

Flexibility for the future: The Government's response to the recommendations of the Family Friendly Working Hours Taskforce

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Ministerial foreword

The opportunity to take up flexible working has never been more important – either for the individual, for businesses or for society. Some working practices that persist today more accurately reflect the norms of the 19th century than the needs of the modern workplace. Faced with demographic change, a generation of fitter and healthier older people, and a workforce who increasingly aspire to portfolio careers, employers and employees alike have to think far more deeply about how they adapt to a new world of work.

Creating more opportunities for effective flexible working will play a huge part in this change. It is only by ensuring that businesses of all sizes across each sector make the most of their human capital that we can maximise productivity and help parents, carers, older people and others to improve the balance between their obligations to work and family life.

As a working mother myself I know that people work best when they don't feel overstretched balancing work and family life and businesses work best when their workforce is not distracted by the stress of worrying about competing priorities at home.

That is why I established the Taskforce at the end of last year to provide expert advice on how to increase the opportunities for people to take advantage of effective flexible working practices.

I welcome the findings of this report and find the business case it sets out for flexible working highly compelling. As such, I am happy to accept all the recommendations outlined by the authors.

To help drive progress in the very short term, I will also be introducing a new Jobcentre Plus vacancy system that routinely asks employers if the job can be filled through flexible working to help employers access a wider pool of talent. Not only that, but I will ensure that all vacancies across DWP will be available for flexible working arrangements unless there is a valid business case for exemption.

I am happy to say that this initiative is being carried forward by the wider Civil Service so that other government departments can take advantage of flexible working.

The case for flexible working is extremely strong and I hope that this report will be a milestone in advancing the debate with employees, employers and non-governmental bodies in the months and years ahead.



Yvette Cooper Secretary of State

1. Introduction

In Building Britain's Future (June 2009), the Government declared its aim of creating a fair and family friendly labour market where everyone has the opportunity to develop their skills and experience.

A key part of this is ensuring our labour market is flexible and can embrace individuals who need to juggle their work and home life. In 1997 there was no statutory right to request flexible working in the UK, and whilst there were some trailblazing employers offering this, they were the exception. We have taken several steps to improve this position and given the right to request flexible working to parents of children aged 16 and under, and under 18 where the child is disabled, as well as for carers of certain adults, currently covering 80 per cent of carers. This means that the right to request is currently available to over 10 million parents and carers. We have also promoted the benefits of flexible working to businesses and employees through information campaigns.

A recent CBI Survey¹ showed that 93 per cent of employers now offer at least one flexible working practice, 57 per cent offer at least three, and around half offered the right to request flexible working to all employees. In addition, the Third Work Life Balance Survey of Employers found that 92 per cent of employers would consider a request to a change of working pattern from any employee.² The Third Work-Life Balance Employees Survey also shows that 87 per cent of employees are satisfied or very satisfied with their current working arrangement.³



¹ CBI (2008) Employment Trends Survey

² Hayward, B, Fong, B and Thornton, A (2007) 'The third work-life balance employer survey' BIS Employment Relations Research Series no. 86

³ Hooker, H, Neathey, F, Casebourne, J and Munro, M (March 2007) 'The third work-life Balance Employee Survey' BIS Employment Relations Research Series no. 58

This indicates that there has been a significant change in the culture of British workplaces and it is becoming increasingly acceptable for employees of both genders to manage their work and family lives. However, there is further to go, the labour market does not always operate fairly: we have seen an increase in part-time working but opportunities have often been limited to certain, often lower paid, sectors and jobs. We recognised in 'Working Towards Equality - a framework for action' that this can disadvantage both women and men. However, the greatest impact is currently on women, many of whom will have breaks in employment to have children and often want to work flexibly to balance their work and caring roles. Other groups including older workers are also looking for increased flexibility.

We want to work with employers to widen the availability of flexible working opportunities across all sectors and to encourage the demand for and take-up of flexible working by all who need them.

In Building Britain's recovery (December 2009), we fully recognised our part in helping and supporting employers to improve the situation. We are committed to working with employers to promote flexible working practices in order to help carers, parents, older workers and others struggling to balance work with other commitments. Our long-term ambition is to ensure that flexible working practices are embedded in all businesses across Britain, so that all employees are able to discuss opportunities for flexible working with their employer from day one of employment, or even pre-employment.

As part of this the Government established a time limited taskforce which brought together a range of experts from business, non governmental bodies, organisations that represent employers and employees and key government departments to explore the challenges to increasing flexible working opportunities at all levels and provide recommendations for change.

The Government welcomes their report and strongly endorses the compelling business case it makes for flexible working. Boosting more quality flexible working opportunities is instrumental in supporting many government policy agendas: child poverty, increasing the employment rate, addressing the gender pay gap, supporting family relationships and helping parents and carers balance caring with paid work. A key part of our response to the challenges (of greater longevity) must be enabling and encouraging people to work longer.

Importantly, it is also an economic necessity. For the economy to grow, it is important to draw on and develop all the available resources to increase productivity and to give our economy a competitive advantage.

2. Our strategy for a flexible labour market

To achieve a truly flexible labour market that enables individuals to enter, stay or return to the labour market, we need to support employees and employers to recognise not only their rights and responsibilities but also to see the opportunities and benefits that flexible working practices can bring to both individual lives and businesses. Alongside that, employers and employees need practical support and advice to make effective flexible working practices a reality.

Employees and potential candidates need to be empowered to confidently discuss their needs for a particular role without feeling constrained or that their application will not be taken seriously.

We have recently set out a number of commitments in 'Building Britain's Recovery', 'Support for All' and 'Working Towards Equality' to support and encourage more flexible working opportunities to help support employers, employees, parents, carers and older workers. Our package of measures focus on three main themes:

- Promoting the business case and best practice on flexible working practices to employers and highlighting employers with exemplar flexible working practices, i.e. developing a new national equality benchmarking framework against which organisations can assess their progress, and working with the UK Commission for Employment and Skills to evaluate the case for developing a family-friendly flexible working strand to the current Investors in People standard. Government will also introduce a new National Guidance Initiative in partnership with the main occupational sectors, to help employers increase flexible working opportunities for older workers.
- Working closely with employers to encourage them to consider the opportunities to advertise vacancies on a part-time or flexible basis. We will use improved Government IT and develop online media to explore opportunities to promote and enable flexible working.

• Addressing how specific groups such as carers, can be supported to balance their home commitments with paid work. Government will carry out a broad consultation on how we can help individuals meet their caring responsibilities while remaining in employment. Government will bring forward detailed plans for the National Care Service⁴ in 2010. We are also interested to learn from flexible approaches to retirement adopted by some businesses, such as the offer of more flexible or reduced hours for workers staying in work past retirement age.

Promoting flexible working is important and was the focus of the Taskforce and hence this response. But we recognise that a range of complementary actions are also needed. For example, giving parents more flexibility over how they use maternity and paternity leave and looking at how we, alongside Devolved Administrations, can further support the development of a robust childcare sector.

The Department for Business, Innovation and Skills is the lead Department for government interactions with business and is responsible for employment law. However, there is a clear need to enhance coordination of work across government in this area so that messages are consistent to employers, parents, carers and older workers.

We are also undertaking a range of activities to raise awareness of employment rights and practices.

The Age Positive initiative provides employer case studies and guidance on the business benefits of employing older workers, and how to adopt flexible approaches to work and retirement to support the retention of older workers.

In February 2010 we launched the "Dads at Work" awareness campaign. It encourages fathers to find out about the options available to them to help balance work and family life, in particular paid paternity leave and the right to request flexible working. There has been a good response to the campaign, including a significant increase in visits to direct.gov for information.

As announced in 'Support for All: the Families and Relationships Green Paper", we are also looking at how best to ensure families have access to information and support they know they can trust and have committed to improving the information and advice available to parents and carers. This will include a new guide to family friendly working and joining up the information and advice on flexible working, with other kinds of family advice, for example through the new Family Information Direct service.

We have also published a Think Fathers case study booklet, in partnership with British Telecom and the Employers for Fathers Forum. This booklet will aim to encourage more employers to consider how they could increase access to flexible working opportunities in their workplace by illustrating a range of ways different businesses are already doing this, and how they and the employee benefit economically and socially.

⁴ England only

In Working Towards Equality - A Framework for Action, we set out our objectives to build a Labour market where a person's aspirations and opportunities are not constrained by their gender, parental or caring responsibilities. We have committed to a range of actions including developing new training for middle managers in managing part-time staff, and piloting a new business mentoring " twinning" scheme.

We believe that the package of measures we have set out to improve opportunities for flexible working is moving in the right direction to support employers, parents, carers and older workers.

We welcome the Taskforce recommendations, which have provided a more focused steer on how we can support employers. It has provided key ideas on how we may better engage with employers and also highlighted the need to stimulate the recruitment agency market which has not yet been fully explored.

We are also pleased that it reflects and endorses the need for joined up working between Government, employers, non government bodies and organisations that represent employers and employees.

3. Our response to the recommendations

We have structured our response to the recommendations under the three main themes that the Taskforce presented their recommendations under:

- Supporting employers
- Public sector leading by example
- Stimulating the recruitment market

3.1 Supporting employers

Strategic recommendation

To support cultural change across the labour market the Taskforce recommends that **Government** convenes a small group of **representatives from business and organisations representing employers** to discuss, agree and promote a business case that employers will listen to. The results of this group should feed into the work to enhance Business Link.gov.uk as a portal to encourage and support flexible working.

Practical recommendation 1: One stop portal for employers Building on the commitments in 'Building Britain's recovery' the Taskforce recommends that **Government** reviews the reach and content of Businesslink.gov.uk website with regards to flexible working. The portal should include or enhance its information on:

- the business benefits of flexible working, including using case studies covering a variety of different, size, sector and types of employers demonstrating how these practices can be implemented
- practical hints and tips (covering job design, recruitment and management) drawing on existing guidance from a range of organisations rather than commissioning new work.

In doing so, it should clearly distinguish the information it provides on legislation and regulation from information that provides more practical help and encouragement.

The Taskforce recommends that organisations such as BCC, CBI, CIPD and TUC proactively promote the flexible working pages on Business Link.gov.uk to its members and specifically that links are placed on trusted sites.

Practical recommendation 2: Support for employers without dedicated HR function

The Taskforce recommends that **Government** explores and reviews the practical justin-time advice and tailored support mechanisms that are currently available. It should assess the scope to improve accessibility and availability of provision so that SMEs and organisations without a dedicated HR function are fully supported to effectively design and manage flexible work. For example, the Government could consider piloting an on-line forum linked to the Business Link website which allows businesses to post questions, advice and comments on flexible working practices.

Practical recommendation 3: Encouraging larger employers

The Taskforce recommends that larger employers (businesses with more than 250 employees) review their practices in relation to flexible working in the light of this report and its follow on actions.

The Government accepts and welcomes this set of recommendations to improve the support and advice available to businesses. We have worked hard to develop the advice and support on Businesslink.gov.uk. The Employment Law Guidance Programme has worked with employers and their representatives to make it cheaper and more straight forward for employers to manage and comply with commonly occurring employment law obligations by making real improvements to guidance on businesslink.gov.uk. These improvements have been radical in recent years and have contributed heavily to reducing administrative burdens on business, achieving a reduction of \pm 418m per annum.

We recognise that there is more we can do to support business in taking advantage of the benefits flexible working can offer and we welcome further opportunities to discuss this with employers and employer bodies. We will convene a taskforce of business leaders and business organisations, chaired by a senior private sector figure who will champion the case for flexible working in the business community. They will spread information on the business benefits of flexible working and best practice.

The development of an improved business case for flexible working, giving the information that employers will respond to, will be a good development for the businesslink.gov.uk site – albeit alongside Businesslink.gov.uk's primary function of providing employers with clear guidance on their compliance obligations.

Alongside this we will continue to develop the flexible working pages on businesslink.gov.uk including improving the non-legislative advice and support that we know business values. This will include delivering on the recommendation made by the Women and Work Commission to; *"carry out a review of the...Quality Part Time Work Fund to identify which approaches were successful and the lessons learnt"*. We are currently reviewing the projects involved in the fund and will promote the best practice and lessons learnt as well as the resulting case studies via the Business Link website and other routes.

We also accept the recommendation to review and, where necessary, change the practical just-in-time advice and support available to ensure it meets the needs of SMEs and employers without a dedicated HR function. SMEs have been the primary audience for BIS's Employment Law Guidance Programme, and we have worked with SMEs and business organisations to design the guidance on Businesslink.gov.uk's "Employing People" pages. We will continue to do so to ensure that the guidance on Businesslink.gov.uk continues to respond to customer needs. We will consider options for further support, and assess them for their effectiveness at reaching the target audience as well as cost effectiveness.

Whilst the final recommendation in this strand is not for Government, we do welcome it as a helpful prompt to large business to look again at the business benefits of flexible working and see how it can work for their business.

3.2 Public sector leading by example

Strategic recommendation

The Taskforce recommends that **Government** continues to lead by example and actively encourages central government departments and other public sector organisations to improve their own practices in terms of designing and managing flexible jobs at all levels. Design and management of flexible jobs should be built into management training in the public sector.

To challenge the default assumption that all jobs are full-time and fixed hours/location:

- Hiring managers in central government departments and other public sector organisations should consider how a role can be worked flexibly before recruiting both internally and externally, so that job adverts reflect the need to ensure that potential candidates who want to work flexibly do not feel constrained in applying.
- Job vacancy information in the public sector should clearly indicate where flexibility is available.

We fully recognise our role as an exemplar of flexible working practices and accept this recommendation. We will be proposing that central government departments promote flexible working in line with their business needs. The Civil Service's default position when advertising vacancies is to consider flexible working options.

The Civil Service has recently established a Job Share Notice Board on the Civil Service website where all Civil Service vacancies are advertised. The job-share board helps civil servants look for a potential job-share partner – whatever their grade, geographical location or department/ agency. It is also a valuable source of advice and guidance on job-sharing for individuals and line managers.

Not everybody can, or wants to, work the standard five day week in the office. Currently, over 20 per cent of civil servants work part-time with many more working flexibly. Which is why, where it doesn't affect the service we provide, we offer employees a range of flexible working options to help them manage their commitments outside work. Options include flexi-time, part-time, job sharing, compressed hours, staggered hours, term time working and remote access.

The Cabinet Office has issued a good practice guide to recruitment to the Senior Civil Service that advocates "advertising all posts as open to part time/jobshare/flexible working unless there is a strong business reason why this is impossible".

In recognition that the recruitment practices across government could be enhanced, the Government has conducted research on how accessible Civil Service jobs are to the external market, especially those most disadvantaged in society. The findings from this research are incorporated in a programme of work to promote best practice in recruitment across the Civil Service.

We are working towards all externally advertised civil service vacancies being available for flexible working arrangements. The DWP is already committed to this and all externally advertised vacancies in the DWP are available for flexible working arrangements and will be overtly advertised as such – unless there is a valid business reason which prevents such arrangements.

3.3 Stimulating the recruitment market

Strategic recommendation

The Taskforce recommends that **Government** consults with recruitment agencies (including Jobcentre Plus) on how best to stimulate the recruitment market for permanent and high quality flexible workers, and specifically on the role the recruitment sector can play in encouraging employers to adopt flexible working practices and in matching candidates.

We welcome this recommendation and accept that this is an area that requires much further exploration. The Government will consult with public and private recruitment agencies to understand the blockages to promoting flexible working and sourcing candidates. It will generate proposals for how best to address them and identify and disseminate good practice.

Practical recommendation: the role of Jobcentre Plus

The Taskforce recommends that **Jobcentre Plus** enhances its specialist training for its employer engagement team to enable them to confidently and systematically discuss with employers the benefits of offering more flexible roles within their organisation.

It also recommends that when the IT service improvements to help identify and match job seekers to part-time and flexible job opportunities are implemented (as set out in Building Britain's Recovery), JCP actively promotes this service and the benefits it can bring to all businesses.

We accept this recommendation. Jobcentre Plus will be introducing a new, national online vacancy and customer matching system by April 2011 that will routinely ask employers if vacancies can be filled on a job share or other flexible working basis. In addition, Jobcentre Plus reviews specialist training on a regular basis and updates the core elements to bring Employer Engagement teams up to date with the changing labour market. A strong business case for flexible working will support this training and give confidence when discussing recruitment needs with employers

There is already a suite of products available that support Employer Engagement staff and these will be reviewed to ensure that strong messages on the business benefits of flexible working forms a core element of their offer.

Conclusion and next steps

This report by the Taskforce shows that significant improvements have already been made on flexible working and family friendly employment, both in terms of a cultural shift and improvement to the rights of the individual. However, the report also highlights the fact that there remains some way to go to support the integration of flexible working practices into business more generally and driving the cultural shift that will allow all businesses to benefit from recruiting across a wider pool of skilled candidates.

There is already a significant amount of cross-government work being carried out between departments on this policy, but the report highlights the need to sustain the pace and degree of coordination on further policy development. As such, we will ensure that there is more coordination across government in its messages on flexible working to employers, parents, carers, older workers and employees.

To summarise, the Government has agreed to:

- convene a taskforce of business leaders and business organisations, chaired by a senior private sector figure who will champion the case for flexible working in the business community.
- introduce a new, national online vacancy and customer matching system in Jobcentre Plus by April 2011 that will routinely ask employers if vacancies can be filled on a job share or other flexible working basis.
- promote flexible working in all Government departments and ensure that all Government vacancies make clear that flexible working is available, starting with DWP.
- improve the flexible working pages on www.businesslink. gov.uk including improving the non-legislative advice and support that we know businesses value.
- review, and if necessary, change the advice and support available to ensure that it meets the needs of SMEs and employers without a dedicated HR function.

- consult public and private recruitment agencies to understand whether there are any blockages to promoting flexible working and sourcing candidates. This will also help generate proposals on how best to identify and address any challenges, as well as disseminating good practice.
- review the specialist training and range of support products on offer from Jobcentre Plus to ensure that the messaging on the business benefits of flexible working forms a core element of the offer.

This publication can be accessed online at: http://www.dwp.gov.uk/publications/policy-publications/family-friendly-task-force.shtml

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