

Kinship

Submission to the parental leave and pay review: call for evidence

August 2025

Introduction

Kinship carers are family or friends who step up, often during an unexpected crisis, to care for a child when their parents aren't able to. This may be because the parent has died, is unwell, has gone to prison, is experiencing problems with drugs and alcohol, or are neglectful or abusive. Kinship carers are usually grandparents, aunts or uncles, brothers or sisters, a stepparent, stepbrother or stepsister, or someone who isn't related but knows the child well. Whatever their relationship to the child, in that moment a commitment is made. To bring love and hope to a child who has experienced trauma, no matter what.

It is estimated there are more than 141,000 children living in kinship care in England and Wales – three times the number in mainstream foster care.¹

Some kinship carers will have a legal order securing the family arrangement which provides them with parental responsibility, such as a special guardianship order or child arrangements order made following care proceedings or secured privately through the family court. Others will be kinship foster carers where the child is 'looked after' and has been placed with them by the local authority. However, the majority of kinship families are likely to have only informal arrangements in place made privately within the family.²

Currently, kinship carers do not have any specific entitlements at work. Depending on the type of kinship arrangement they have and whether or not this confers parental responsibility, they may be able to utilise other limited entitlements available to support parents and those with caring responsibilities, such as unpaid parental leave, Time Off for Dependants, or flexible working.³ No equivalent right to adoption pay and leave is available to kinship carers who step up to care for a relative or friend's child, often in an emergency and with no other financial or practical support.

Our Kinship Friendly Employers scheme⁴ provides a free framework and toolkit to help any employer – from any sector and of any size – to introduce policies which retain their staff and support kinship carers in their workforce to maintain their income, job security and career prospects whilst stepping up to take on caring responsibilities for children they love. To date, we've worked with leading employers such as Tesco, John Lewis, cardfactory, B&Q, Lloyds Banking Group, Correla and many others who have introduced their own paid leave policies for kinship carers. However, employers of all sizes tell us that the lack of statutory underpinning for kinship carers in the workplace means they often cannot go as far as they would like to.

¹ Office for National Statistics (ONS) (2023) <u>Kinship care in England and Wales: Census 2021</u> Released 26 September 2023, ONS website, article.

² More information on the different types of kinship care can be found at kinship.org.uk/what-is-kinship-care

³ Kinship (2023) Forced Out: delivering equality for kinship carers in the workplace

⁴ More information on Kinship Friendly Employers can be found at <u>kinship.org.uk/get-involved/partner-withkinship/become-a-kinship-friendly-employer</u>

Call for evidence questions

Please tell us in what capacity you are primarily responding:

On behalf of a civil society organisation or group

2 If you are responding on behalf of an employer or another organisation, what is its name?

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5a Do you think that the current parental leave and pay entitlements supports these objectives?

Providing sufficient time off work with adequate pay to support maternal health: n/a

Supporting economic growth through labour market participation by enabling more parents to stay in work and advance in their careers, including reducing the gender pay gap:

No

Ensuring adequate resources and leave for parents to facilitate the best start in life by supporting the healthy development of young children:

No

Providing parents the flexibility to make balanced childcare choices, including coparenting:

n/a

5b For each objective, briefly explain the reasons for your selection above. Please provide any evidence (including links) to support your view.

Providing sufficient time off work with adequate pay to support maternal health: n/a

Supporting economic growth through labour market participation by enabling more parents to stay in work and advance in their careers, including reducing the gender pay gap:

Our research suggests that the majority of kinship carers are in work before they take on the role of raising a relative or friend's child. Earlier this year, we found that 3 in 4 kinship carers (74%) were in paid work immediately before they became a kinship carer, and were disproportionately likely to be working in key sectors experiencing significant workforce challenges, including healthcare, education and social care.⁵

More than two thirds of working kinship carers (67%) were in full time employment (i.e. 31 hours or more per week). This is similar to the percentage of those in employment who were working full time hours at the time of Census 2021 (70%)⁶, reflecting a considerable

⁵ Kinship (2025) Making work pay for kinship carers

⁶ Office for National Statistics (ONS) (2023) <u>Employment in local authorities, England and Wales: Census 2021</u> [Published 13 March 2023]

intensity of labour market participation despite the older age profile amongst those taking on a kinship caring role.

However, becoming a kinship carer often results in permanent labour market withdrawal, and therefore a significant loss or displacement of labour market activity within key sectors. Of those who were in paid work, nearly half (45%) stopped working when they took on the care of a relative or friend's child. The vast majority (80%) have not returned to any form of paid work since. Only a small minority of those who were in paid work – fewer than 1 in 8 – saw no change to their employment status after becoming a kinship carer.⁷

This often pushes kinship families into financial insecurity and hardship, and increases their reliance on the welfare system. Our 2024 annual survey found that nearly half (46%) of working-age kinship carers were receiving Universal Credit.8 Our previous research found that more than one-third of kinship carers experienced an income drop of more than 50% after they stepped up to take on the care of a child, and 28% of kinship carers had to claim benefits due to changes in their employment status.9 This avoidable outcome delivers poorer experiences and outcomes, as well as additional costs, for kinship families, employers and the public purse.

As such, economic inactivity amongst kinship carers remains high compared to parents; only 4 in 10 kinship carers (40%) are in some form of employment. For women – who make up the majority of kinship carers – the lifetime financial losses associated with both the cumulative impact of the gender pay gap and previous time spent out of the labour market (and without pension contributions) if raising their own children will likely intensify financial challenges when they become a kinship carer. Women's increasing retirement age and government policies to incentivise greater use of kinship care will lead to greater numbers of working-age kinship carers in the future, but they will be less able to remain in or return to the labour market without adequate support.

Our evidence suggests that the absence of a right to statutory pay and leave plays a significant role in these outcomes. Paid kinship care leave could support many kinship carers to return to employment. We found that only 3% of kinship carers were able to take a period of paid employment leave, but around one third (32%) of kinship carers said a similar right to paid leave would have enabled them to return to work as before, and a further 19% said it would have to some extent.¹¹

Kinship carers have a very different starting point to other parents. Evidence suggests that kinship carers are more likely to have lower incomes than any other group raising children, and analysis of Census 2021 shows that kinship households are more likely than parental households to be deprived across all measures, including employment and housing.¹²

Given that kinship carers are likely to have ongoing financial needs which require additional financial support, their circumstances are more likely than for parents or adopters to necessitate, or at least encourage, maintaining or returning to paid employment. Therefore, we believe the introduction of statutory pay and leave for kinship

⁷ Kinship (2025) <u>Making work pay for kinship carers</u>

⁸ Kinship (2024) Make or Break: Annual survey of kinship carers 2024

⁹ Kinship (2023) Forced Out: Delivering equality for kinship carers in the workplace

¹⁰ Kinship (2025) Making work pay for kinship carers

¹¹ Kinship (2025) Making work pay for kinship carers

¹² Office for National Statistics (ONS) (2023) <u>Kinship care in England and Wales: Census 2021</u> Released 26 September 2023, ONS website, article.

carers is likely to push disproportionately in the direction of increasing the likelihood of greater numbers of kinship carers returning to work compared with what we currently see in the absence of any entitlement, and compared to other groups where paid leave may more commonly facilitate a 'softer' withdrawal from the labour market.

Ensuring adequate resources and leave for parents to facilitate the best start in life by supporting the healthy development of young children:

The absence of a right to statutory pay and leave, and the subsequent forced withdrawal from the labour market, leads to significant financial hardship and poverty for kinship families, poor health and wellbeing for kinship carers, and reduced stability for children.

The lack of financial and employment support through the parental leave system has a material impact on the wellbeing and experience of kinship carers and their children, unnecessarily pushing them into poverty and the benefits system. Last year, we found that kinship carers were more than twice as likely as other adults to be using food banks and were more than four times as likely to have had a bill they weren't able to pay in the last month.¹³

Kinship carers can also struggle to navigate the loss of identity and relationships associated with leaving work. Many kinship carers feel isolated and lonely after taking on the role as the friendships they once had fall away and they feel disconnected from their 'former lives', including previous professional identities and the career aspirations which gave them a sense of purpose and belonging.

Kinship carers are also more likely than parents to be older and in worse health. Of those kinship carers who were economically inactive, nearly 1 in 5 (18%) said this was due to long-term sickness or disability¹⁴, and 4 in 10 kinship carers are disabled. 36% of kinship carers are also acting as unpaid carers for adult relatives. As such, kinship carers experience a compounding set of financial, practical and emotional challenges exacerbated by the absence of any rights to paid employment leave.

Most crucially, the current system of parental leave and pay increases the risk of kinship family breakdown and instability for children, hampering their recovery from adverse experiences in childhood and their ongoing health and development. It is vital for children entering kinship care to have a period of protected time with their new caregivers to settle in after immense trauma, separation and loss, just as is the case for adoptive parents.

Children in kinship care have very similar needs and experiences, including social, emotional and mental health needs (SEMH) to children in care and those who are adopted from care, but are less likely to receive crucial mental health and therapeutic support.¹⁶ This is compounded by the absence of the time and space they need with their new primary caregiver to heal, build crucial bonds, and settle into their new family lives. The immense pressures on family life means that more than 1 in 8 kinship carers are concerned they might have to stop caring for their kinship children in the next year.¹⁷

A lack of paid leave is also splitting up siblings.17% of kinship carers told us they had been unable to take on the care of a brother or sister to a kinship child already in their care, and

¹³ Kinship (2024) Make or Break: Annual survey of kinship carers 2024

¹⁴ Kinship (2025) <u>Making work pay for kinship carers</u>

¹⁵ Kinship (2024) Make or Break: Annual survey of kinship carers 2024

¹⁶ Kinship (2024) Forgotten: Support for kinship children's education and mental health

¹⁷ Kinship (2024) Make or Break: Annual survey of kinship carers 2024

more than half of this group said that a lack of paid employment leave and/or workplace support contributed to this – the most commonly chosen contributing factor.¹⁸

Parental leave can encourage and support parents to return to work after having a baby, but it can also act to provide financial and wider stability which enables parents to withdraw from the labour market as they deem most appropriate for their own circumstances. Paid employment leave policies can provide significant economic and social benefits to both families and the state often regardless of their impact on future labour market participation, but a lack of statutory pay and leave for kinship carers robs them of the agency to make similar decisions in the best interests of their family and the lasting benefits this brings.

Providing parents the flexibility to make balanced childcare choices, including coparenting:

n/a

Are there further or other objectives that you would like to see included as part of the parental leave and pay review?

No

- 7 Please prioritise the objectives, including any additional objectives, in order of importance (for example with 1 being most important).
 - 1. Ensuring adequate resources and leave for parents to facilitate the best start in life by supporting the healthy development of young children
 - 2. Supporting economic growth through labour market participation by enabling more parents to stay in work and advance in their careers, including reducing the gender pay gap

¹⁸ Kinship (2024) Make or Break: Annual survey of kinship carers 2024

About Kinship

We are Kinship. The leading kinship care charity in England and Wales. We're here for kinship carers – friends or family who step up to raise a child when their parents aren't able to. For more information please visit www.kinship.org.uk.

Contact

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