

Supplementary written evidence submitted by the Chartered Institute of Personnel and Development (CIPD) [RCW0068]

About CIPD

The CIPD is the professional body for HR and people development. The not-for-profit organisation champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has 160,000 members across all sectors and sizes of organisation and provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

Public policy at the CIPD draws on our extensive research and thought leadership, practical advice and guidance, along with the experience and expertise of our diverse membership, to inform and shape debate, government policy and legislation for the benefit of employees and employers. It also seeks to promote and improve best practice in people management and development and to represent the interests of our members.

Our response

Context

The CIPD was asked to provide oral evidence to the Women and Equalities Committee on the ‘Impact of the rising cost of living on women’ at the session scheduled for the 31st January 2024. Following the conclusion of the meeting, the committee requested further information on a number of other areas relevant to how the rising cost of living might be impacting upon women, CIPD’s response to each can be found below.

<p>1. Are you aware of any women completely opting out of pension schemes because they cannot afford to pay into them?</p>

In spring 2023, we asked respondents to the CIPD’s Labour Market Outlook if since the start of 2022, the number of staff in their organisation reducing contributions to the workplace pension scheme or opting out entirely had increased, decreased, or stayed the same.

Overall, 15% of respondents reported either a significant (4%) or a slight (11%) increase in the number of people reducing their contributions or opting out, while 5% reported that there had been a fall in the numbers. There was little variation between those respondents based in either the public or private sectors, or within the private sector between manufacturing and production companies or private sector service firms.

The Labour Market Outlook did not ask whether women were more or less likely to reduce their pension contributions or opt out of pension saving entirely. However, in retail, where many women are employed, 15% of employers reported an increase. Similarly, in healthcare (19%) and education (20%).

<p>2. What more could employers and/or the Government do to facilitate a flexible working culture?</p>

Well-designed flexible working can help employees to reconcile work and caring responsibilities. It can enable women to remain in work and stay in roles that reflect their skills, thereby potentially reducing the gender pay gap. However, it is important to normalise flexible working by boosting its use in all positions and levels of seniority. This will help to challenge the stereotype of women as carers and should also enable more men to work flexibly and share caring responsibilities more equally with their partners, supporting women’s progression.

The Government’s passing of the Flexible Working Act has been a positive step forward in making flexible working the default. As outlined above, this will help give women access to quality, flexible work that fits their skill level. We also support the work of the Flexible Working Taskforce, which is co-chaired by the CIPD, in encouraging employers to use the tagline ‘happy to talk flexible working’ in their job adverts and recruitment process and in building broader cultures of support around flexible working.

The CIPD has recently been part of a Hybrid Work Commission whose [findings](#) showed that access to increased hybrid working has supported more women in the UK to move from part-time to full-time work.

However, there is also early evidence to suggest that hybrid working, if not managed fairly, can have a disproportionately negative impact on women’s careers.

Research by Deloitte indicates that nearly four in 10 women with hybrid work arrangements report experiencing exclusion from meetings, decisions, or informal interactions. Consequently, it is incredibly important to ensure organisations have well thought through approaches to hybrid working that put fairness at the heart of what they are doing and that line managers are supported to manage people in a fair and consistent way regardless of work pattern or location. Professor Rosie Campbell of King's College London suggests there is huge variability between employers in terms of how visibility, presenteeism and overwork affect promotion opportunities. Hybrid jobs need to be carefully designed, rather than being allowed to develop on their own in ways which reinforce existing inequalities.

While we have seen an increase in remote and hybrid working throughout and beyond the pandemic, we also think there needs to be a greater focus on flexibility for those in non-office and front-line roles. To support this we would like the Government to develop a challenge fund for businesses in frontline sectors to trial and track progress around flexible ways of working and the impact on business and employee metrics.

3. To what extent will the extension of 30 hours free childcare improve women's participation in and return to the labour market?

The CIPD has called for the UK Government to provide affordable childcare from the end of maternity leave to enable parents to return to work if they choose to. We believe it is vital that any new entitlements are properly funded.

Returning to work when their children are young means parents, particularly mothers, are not penalised for their time outside of the labour market. It can help avoid loss of skills and confidence and support career opportunities and progression and ultimately boost gender equality.

A recent survey of 4,000 women found 67% felt childcare duties in the past decade had cost them progress at work - including pay rises, promotions, or career development. Almost 90% believed that additional support was needed.

While we support the extension of free childcare entitlements announced in the Spring 2023 Budget, we also believe the Government needs to:

- Learn lessons from the existing free childcare offer and foresee future challenges to ensure high-quality early years provision - including ensuring adequate nursery places, tackling labour shortages and properly funding childcare provisions.
- Ensure better communication to parents of the current and future planned support around childcare.
- Enhance childcare support for working parents. Extend the eligibility criteria in the existing and new childcare entitlements to include parents in training to support opportunities for working parents to retrain and upskill.

Additional detail on what is needed for a successful rollout of childcare can be found here: <https://www.cipd.org/uk/views-and-insights/thought-leadership/cipd-voice/childcare-reform/>

4. What options are available to female employees who rely on wraparound care for school aged children?

There can be real challenges for working parents relying on wraparound care for school aged children. These include the quality and quantity of options provided as well as the length of wraparound childcare options which don't always align to a typical working day. Cost can also be a barrier for many. For this reason, we would encourage the Government to improve the quality, quantity and length of wraparound care options and ensure that these are accessible to a broader spectrum of families. At the same time, employers should look to provide more flexible working options to help working mothers and fathers combine work with their parental caring responsibilities.

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