# ENGAGING PARENTS ON UNIVERSAL CREDIT TO HELP RESOLVE WORKFORCE SHORTAGES



Over the past five years, I have been researching the roll-out of Universal Credit for families. One of the key findings in my research is the eagerness of parents to engage in the labour market.

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## Many participants worked in parttime low-paid work around family commitments and aspired to secure higher-paid work once their children were less dependent.

However, there were barriers to achieving these aspirations which I will explore individually for parents with mental health challenges and single mothers. In the final section, I will consider how to support and utilise the skills of people on Universal Credit to fill labour shortages.

# BARRIERS FOR PARENTS WITH MENTAL HEALTH CHALLENGES

In 2014 an NHS survey found that 1 in 6 people over the age of 16 in England had experienced a mental health challenge. Further, data by the ONS (2023) found that one of the key contributing factors to economic inactivity was due to long-term sickness with many people citing anxiety, depression and mental health challenges.

My research with parents on Universal Credit found that many had experienced long-term challenges for example schizophrenia or bipolar which meant they were exempt from work commitments. However, despite their challenges all wanted to secure meaningful employment in the future and they recognised that they needed to work in an environment which would be flexible to their diverse needs.

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During the coronavirus period, many people with mental health challenges benefitted from more flexible approaches to work. The World Health Organisation (2022) found that providing people with more autonomy over their workload and break schedules positively impacted people's mental health.

Alongside strong leadership that invests in the development of mental health for employees. Therefore, to help parents on Universal Credit with mental health challenges there needs to be a cultural shift away from more traditional expectations of a workplace, to adapt to the changing needs of people.

## **BARRIERS FOR SINGLE PARENTS**

In 2022 1.6 million single parents received Universal Credit and 45% experienced relative poverty, mothers account for 90% of all single parents and are over-represented amongst benefit recipients (House of Lords, 2023).

Many single parents worked part-time in low-paid positions for example cleaning, in supermarkets, the food industry or local charities. However, before and during the pandemic many left or changed roles due to challenges with (formal and informal) childcare.

The current Universal Credit system means that parents must pay childcare costs upfront, whilst there is a flexible support fund for recipients, my research found that access to this was limited and dependent upon a postcode lottery.



During the 2023 spring budget, it was announced that parents on Universal Credit returning to work after economic inactivity would have their first childcare fees covered by a grant.

Whilst this is welcome, it is not applicable for those already in work who must continue to pay childcare fees upfront. This makes it difficult to secure and sustain a job with dependents, particularly with high nursery fees. All of the participants had aspired to move away from Universal Credit but experienced barriers due to the pandemic, childcare and family commitments alongside increased living costs.

However, many single mothers invested in their futures by studying at undergraduate and postgraduate levels, around their family commitments. Single parents' aspirations were based on their prospects and the future, meaning once their children were less dependent and managing with lowincomes in the meantime. "During the 2023 spring budget, it was announced that parents on Universal Credit returning to work after economic inactivity would have their first childcare fees covered by a grant. Whilst this is welcome, it is not applicable for those already in work who must continue to pay childcare fees upfront."

### WHAT ARE THE SOLUTIONS?

Based on my research, I offer five steps that employers and practitioners can undertake to fill labour shortages by utilising the full range of people on Universal Credit:

#### Investment in on-site childcare --

There were barriers to employment based on the types of work available, for example, shift work, jobs in the accommodation and food industry which had unpredictable hours, mostly advertised as evenings and weekends. However, there is a lack of not only affordable childcare but limitations with availability for unsociable hours. One approach to fill labour shortages could be through investment in onsite/local childcare that is operational to business needs, it could be subsidised at 50% for employees and open at full price to the public.

Whilst it could be costly to develop the infrastructure the benefits are long-lasting, with greater employee retention and employee wellbeing.

#### Consistent practice and utilising

localism – Many participants had varying experiences with the work coaches and in the jobcentres across the UK, therefore I offer two suggestions. The first is standardised training across the UK for DWP staff to ensure certain needs are being fulfilled by the work coaches, for example, CV clinics and signposting to relevant support services.

The second approach is to embrace the differences in certain areas and offer localised support by working closely with local employers, councils, and practitioners to deliver a holistic approach to support and engage parents on low incomes into work. Alongside this, there could be more practical training opportunities to support parents and people with mental health challenges in long-term work.

# Embracing caring responsibilities through flexibility and hybrid

approaches – My research participants wanted to earn a liveable wage without a top-up from Universal Credit but there is a lack of infrastructure. Both the DWP and employers need to work more closely and be more receptive to the importance of caring responsibilities for parents on a low income. This can be achieved through the expansion of flexitime and hybrid ways of working, to provide greater levels of autonomy and inclusivity. Research by the Government Equalities Office (2019) demonstrates employers who advertise flexible working policies on job applications receive a 30%increase in applicants, and in the longterm report good employee retention and increased productivity.

# Small businesses, relationship building

and flexibility - Small businesses have the ability to build close-knit professional relationships between employers and employees to establish flexible and hybrid approaches. These can be discussed and negotiated between employees and employers to tailor to diverse needs and company requirements. This can be challenging for certain sectors for example the accommodation and food service. which is less able to offer a hybrid approach. But negotiations for flexitime could be determined around core business hours and shared amongst employees.

### Practical approaches to support parents with mental health challenges through transparency, training and support from the point of application

 On a societal level over the past several decades, there is a greater awareness of mental health, but we need to consider the practical solutions for parents on Universal Credit. Whilst many parents with mental health challenges were exempt from working commitments as part of their Universal Credit entitlement, they aspired to secure a greater standard of living and enter the labour market. Therefore, alongside flexible and hybrid approaches, employers could be more transparent with their approach to mental health throughout the recruitment process, beginning with the job application, during the interview process and providing training and support throughout each step.

Beyond much broader 'regime change' arguments concerning Universal Credit, practical solutions such as these focus on the day-to-day concerns of those living on Universal Credit and are thus going to address those barriers described above being felt by so many today.

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# **ABOUT THE AUTHOR**

Robyn Fawcett is a lecturer in Criminology and a doctoral researcher at the University of Derby. Robyn's doctoral research focuses on Families' Qualitative Longitudinal Lived Experiences of Universal Credit over a 20-month period from February 2020-October 2021.

Robyn's research interests are interdisciplinary and related to labour markets, inequality, social policy and lived experiences.

Robyn is keen to share insights into how Universal Credit works in practice with a focus on accessibility, for those who meet the requirements and to shape public perceptions. This commitment involves sharing research widely across local community groups, conferences and universities in the UK and South Korea.