

The Mayor's vision for a diverse and inclusive city

Submission to the Mayor of London

Chartered Institute of Personnel and Development (CIPD)

September 2017

Background

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 over 140,000 members across the world, 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.

Our membership base is wide, with 60% of our members working in private sector services and manufacturing, 33% working in the public sector and 7% in the not-for-profit sector. In addition, 76% of the FTSE 100 companies have CIPD members at director level.

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, to improve best practice in the workplace, to promote high standards of work and to represent the interests of our members at the highest level.

Introductory comments

Our response focuses on section 3 of the consultation: 'A great place to work and do business'.

Our response

The Mayor's vision

The multi-stakeholder approach to enabling individuals who are disadvantaged in the labour market, for whatever reason, to access and progress in work is positive. However we urge the Mayor to also include professional bodies, including the CIPD, as a key stakeholder group in making change happen. The CIPD's worldwide community of over 140,000 HR professionals has the potential to play a pivotal role in pursuing economic fairness and with our organisation purpose being to 'Champion better work and working lives' we continue to champion decent jobs. We have significant reach into organisations via the HR community who are uniquely placed to challenge existing hiring practices and people management approaches. We will make ourselves available to work with you in furthering this agenda.

Immigration

The Mayor specifically calls out the influence of the UK's future immigration system on business.

Our research, in collaboration with NIESR, finds that the end of free movement of people from the EU will damage UK businesses and public service delivery unless post-Brexit immigration policies take account of the need for both skilled and unskilled labour from the EU.¹ The research is based upon a survey of more than 1,000 organisations, six employer focus groups held around the UK (including two in London) and twenty six in-depth interviews with HR leaders. In the report we provide recommendations to the Government to make the future immigration system straightforward, flexible and affordable.

Priority outcome 3.1: A skilled workforce

Are these the right priorities? Are there others we should consider?

We agree with the priorities the Mayor has set out, however we would urge him to champion a culture of lifelong learning for workers in the capital. The majority of the workforce of 2030 is already in work and will be untouched by the current round of education reforms. Rather than expecting the UK's skills challenges to be solved at the point of supply, government and business must act to build and nurture cultures of lifelong learning within organisations and society. We believe that promoting lifelong learning should also be a priority for the Mayor.

Evidence of inequalities

CIPD's report, *Making the UK Skills System World-class*, published in April – while not specific to London – warns that the UK is sleepwalking into a low-value, low-skills economy which leaves the nation ill-prepared for its post-Brexit future, particularly if the UK is to face restrictions on accessing talent from outside of the UK.²

The analysis, which formed part of the CIPD's formal response to the Government's Industrial Strategy Green Paper, highlights multiple failings in the UK's skills system. A CIPD-commissioned collection of essays, *'Where next for apprenticeships?'* edited by Tess Lanning, brings together academics, experts and key stakeholders to explore the policies and practices needed to improve the quantity and quality of apprenticeships for young people.³

One of these essays is by Tom Wilson, titled: 'Unions and employers in the driving seat'. He considers the issue of access to apprenticeships and calls out equality and diversity as the feature of apprenticeships which gets far too little attention. For example, he states that, '*Segregation by gender and race is still widespread, arguably more so than in any other area of education*'.

Most effective actions

The recommendations are not specific to London but do focus on making significant progress in a limited number of areas by building on what we have and recognising that meaningful change will be gradual and requires stability and consistency. The recommendations are grouped around six themes, and we believe the Mayor of London has a role to play in lobbying central government, and businesses, on London's behalf to drive change:

1. Strength and stability in the system
2. Improving basic/core skills
3. Increasing the quality of vocational pathways
4. Building capacity at a local and workplace level
5. Promoting learning across the life course
6. Access to quality information, advice and guidance.

How the CIPD can help

Our Skills Policy Adviser, Lizzie Crowley, sits on the Skills for Londoners Taskforce as well as on the steering group for London's careers guidance offer and could share further insight.

Priority Outcome 3.2: Decent jobs

The CIPD believes everyone should have equal access to work and opportunity to reach their potential regardless of identity, background or circumstance.

Are there other priorities to consider?

We welcome the Mayor's focus on intersectionality when examining the barriers and effective actions to ensure decent jobs and inclusive workplaces.

We are developing a guide, in collaboration with Uptimize, for employers on Neurodiversity at Work. In the labour market neurodiverse individuals have been largely overlooked as a talent pool, with a tendency for employers to focus on the challenges of each condition rather than on aptitudes and seeing the benefits of different ways of thinking, for example unique ways of solving problems, spotting patterns quickly, or visualising solutions or future scenarios. This guide will be published in October.

Evidence of inequalities

We have conducted research into the barriers facing disabled people and parents in terms of access to employment.

Disability

The CIPD's response to the Government's Green Paper on Work Health and Disability gathered the insights of experts in the field of disability in the workplace and CIPD members through two in-depth roundtable discussions held in London and Birmingham respectively.⁴ Through these discussions and previous CIPD research – again, not specific to London – we identified a number of barriers people with disabilities face in accessing employment:

- **Employers' and line managers' lack of awareness, knowledge and understanding of disability** and the many different types of disability and health conditions that may affect people in many different ways, and in particular knowledge about reasonable adjustments.
- **Misconceptions and unconscious bias** on the part of employers and managers in relation to recruiting people with a disability and/or health condition.
- **Lack of training for line managers.** CIPD's 2016 Absence Management⁵ survey report found that, while employers increasingly recognise the vital role that line managers play in supporting employees with health issues, most are not giving them the tools they need to manage absence effectively.
- **Not enough open and inclusive working environments to support the effective disclosure of a disability and/or health condition.** For example, in relation to mental health, our 2016 Employee Outlook: Focus on mental health report⁶ surveyed over 2,000 UK employees and found that just over two in five (44%) would feel confident disclosing unmanageable stress or mental health problems to their current employer or manager.
- **Employers and managers do not make full use of job design and flexible working patterns.** Redesigning work and working patterns based on individual need could help to accommodate both staged returns to work and long-term impairment.

Childcare

CIPD research on support for working parents found support for working parents still isn't hitting the mark.⁷ Our survey findings suggest that the low take-up of Shared Parental Leave (SPL) and the lack of affordable childcare options for parents with 0-2 year-olds are both major problems that need to be addressed to support parents return to and stay in work more effectively.

Most effective actions

Make jobs flexible by design

We believe that flexible job design, including flexibility in how, when and where we work can significantly benefit people from a range of identities, background and circumstance to 'get in' and 'get on' in work. We believe jobs should be flexible by design as the norm, not the exception.

Over the past 15 years, flexible working provision has increased, but the range of flexible working arrangements offered remains narrow, largely restricted to part-time working and flexi-time, and actual uptake has changed little. We believe the Mayor of London has a role to play in lobbying central government on London's behalf to catalyse employer action to create innovative working approaches which can cater for individual circumstances.

Disability

Despite awareness of workplace health issues and the business case for taking action, there remains a stubborn implementation gap for health and well-being initiatives, and disability confident practice, at work. So we welcome the Government's attention in this area, for example the Disability Confident employer scheme.

We made a number of recommendations to government in our response to the Green Paper and therefore call on the Mayor to lobby central government to:

- **Launch a major, ongoing and well-resourced publicity and education campaign** to raise awareness and encourage a culture of inclusion among employers that is broader than, but aligned with the Disability Confident campaign.
- **Establish a 'one-stop shop' for employers** to make it easier to navigate the many sources of information, advice and guidance already available.
- **Re-design SSP** so that it can support employees make a more effective and sustainable phased return to work.
- **Allow other allied healthcare professionals to sign fit notes.**

- **Improve the Fit for Work Service to increase take-up**, for example by shortening the referral period for employers, changing the current limit on the number of referrals, and including resources for more preventative and targeted occupational health advice.

Childcare

We call on the Mayor of London to lobby central government to develop a national strategy on childcare, aimed at delivering improved access to good-quality, affordable childcare in ten years' time. In particular, this must encompass a way of closing the current gap in the availability of free childcare for children aged 0-2.

CIPD Steps Ahead mentoring scheme – Parent returners

The scheme offers jobseekers one-to-one mentoring sessions from CIPD members (therefore HR professionals) to help them improve their employability skills, boost their confidence and find work. We began offering the scheme to young jobseekers aged 18-24 but have since extended to other groups, including older workers and parent returners to work.⁸

What best practice exists to learn from?

Our case studies across the referenced reports provide good practice examples.

How the CIPD can help

CIPD's Public Policy advisers are on a number of high-profile health and well-being and disability steering groups and our 140,000-strong membership provides us with unique insight into the challenges and opportunities in UK workplaces. We will make ourselves available to work with you in furthering this agenda.

We can share our learning from the Steps Ahead mentoring programme with you.

We will be launching a flexible working campaign that encourages employers to make jobs flexible by design and would be delighted to work with the Mayor's Office on its design and implementation.

Priority outcome 3.3: Inclusive employers

Evidence of inequalities

Older workers

This report, *Creating longer, more fulfilling working lives: Employer practice in five European countries*, presents statistics showing that an ever-greater proportion of Europe's workers are classified as older workers.⁹ It highlights the challenges this demographic change presents in the area of employment and social policy. Looking across 5 European countries, the report examines national government policies to extend working life as well as employment policies and practices to extend working lives.

Carers

Our research, *Creating an enabling future for carers in the workplace*, in partnership with Westfield Health, brings together existing evidence which makes a compelling case for greater support for working carers.¹⁰ With our ageing population, the number of people with eldercare responsibilities will continue to grow and therefore employers need to empower and support working carers before they lose out on key talent.

Gig economy

CIPD research published in March 2017 shows 4% of UK – not just London – working adults aged between 18 and 70 are working in the 'gig economy', and nearly two-thirds of them (63%) believe the Government should regulate to guarantee them basic employment rights and benefits such as holiday pay.¹¹ That means approximately 1.3 million people are engaged in 'gig work'.

The report is based on a survey of 400 gig economy workers and more than 2,000 other workers, as well as 15 in-depth interviews with gig economy workers. The research found:

- Just 14% of respondents said they did gig work because they could not find alternative employment.
- The most common reason for taking on gig work was to boost income (32%).
- Gig economy workers are also about as likely to be satisfied with their work (46%) as other workers in more traditional employment (48%).
- Just four in ten (38%) gig economy workers say that they feel like their own boss, which raises the question of whether some are entitled to more employment rights.
- Survey data shows mixed feelings among gig economy workers about the extent to which gig economy businesses should provide employment rights and benefits.
- 60% of gig economy workers say they don't get enough work on a regular basis in the gig economy.
- Income earned from gig work is typically low, with median reported income ranging from £6 to £7.70 per hour. However, gig workers remain, on the whole, satisfied with their income.

Most effective actions

Organisations must create a culture of openness and inclusivity by understanding the make-up of their workforce, challenging structural and cultural barriers to equal access and opportunity at all levels and have coherent policies underpinned by principles that actively celebrate and encourage differences.

Carers: Creating an enabling future for carers in the workplace

The report provides recommendations for employers based on our research, including improving line manager confidence in having sensitive conversations and tailoring working arrangements, actively promoting a flexible working policy that is responsive to unexpected and unpredictable caring responsibilities and consult with carers on solutions.

Older workers: Creating longer, more fulfilling working lives

Our research focuses on the main policy and practice areas that national governments and employers need to consider if they wish to retain their older workers:

- health and well-being
- support with caring responsibilities
- working time and flexibility
- managing retirement
- countering prejudice and fostering more inclusive workplace cultures.

In terms of countering prejudice and fostering more inclusive workplace cultures, we encourage the Mayor to publicise existing campaigns and inspire more London employers to get involved, for example Disability Confident, Fuller Working Lives and promote a continued focus on tackling the stigma around mental health in employment.

Gig economy

In light of the growing challenges that technology and new business models are creating for the UK's employment rights framework, there is a strong case for Government to proactively support organisations in improving their working practices. The Mayor of London can:

- Lend support to/call for a high-profile 'know-your-rights' campaign with organisations such as CIPD, Acas, Citizens Advice Bureau and others
- Support the development of guidance on atypical working, setting out principles of good work and responsible employment
- Increase public investment in lifelong learning for Londoners to reverse the recent decline in investment in adult skills
- Develop an effective all-age careers service for Londoners

Pay gaps

The CIPD have published a guide on gender pay gap reporting to help UK employers comply with the new reporting requirements.¹²



*Championing better
work and working lives*

Zero hours contracts/insecure work

The Mayor of London can lobby central government:

- Legislate so that workers on zero-hours contracts should have the right to request a minimum number of hours per week after 12 months of employment
- Amend the Employment Rights Act 1996 to require employers to provide all workers with a written copy of their terms and conditions after two months of employment

How the CIPD can help

We are currently conducting research into the factors influencing career progression for BAME employees. Survey data and organisation case studies will be released in November, but we can share embargoed findings with the Mayor's office in advance of publication.

The CIPD will also be responding to The Mayor of London's Good Work Standard Consultation.

Priority outcome 3.4: Thriving businesses

Evidence of inequalities

People Skills was a programme developed by the CIPD, with support from J.P. Morgan through the JPMorgan Chase Foundation and provided free HR support to small firms, including face to face advice, a telephone helpline, online information and templates, as well as group training events. The programme ran in Hackney, Stoke on Trent and Glasgow.¹³

The evaluation of *People Skills* found that while much of the support provided by the initiative was fairly basic, for example establishing workers' terms or conditions or job descriptions; there was significant evidence that it provided a foundation for boosting workplace productivity amongst SMEs.

The report contains a wealth of findings relating specifically to Hackney.

Most effective actions

The Mayor of London can add his support to our call to the Government to invest £13m per year to provide HR business support to small businesses across the country, as new research shows that it could be key to unlocking the productivity puzzle and help SMEs to grow. In London, this can be provided through the London Economic Action Partnership's (LEAP) Growth Hub.

How the CIPD can help

The CIPD are happy to work with the Mayor and his office to implement and embed the model of support in the *People Skills* project through local providers (such as the LEAP's Growth Hub). We are already meeting with members of his policy team to go through the findings – primarily Hackney – in detail.



Championing better
work and working lives

CIPD

September 2017

-
- ¹ <https://www.cipd.co.uk/knowledge/fundamentals/emp-law/recruitment/post-brexite-skills-shortages>
 - ² <https://www.cipd.co.uk/knowledge/work/skills/uk-skills-system-report>
 - ³ <https://www.cipd.co.uk/knowledge/fundamentals/people/routes-work/where-next-for-apprenticeships-report>
 - ⁴ <https://www.cipd.co.uk/news-views/policy-engagement/consultations>
 - ⁵ <https://www.cipd.co.uk/knowledge/fundamentals/relations/absence/absence-management-surveys>
 - ⁶ <https://www.cipd.co.uk/knowledge/culture/well-being/outlook-mental-health>
 - ⁷ <https://www.cipd.co.uk/knowledge/fundamentals/emp-law/maternity-paternity-rights/outlook-working-parents>
 - ⁸ <https://www.cipd.co.uk/learn/volunteer/mentoring>
 - ⁹ https://www.cipd.co.uk/Images/creating-longer-more-fulfilling-working-lives_2016-employer-practice-in-five-european-countries_tcm18-14265.pdf
 - ¹⁰ <https://www.cipd.co.uk/knowledge/culture/well-being/enabling-carers>
 - ¹¹ <https://www.cipd.co.uk/knowledge/work/trends/gig-economy-report>
 - ¹² <https://www.cipd.co.uk/knowledge/fundamentals/relations/gender-pay-gap-reporting/guide>
 - ¹³ <https://www.cipd.co.uk/knowledge/strategy/hr/hr-capability-small-firms>