document published by the Department for Education and Department of Health, which includes details of further measures to support parents, this represents a real step forward in supporting both mothers and fathers to effectively manage both their work and home lives.
3. We welcome the proposal to create a more flexible system of shared parental leave, which classifies 18 weeks of leave as maternity leave and the remaining 34 weeks as parental leave to be taken by either parent. We do not believe that any employers should be exempted from these proposals, as parents should have access to equal rights regardless of who they work for. We would also like to see efforts to encourage employers to offer contractual benefits to fathers on the same basis as mothers, and welcome the Government's commitments to work with employers to promote a culture change.
4. Although we welcome the proposals to allow leave to be shared, Daycare Trust continues to believe that the rate of pay for both the two weeks of paternity leave, and the flat-rate element of maternity/parental leave, is too low to allow many parents to take their full entitlement. This is particularly the case for fathers if they are the higher-earning partner, as they may also be less likely to receive enhanced pay from their employer. The evidence shows that the low level of pay for this leave deters many fathers from taking even their two weeks of paternity leave. We believe that paternity leave should be paid at 90 per cent of earnings and recommend that the Government increases the level of pay as soon as possible, at a minimum by the time it extends reserved paternity leave to four weeks by 2015.

5. We believe that the remaining period of paid leave should be extended to a full year so that the entire period of leave is paid, and that this should be paid at minimum wage levels.

Additional proposals

6. Daycare Trust welcomes the proposal to allow parents to use their parental leave to allow them to return to work on a part-time basis. We believe this would be welcomed by many parents who are placing their baby in a childcare setting such as a nursery or a childminder. Returning to work part-time will help them to settle the child in to the setting over a period of time. As the consultation document points out, this would also benefit employers who may welcome an employee to return to work sooner than they otherwise would have done.
7. We also welcome the proposal to allow parents to use their leave in two or more portions. Allowing a parent to return to work and then take a period of leave later on could have significant benefits, for example for parents who also have older children to be able to take the remainder of their leave during the summer holidays when childcare is very expensive and hard to find.
8. Allowing concurrent leave would also allow both parents to play an active role in choosing childcare and in helping the child to settle in. In most cases, it is the mother who takes the lead in choosing which type of childcare to use, and in visiting and selecting a childcare setting. This can lead to the mother having a closer ongoing relationship with the setting in the subsequent years, and the father feeling less engaged with the child's learning and development. Daycare Trust supports efforts to promote the active involvement of both parents with their childcare setting, and being involved in selecting childcare will help create this environment.
9. We agree with the Government's suggestion to extend the age limit up to which parents can use their 13 weeks of unpaid parental leave. We propose that this should be 18 in order to give parents the maximum flexibility. In reality, given the short period of leave available, we do not anticipate that parents will have much leave available once their children start school, but we would prefer it to be available so that parents do not forfeit any remaining leave if they have not used it. At the very minimum we believe that it should be available until the age of 12 so that parents can have access to the leave during their child's primary school years (when childcare availability can be a major problem) and during the transition to secondary school.

The period after parental leave

10. We believe that the Government should give greater attention to the period between the end of paid parental leave and the start of entitlement to free early education at three. Currently, most parents receive no free childcare or subsidy for childcare costs until their child is three, yet it is during this time that childcare costs are highest because of the need for higher staff-to-child ratios.
11. We believe that all children should be entitled to a part-time (20 hours) early education place from the age of two. The Government's plans to provide 15 hours for the 20 per cent most disadvantaged two year olds is a welcome development, but we believe this should be extended to all children at the earliest opportunity.

12. We believe the government should explore other options for filling this gap – for example by offering more generous subsidies for childcare for under threes, or by making the currently unpaid entitlement to parental leave paid and much more flexible, so that parents can minimise their childcare costs during this period.

Flexible working

13. Daycare Trust welcomes the proposal to extend the right to request flexible working to all employees. We believe this is the most effective way of making flexible working the norm in all workplaces, encouraging respect for work-life balance and challenging stereotypes about part-time workers. We believe that in order for this to be the case in workplaces across the country, it needs to be accompanied by a national awareness-raising campaign aimed at employers and employees, with extra targeting for sectors of the economy in which flexible working is less prevalent.
14. On the question of whether certain groups should be given priority if there are limited opportunities for flexibility, Daycare Trust has previously advocated parents being given priority, given the essential need for flexibility that some parents require to fit around their childcare responsibilities.
15. We accept the Government's argument that an official policy giving priority to certain groups does not promote the culture of flexibility that it is trying to promote by extending the right to request flexible working to all employees. We also hope that employers can accommodate all requests by being creative and allowing employees to propose solutions.
16. We therefore support the Government's suggestion that employers not be *required* to prioritise, but be *allowed* to if they wish to take this in to account when making a decision, and this should only be used when there are direct, competing requests. We would also request that good practice material is made available to employers which encourages them to accept all requests but which makes clear that if they are not able to do this then prioritising parents' needs is acceptable in the eyes of the Government and the courts.
17. We also recommend that materials for employees (particularly parents) also makes clear that employers can only prioritise requests if they can show that they cannot accept all requests on business grounds, and that they are complying with discrimination legislation. Further, we recommend that research is undertaken to monitor the implementation of this change which looks at the success rate of different groups.
18. Daycare Trust is concerned that the proposal to replace the statutory process for the consideration of requests with a Code of Practice will weaken employees' rights to have their request properly considered. While we acknowledge that in an ideal world an agreement is reached through discussion, there are occasions when employees need to point to the formal process in order to receive a fair hearing. We believe that the existing procedure has worked well – as evidenced by the high number of requests that are accepted, and indeed the right to request is now strongly accepted by the business community – and a change could also lead to confusion among both employers and employees.
19. Daycare Trust does not agree with the Government's proposal to keep the 26 week qualifying condition to request flexible working. This is a significant barrier for parents who are trying to re-enter the labour market, particularly lone parents, who need to make

arrangements for childcare in order to start a job. If they were able to request flexible working before starting a job it would increase their options in terms of finding childcare.

20. Many childcare settings operate fixed hours – usually a maximum of 8am-6pm for full daycare settings (such as private and voluntary sector nurseries, and children’s centres) and often fewer hours than this, particularly in the public sector. This can make finding childcare that fits in with working hours specified by a potential employer very difficult for parents.
21. Likewise for parents with older children, it is often very difficult to find childcare for before and after school – wraparound childcare through extended schools is still not available on a universal basis. Just 28 per cent of local authorities say that they have sufficient childcare for children aged 5-11 across the whole of their council area, and for children aged 12 to 14 it drops to just 14 per cent.¹ So for many parents looking to move in to work, formal childcare simply will not be available at the time they need it, and therefore flexible working will be the only alternative.
22. In order to improve the childcare options for parents with school age children, Daycare Trust would also like to see incentives for schools to provide a genuinely wraparound childcare offer to parents, including free places for low-income families and holiday schemes. We believe that all schools or clusters of schools should offer childcare (by which we mean safe, supervised activities) from 8am to 6pm which should be free to low income families. This ‘extended schools’ provision offers real opportunities for schools to work in partnership with other organisations in their local communities, such as third sector youth groups who may be able provide holiday childcare using school premises. We believe that extended schools are one aspect of the Big Society ideal.
23. Daycare Trust recently conducted research on the childcare needs of parents working atypical hours (which we defined as outside of 8am-6pm Monday to Friday) and found that they faced significant challenges finding childcare.² Just 17 per cent of working families with dependent children work exclusively standard hours, so access to both childcare and flexible working are essential if parents are to be supported to return to work.
24. There is much evidence to suggest that formal childcare is rarely available to meet this ‘non-standard’ demand, so for many parents working within standard hours, or when informal childcare from friends or family is available, will be their only options if they are to continue with their career. For parents with established careers, we found that in many cases they changed job to one which offered more standard hours, despite often having years of training and experience, because flexible working was not acceptable in their industry culture.
25. For parents looking to enter an industry with atypical hours, things are even more difficult. At the moment they are not able to request a change to the advertised hours before starting work, or even once they have started work. It is unlikely that a parent will be able to sustain such a difficult balance for six months until they can make a request for flexible working.

¹ Daycare Trust (2011) *Childcare Costs Survey 2011*; Daycare Trust, London

² Singler (2011) *Open all hours: flexible childcare in the 24/7 era*; Daycare Trust, London

26. We believe the lack of childcare and the inability to request flexible working is preventing a significant number of parents from entering employment. It is particularly difficult in London, which combines very expensive childcare costs with the lowest levels of informal childcare in the country.
27. Furthermore, our research found:
- A significant number of parents work atypical hours in one form or another – 16 per cent of parents work shifts; 1 in 10 work over 40 hours and a staggering 4 in 10 parents work hours which vary week to week – this may not necessarily be atypical hours but it has an impact on demand for childcare, making it irregular and unpredictable.
 - Parents in a weak labour market position are more likely to be concentrated in jobs which demand they work at least some atypical hours. This indicates that low-income groups form a large part of the demand for atypical hours childcare. Affordability is therefore a key consideration for those developing atypical hours childcare services.
 - The majority of parents do not have a choice in the hours that they work, as the industry that they work in tends to dictate their hours.
 - Lone parents are more likely to be found in jobs that demand they work atypical hours. However, in many cases, informal care provision is difficult to access as they may not be in a position to share childcare duties with their partner, for example. Moreover, those without family (those who have moved away from an extended family or are recent immigrants, for example), are in a similar position.
 - Some parents and childcare providers express concerns around the suitability of formal care at some non-standard times – late evenings and overnight in particular.

Additional comments

28. We would like to recommend that greater emphasis is placed on encouraging employers to assist their employees with childcare, as part of their wider package of assistance for working parents. This should include signposting information to the local Family Information Service, information about tax credits and other financial support, and the opportunity to receive childcare vouchers as part of a salary-sacrifice scheme. In its discussions with employers, and in any materials produced, we would like to see these options mentioned as a practical way in which employers can support their employees to maintain a good work-life balance.

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