

# **Addressing child poverty through parental employment**

## **National call for views**

### **Submission by Carers Scotland – 6 April 2023**

Carers Scotland welcomes the opportunity to provide a submission to the inquiry. We have aimed to keep this response brief and have therefore focused on the need to deliver flexible and accessible childcare to support parent carers with a disabled child. We also argue for the need to consider support for unpaid carers who are caring for an adult who also have school age non-disabled children.

Around 270,000 people in Scotland juggle paid employment with caring – around 1 in 7 of the working age population. Having the opportunity to work is an important part of life, and one that most of us take for granted. In addition to providing financial stability, it is widely recognised that employment brings wider benefits in terms of a fulfilling career, positive mental health and social interaction.

For unpaid carers, work can often represent a lifeline, not only financially, but also as an important part of having a life outside of caring. A third (32%) of carers in State of Caring 2022 were in paid employment. Of these, 57% are in full time employment or self-employment and 43% are in part-time employment or self-employment. Most were at the peak age for caring – aged 45-64 and one in five (27%) also had childcare responsibilities for a non-disabled child and 17% also have a disability themselves.

### **Barriers to employment and accessibility of provision**

Research in 2019 found that nearly 7% of carers had been forced to give up work to care (nearly 1 in 10 in the preceding 12 months) and a further 5% had reduced their working hours to provide care for someone. This means that overall, more than 500,000 carers in Scotland have to live with the, often long term, consequences of caring impacting on their ability to sustain paid employment. Some analysis has also indicated that parents with a disabled child are more likely to be out of paid employment and less likely to access formal childcare.

Understandably, many carers told Carers Scotland that it is impossible to provide hands-on practical and personal care for someone 24/7, manage their appointments, maintain the home and hold down a full-time job all at the same time.

The challenges of balancing work and care are made more difficult by the lack of consideration of these responsibilities in carers assessments. More than half (56%) of working carers said their need to balance care with their employment was either not considered or considered insufficiently in their Adult Carer Support Plan discussions.

Parent carers of disabled children consistently report that there is not sufficient childcare available for them to access, for example, in the UK Parliamentary Inquiry into childcare for disabled children, 40% of parents said they there are no childcare providers in their local area that could cater for their child's illness or disability. Respondents to the Inquiry identified specific groups of children that faced difficulties in accessing existing provision including children with complex needs and health conditions and children with challenging behaviour. This is often because such mainstream provision struggled to include them because of cost or because they require higher ratios of care that these settings are unable to provide.

The lack of available childcare can mean loss of employment with research indicating that nearly a third (30%) of parents of disabled children are not working, with 40% having been out of work for more than five years. Equally parents with a disabled child often are forced to make career decisions that affect long-term earning potential and financial security. Research by Working Families found that three-quarters (76%) of parents with a disabled child have turned down a promotion or accepted a demotion to meet their caring responsibilities and nearly half (45%) are working at a lower skill level than before they had their disabled child. This is opposed to just 10% for those with a non-disabled child. This research echoed the earlier inquiry with 86% of parents with disabled children saying that they find it 'difficult or impossible' to find suitable childcare, while 82% have trouble finding childcare they can afford.

Families also struggle with support during the holidays, particularly the long summer break. Nearly all parents (96%) in research by Shared Care Scotland said that the summer holidays were when they needed most support but reported significant difficulties in finding suitable activities (and information about them) for their disabled child over the summer. The research found that there is inconsistent provision of holiday activity programmes across Scotland, with rural areas badly affected, largely as a result of geographical isolation and related transport difficulties.

A range of suitable social care for disabled children and adults – and accessible and affordable early years and childcare provision for parent carers – are critical to unpaid carers being able to manage work and care. Associated transport provision must also be considered as a crucial part of the equation.

## **Affordability of childcare and poverty faced by families affected by disability**

Families with a disabled member are more likely to be in poverty than those without. The Scottish Government's own findings showing that the relative poverty rate for children in households with a disabled child sitting at 27% and 30% for those for children living in households with a disabled adult. These findings also estimate for the extra living costs disabled children and adults face, and once this was done, relative poverty rates rose

sharply to 31% and 36% respectively. This shows clearly that far more work is needed to address the impact of poverty on households with an adult or child affected by disability.

This reflects longstanding research which indicates that households with a disabled member are more likely to be living in poverty and that carers are more likely to be in poverty than non-carers. Joseph Rowntree Foundation, who have published research on UK poverty for many years, noted in this year's Poverty in the UK that the poverty rate for disabled people is 29%, 9 percentage points above those who are not disabled. Disabled working age adults are almost twice as likely to live in poverty compared to non-disabled working age adults. (35% and 18% respectively).

Unpaid carers are more likely to live in poverty than non-carers (29% compared with 20%) and working age carers were less likely to be in employment than those without caring responsibilities.

We therefore suggest that there is a need to consider the role of free and significantly reduced cost childcare in supporting both carers with a disabled child and also to those children living in households affected by disability. An example would be where a parent is caring for a spouse with a disability and have school age children within the household. As noted, more than a quarter (27%) of carers in our recent State of Caring in Scotland report also have caring responsibilities for a non-disabled child under 18, placing additional challenge on their abilities to juggle work and care or even to maintain employment.

Where a parent is caring for a long-term sick or disabled child, or another close relative, it is likely to significantly limit their ability to work. With half of carers in this research (45%) providing care for 90 or more hours each week, it was not surprising that only two in 10 carers are in full-time employment. Since this report, inflationary pressures and the soaring cost of energy have exacerbated the considerable financial pressures that families affected by disability face.

## **Extension of free childcare provision**

Decisions on whom to extend free childcare must also consider the wider additional costs that disabled children and adults and their unpaid carers face. On average a family with a disabled child will pay hundreds of pounds more a month to have the same standard of living as a family with a non-disabled child. Scope research found that those caring face additional costs, estimating that on average disabled people face extra costs of £583 a month, with one in five facing extra costs of over £1000. Families with disabled children face average extra costs of £581 per month and for almost a quarter (24%) of these families, extra costs are over £1,000 per month. The report goes on to set out that these costs are increased where there are two or more disabled child in the family (£823 v £581).

In addition, those with long term conditions are more likely to find it difficult to afford child care. Over a third (37%) of these households found it difficult to afford compared to 24% of those households where no-one had a long-term condition.

## **Scottish Government support for employers and family friendly/flexible working conditions**

The Scottish Government should actively encourage employers to become Carer Positive employers, setting this not only as an exemplar of good practice but as a requirement (along with payment of the Real Living Wage) of ethical commissioning.

However, as an interim step, with some 500,000 people working in the public sector, the Scottish Government and all public bodies should lead by example, with all public bodies (and indeed MSPs) working toward achieving the Carer Positive Exemplary Award and delivering carer friendly employment.

Equally, as part of its work in developing a wellbeing economy, the Scottish Government should commission and publish additional research to demonstrate the business and economic benefits of family friendly and flexible working conditions to employers. This includes to enable employers to address the significant recruitment and retention challenges faced by many sectors currently.

Some employers have recognised and have quantified these business benefits and considerable costs and additional research can benefit this case. For example, Centrica estimated cost savings of £2.5m through increased staff retention and £4.5m through reduced unplanned absenteeism. The Corporate Leadership Council estimated that the cumulative costs to an organisation of an employee leaving work are equal to the employee's last salary, while Hay Group suggests it could cost anywhere from 50-150% of their salary.

Such research can also benefit the Scottish Government's own policy and legislative development for a wellbeing economy. For example, there is clear evidence that caring responsibilities comes with both a personal and economic cost. Analysis in 2017 estimated that 345,000 working age carers in England alone had left work and remained out of employment with public expenditure costs of £2.9 billion in taxes forgone on lost earnings and replacement social security payments.

## **Conclusion**

In conclusion, Carers Scotland believes that the Committee Inquiry should consider the specific needs and considerable social and economic benefits of improving accessibility, availability and cost of childcare and other support for parents with a disabled child and for children living in households affected by disability.