

Social Care: the growing crisis

Report on Recruitment & Retention issues
in the Voluntary Sector by the
Social Care Employers Consortium

Authors: Judith Barnard & Steve Broach
Research: Virginia Wakefield



About the authors

Judith Barnard

Judith Barnard is the communications director of disability charity Leonard Cheshire, one of the largest voluntary sector employers in the UK, and a founding member of the Social Care Employers Consortium. Judith has extensive experience of policy, campaigning and communications in the public and voluntary sectors. She has authored several reports on disability, special needs and social care issues.

Steve Broach

Steve Broach is assistant director of PACE, a national parent-led charity working to raise awareness of the particular and complex needs of children with autism, and campaigning for better services to meet those needs. Formerly he was head of policy and campaigns at the National Autistic Society, a founding member of SCEC. Steve is currently studying for a Masters in Research (Government and Politics) at the University of London.

Virginia Wakefield

Virginia Wakefield M.A. Hons., M.Stud. (Oxon), M.Sc. (LSE) is a researcher in social policy issues, with experience in policy and parliamentary campaigns. She is the author of a number of reports in the disability and special educational needs field.

Foreword

At a meeting in August 2002, HR Directors from some of the largest voluntary sector providers of social care came together to discuss the increasing difficulties voluntary sector organisations face in the recruitment, retention and development of the social care workforce. Amongst this group were representatives from such organisations as The Children's Society, The National Autistic Society, Barnardo's, Mencap and Leonard Cheshire.

The common theme, which each representative put forward, was that there was a growing staffing crisis, which was threatening the long-term provision of quality care to the most vulnerable people in our society. As a consequence a decision was taken at that meeting to form a broad-based coalition of voluntary sector organisations providing social care services. The coalition lobbies Government and other public bodies to address the difficulties faced by member organisations through improving the status and remuneration of social care work.

This report embodies the difficulties faced by the 58 member organisations in attracting, retaining and developing its 65,000 strong workforce and is indicative of the 'growing crisis' faced by all voluntary organisations providing social care.

Clare Smith

Chair, Social Care Employers Consortium

Introduction

Since the nineteenth century, the voluntary sector has driven the provision of care services to the most vulnerable people in society. Voluntary sector care providers enhance choice and offer expertise in supporting specific client groups. The current Government has developed its commitment to working in partnership with the voluntary sector in the delivery of public services. The trend for outsourcing public sector services to the voluntary sector is accelerating, with a growing percentage of social care services delivered in this way.

While seeking to work in partnership with the sector, the Government has also rightly legislated to ensure high standards of service delivery. Voluntary sector care providers have welcomed this legislation as it sets clear standards which benefit service users and are there to improve their quality of life. However, the Care Standards Act has placed substantial new responsibilities on care providers, not least through the requirements for qualified staff. Traditionally care workers are low paid and many have few or no qualifications. However, once care workers, supervisors and managers have attained the various levels of

professional qualification required by the Care Standards Act, they will expect to be remunerated appropriately by their employer. Currently there is no requirement for local authorities to accept the increase in fees that would facilitate this, and no indication from Central Government that the necessary additional and substantial investment in social care will be made in order for this to happen.

The Social Care Employers Consortium (SCEC) has one clear message: **If the Government wants the voluntary sector to deliver high-quality social care services, fees paid by local authorities must be sufficient for the sector to recruit, retain and develop qualified staff.**

Government and voluntary sector care providers agree that vulnerable members of our society deserve high quality care. This is only possible through the commitment and skill of staff employed to provide it. SCEC has produced this report to highlight the crisis in recruitment and retention of staff in voluntary sector social care, and to call on Government to act in the interests of both staff and service users.



The Report

A survey of SCEC (Social Care Employers Consortium) members in late 2003 (details in Background and Methodology section) identified the following trends and themes:

- Funding shortfalls to deliver statutory provision
- Increased costs for voluntary sector care providers
- Difficulties in recruitment
- Difficulties in retention
- Innovative employment practices within voluntary sector social care
- Competition for staff – a level playing field?
- Plugging the gaps: overtime and agency use
- The status of social care work

The voluntary sector is now a significant contributor to the delivery of social care services: according to the National Council of Voluntary Organisations (NCVO) over half the voluntary sector paid workforce (50.9%, 289,000 people) are employed in 'social work'¹, which encompasses the broader category of social care activities. Voluntary sector care staff account for approximately 30% of the entire social care workforce.

This report aims to establish the scale of the difficulties that voluntary sector care providers face in order to provide high quality services. The key aim of this is to raise awareness with both purchasers/commissioners in local authorities and primary care trusts, and central government of these issues, so that social care is allocated appropriate investment, and voluntary sectors are given proper levels of support to deliver their side of the partnership of the provision of services.

¹ NCVO, *Voluntary Sector Almanac 2004*, p120

Executive summary

'Social Care: the growing crisis', a report by the Social Care Employers Consortium (SCEC), demonstrates the difficulties voluntary sector care providers are facing in recruiting and retaining staff. The major underlying reason for this is the lack of value society places on social care as a profession, and the lack of investment by Government to raise the status of this vital area of work. Without a doubt, the demand for social care is growing, and the Government's own legislation is requiring a rise in the standards of care through better training. In addition, there are a number of significant factors that create an 'uneven' playing field compared with the public sector, that make it tougher for voluntary sector care providers to attract staff.

SCEC's 58 members were surveyed, and key issues arising from this include:

Funding shortfalls

- One third of SCEC respondents are experiencing more than a £1 million shortfall in fee income across their contracted services;
- Over half (57%) said that the level of fees paid by local authorities is insufficient to meet statutory costs;
- There is an expectation from many purchasers that voluntary sector organisations will subsidise the cost of the provision of care with voluntary (donated) income. This is against Charity Commission rules.

Increased costs

- Training costs have escalated as a result of Care Standards legislation;
- The cost of CRB checks almost quadrupled within one year;
- Recruitment costs continue to increase as jobs become harder to fill.

Yet many local authorities refuse to renegotiate existing contracts to take into account the changing costs to voluntary sector providers resulting from legislative or regulatory change.

Difficulties in recruitment and retention of care staff

- High employment, low salary and benefits packages and competition for staff from local authorities are the main barriers to recruiting staff into social care;
- 61% of respondents cited low salaries as the main factor in why their staff leave;
- Turnover in the voluntary sector social care market is at an average of 22% – compared to turnover levels of 15% in public and private sector organisations;
- A quarter of SCEC members said that all or most of their full-time care staff regularly worked overtime – to fill rotas and to earn extra money;
- Agency use is high: 95% depend on agency care workers – and 41% rely on agency managers and supervisors;
- Yet SCEC members are using a range of innovative recruitment practices to try to combat these difficulties – and two-thirds of respondents have been successful in filling their vacancies over the last year.



Competition for staff

- Local authorities pay higher wages to their own staff, but limit the fees they pay to voluntary organisations which means that voluntary sector staff are paid less;
- SCEC members said that their main competitors for staff were local authorities;
- 77% said that their pay rate for care workers is below that of local authorities;
- 73% said that local authorities were paying their managers and supervisors more;
- Local authorities also are able to offer better benefit packages to their staff – such as final salary pension schemes;
- And voluntary sector care workers are not included in the Government's 'key worker status' which gives their public sector counterparts the right to affordable housing.

These inequalities must be addressed.

'Low status' of social care work

- Social care is not valued as highly as other public services in our society;
- Road sweepers are paid over a £100 a week more than a care assistant – and train drivers get over £400 a week more.

In order to attract people of the right calibre into social care, salaries must be brought into line with other public services – otherwise high employment will continue to mean that social care becomes the last resort rather than a career of choice.

Recommendations

- The voluntary sector seeks to develop a strategy in partnership with central and local government to address voluntary sector pay and workforce issues;
- The Government must recognise voluntary sector care workers as 'key workers' with the same entitlements in housing as their public sector counterparts;
- The Government should promote and encourage social care as a valued and rewarding career through all available channels, including advertising, schools and colleges;
- The Commission for Social Care Inspection should inspect the funding relationship between local authorities and voluntary sector care providers, ensuring that fee levels fully meet the costs of services delivered, and look for evidence of pay differentials between equivalent voluntary sector and public sector posts;

The Government must address the chronic under-resourcing of the social care sector if service users are to be properly supported by high quality social care services, and if the social care workforce is to grow to meet the rising demand for such services.

Funding shortfall

Voluntary organisations can choose to provide any services they wish that further their charitable purpose, and they can raise funding for these services from a variety of sources. However, voluntary sector care providers are increasingly delivering services to clients who have a statutory right to provision – in effect, acting as agents for the state.

Perhaps the starkest illustration of the financial pressures on voluntary sector care providers is that over half (57%) of SCEC respondents told us that the level of fees paid by local authorities is insufficient to meet this statutory provision. Therefore, the cost of providing care – that local authorities are required to provide as a statutory responsibility – is being regularly subsidised by voluntary (donated) income. There is almost an expectation from many purchasers that if they outsource to this sector, voluntary organisations will subsidise the cost of the provision of care.

One respondent said: ***“Disturbingly, one local authority (Hampshire) has, in their latest [Supporting People] newsletter, informed providers that they expect them to fundraise to meet funding shortfalls and indicated the need for providers to share fundraising tips.”***

And yet the Charity Commission has made it clear that charities should not be using voluntary (donated) income to subsidise statutory services.²

One third of organisations that responded are experiencing more than a £1million shortfall in fee income across their contracted services. Although many respondents are larger providers, this illustrates the scale of the difficulties that many organisations are experiencing.

‘Once a contract has been awarded there is an unwillingness for purchasers to recognise true cost increases during the course of the contract – this includes pay cost inflation (generally considerably above RPI) and costs of complying with legislation.’

In September 2002 the Treasury published its Cross Cutting Review of the Role of the Voluntary Sector. One of the key issues here was the issue of ‘full cost recovery’ – which established that voluntary organisations could expect to receive in fees the full amount it costs them to provide a service. This allows voluntary organisations to apportion appropriate overhead support costs (such as management, training, administration, HR, health and safety, financial support etc.) within their fees.

‘One local authority would only pay 1% for management costs. This wouldn’t even cover the cost of an accounts clerk, let alone the HR, health and safety, IT and training support costs that we bear.’

The situation for many voluntary sector care providers is becoming increasingly untenable with the gap between fees and costs widening, as one small provider illustrates:

‘We have continued to meet the needs of service users but at the expense of staff salaries. We would need an extra £250,000 – that’s an extra 15% – in revenue to restore 1993 pay conditions in real terms.’

It is clear from the evidence of SCEC members that in reality, many local authorities are not meeting their responsibilities in full and SCEC would urge them to do so. Equally, SCEC recognises that local authorities face constraints themselves and would urge the Government to address the overall shortfall in funding for social care across the country.

² Letter from the Charity Commission to [The National Society for Epilepsy](#), October 2001



Increased costs

Difficulties in recruitment, rising standards and increased regulation within social care have created a range of additional costs for voluntary sector care providers. This means that their costs have had to increase over the past two years, just to comply with legislation and regulation. Many local authorities have not reflected these increases in their fees paid to voluntary care providers. Examples of these increases follow below.

Training costs

The requirement created by the Care Standards Act for a better-qualified workforce is welcomed by SCEC members as it is in the interests of service users, but this requirement creates yet another cost for voluntary sector care providers, cost which needs to be recognised and met (i.e. included within fee levels).

'Few new care staff have the required qualifications, resulting in a heavy burden of training.'

'Within the first six months a new carer will spend up to 20% of their time training. Many who achieve their NVQ leave for better paid jobs, so we have to start all over again.'

Training for social care staff represents a significant additional cost, with 73% of respondents identifying an increase in training costs over the past three years. Much of this training has to take place 'off the job', requiring additional expenditure on temporary cover. For example, 70% of respondents have trained all or most of their managers 'off the job'. Similarly, 67% have also trained all or most of their care workers 'off the job'.

'It's enough of a struggle to get the staffing levels we need, without having to provide extra cover while people go on training. The costs are rising and it's getting harder to find all the people we need.'

The costs of S/NVQ assessments have risen six-fold in two years, from an average of £13,500 in 2001/02 to around £76,000 in 2003/04 (anticipated). Other training costs have more than doubled in two years, from an average of £87,000 in 2001/02 to £167,000 in 2003/04 (anticipated). The costs of training assessors and verifiers to monitor and accredit training have also more than doubled over two years.

'The quality of staff recruited is important to consider, not just getting 'bodies'. In many areas we can recruit, but given increasing standards and educational requirements there is concern about whether the pay and conditions we can offer are sufficient.'

SCEC respondents reported difficulties in accessing funding streams such as Topss funding and the Training Support Grant. There is no consistency of access to these funding streams across the country, and the processes for applications are complex and the 'rules' are unclear. Topss England has recognised concerns expressed by the independent sector that government funds for training to mandatory standards are being channelled through local authorities. They acknowledge that local authorities admit lack of clarity and guidance about how best to handle this and recommend disseminating best practice ideas amongst local authorities and monitoring the situation.³

³ Topss England Workforce Intelligence Unit, *Summary of the first annual report (2003)* p12

Increased costs continued

Criminal Records Bureau (CRB) checks

The cost of Criminal Records Bureau checks has been an area of contention across the voluntary sector, with the cost of a single check increasing by 160% in less than one year. Amongst SCEC respondents, these costs had almost quadrupled in one year, from an average of £8,300 in 2002/03 to an average of £32,000 in 2003/04 (anticipated). The cost of the new POVA FIRST checks (Protection of Vulnerable Adults from Abuse) will increase costs by a further 25%. Again, the principle of CRB and POVA checks is welcomed by SCEC as these are important safeguards, but these additional costs need to be met by purchasers where voluntary organisations are providing statutory services.

Recruitment costs

SCEC respondents had experienced an increase in recruitment spend of 36% in one year – from an average of £148,000 in 2001/02 to £201,000 in 2002/03. This was partly explained by the falling response to vacancies by appropriate applicants: 86% of respondents have had to advertise the same care worker posts three times or more in the past year, while 27% had been forced to readvertise five times or more.

One respondent said: *“There are some jobs where we no longer bother to advertise any more. It’s a complete waste of time and money as we know we cannot attract people to do this work – why would they, when it’s challenging and so low paid? They can earn far more, doing something far easier.”*

In total, these extra costs are placing an increasing burden on voluntary sector care providers. Local authorities regularly refuse to renegotiate existing contracts to take into account changing costs that result from legislation. As a consequence, voluntary organisations are having to meet these extra costs, either from within existing fee levels – which prevents them from increasing basic salaries to deliver the pay and benefit packages that will allow them to recruit and retain high-quality staff – or by subsidising the services with donated income.

Nonetheless, as this report demonstrates later, voluntary organisations are deploying a raft of different strategies and approaches to tackle this difficult situation.



Difficulties in recruitment

NCVO has identified recruitment of care staff as a significant problem for voluntary sector organisations.⁴ The majority of respondents to our survey reported difficulties in recruitment of care workers (59%), managers/supervisors (71%) and professional staff (67%). Nearly half of respondents said that the number of applicants for care worker posts had fallen in the last two years. Only 4% had seen any increase.

Key difficulties in recruiting staff:

1. High employment
2. Salary and benefits not attractive enough
3. Competition from Local Authorities
4. High house prices/rental market
5. Competition from other sectors

Other factors were:

6. Low status work
7. Stressful work conditions (eg shift work/sleep ins)
8. Limited career opportunities
9. Local factors (eg quality of transport)
10. Lack of skills/experience of applicants
11. Short/fixed term contracts

Figure 1

The key difficulties in recruiting staff were identified by respondents as high employment rates, low salaries and benefits packages and competition from local authorities (figure 1 above). These were rated by respondents as significantly more important than factors relating to some of the more challenging aspects of the nature of social care work. This increases the importance of Government addressing these 'external' barriers to recruitment. Similarly, the two key problems linked with the recruitment of care staff as identified by Topss England⁵ were seen to be:

- poor image and low status (low pay, lack of career pathways, unsupportive media coverage, nature of the work itself)
- lack of identity (lack of basic knowledge in the working population about what care workers actually do)

With high employment identified as another key factor, geographical location unsurprisingly plays a role in recruitment difficulties, with respondents identifying South-East England (100%), London (77%) and South-West England (67%) as difficult areas for recruitment. Some major providers of care and support have had to close services because they are unable to attract staff.

'We have real difficulties in south-east coastal resort towns – competition with leisure sector, hotels.'

Recruitment in rural areas is also particularly challenging, with one respondent describing it as *"impossible in some areas."*

Some voluntary organisations have tried to recruit from overseas in order to combat the difficulties of high employment in particular parts of the UK. However, some organisations have found it impossible to get the necessary authorisations to do this because of an inflexible approach to immigration.

'Ironically the Government denies there is a recruitment problem and has prohibited the recruitment of care staff from overseas – we just can't get the work permits.'

The enlargement of the European Union creates new opportunities to attract people into social care careers in the UK, and consideration should be given to developing schemes and incentives to achieve this.

The increased costs associated with recruitment are mirrored by vacancy rates, which are running at an average of 5% for care workers, 7% for managers and supervisors and 9% for professional staff across all respondents. 67% of respondents said that the length of time taken to fill vacancies was getting longer.

⁴ NCVO, *Voluntary Sector Almanac 2004*

⁵ Topss England Workforce Intelligence Unit, *Summary of the first annual report (2003)* p3

Difficulties in retention

Although low salaries were not identified as the most important barrier to recruitment, respondents did rate them as the major factor in why their staff left (61%). Other factors that were felt to be important included limited career development opportunities (43%), stressful work conditions (43%) and the opportunity for staff to move for better pay in a different sector once qualified (30%). On this final point, 64% of respondents identified a link between qualifications and staff turnover.

'Qualified staff seek to move on away from frontline support work.'

'Managers report that staff leave for better-paid jobs with the public sector once qualified.'

'One of our small services in Kent went through a staffing crisis when three members of staff left within weeks of getting their NVQ qualifications. Two of them joined local authorities for considerably higher pay, and one became an independent NVQ assessor earning £25-30 per hour. That's a lot better than a salary close to the minimum wage! We've had to increase the pay bands significantly to compete in this area for any staff since then.'

Social care is not perceived to offer good career opportunities – although in reality, many voluntary sector organisations now offer structured career development schemes to their care staff, in order to attract people to the field. Other health-related professions could do more to recognise the relevance of social care experience.

'Career progression is really important. It might help if social care experience eased the transition to nursing, social work and other similar professions.'

'Turnover for qualified nurses peaked at 29%...Turnover for support workers peaked at 27%.'

Average staff turnover across SCEC was at 22%.

The same figure (22%) was identified in a recent Agenda Consulting benchmarking report, which also highlighted that turnover in the public and private sectors averages 15% by comparison.⁶ In addition, 82% of respondents to our survey said that the turnover of care worker groups was markedly higher than their turnover for other staff groups by as much as 12%. Given the higher levels of turnover, voluntary organisations must be allowed by purchasers to build into their fees the additional costs related to the recruitment and training of new staff.

London and the South-East, Bristol and the South-West were picked out as problem areas geographically.

'Turnover was particularly high in the South-East...(it) has reduced since the introduction of local weighting. However obtaining fee increases to match this has been a long and difficult process.'

Nonetheless, it is important to understand that many people who work in social care are motivated primarily by the fact that they are making a difference to other people's lives through the work that they do. Issues such as pay and conditions are less of a driver for them whilst they believe they are making that difference. Topss England has recognised this⁷, adding that variety, challenge, teamwork and, especially in domiciliary care, freedom, are also appealing aspects of social care work - but that making a difference is the overriding motivator.

⁶ Agenda Consulting, *People Count: Benchmarks for Human Resources in the UK Voluntary and Community Sector (2004)* p4

⁷ Topss England Workforce Intelligence Unit, *Summary of the first annual report (2003)* p3



Innovative employment practices

Despite the difficulties with recruitment identified in this report, two-thirds of respondents (67%) stated that in general they have been successful in filling vacant posts in the last 12 months, largely through their flexible approach to recruitment and their willingness to try new approaches.

The creation of the SCEC consortium has emerged from regular meetings that take place between HR professionals in voluntary organisations, where they regularly share good practice and ideas, and identify common issues facing voluntary sector care employers.

'We have introduced a policy that allows managers to pay up to £3,000 per year as a market supplement. Provided there is a sound business need this supplement can be paid to new or existing staff. However, in reality these supplements are rarely paid due to tight financial constraints – we can't get the money back in fees.'

SCEC respondents have made use of a wide range of initiatives to improve recruitment:

- 91% have reviewed salaries
- 83% of respondents have a bank of temporary workers
- 74% are freeing up their recruitment processes
- 70% are using creative advertising
- 61% offer more flexible working
- 52% offer family friendly policies beyond the statutory requirements
- 43% offer career development paths
- 26% have tried overseas recruitment
- 17% have tried modern apprenticeships
- 9% have older worker schemes

Competition for staff – a level playing field?

The costs associated with recruitment are exacerbated by the fierce competition for staff experienced by many voluntary sector care providers. One interesting finding in our survey was that respondents consistently identified local authorities as a more significant competitor for staff than any other sector (see figure 2).

'Support workers in the same job with the local authority earn £4,000+ more than our staff – but the same local authority won't pay us sufficient fees in order for us to pay a competitive rate.'

It is certainly the case that issues of competition with local authority employers do not sit well with Central Government's stated intention of forging partnerships with the voluntary sector. Given this support, the Government needs to find a way to help voluntary organisations achieve equitable relationships with local authorities – as true partners.

Competition for staff – by staff group

Figure 2

Care workers – key competitors

1. local authorities
2. supermarkets and other retail
3. voluntary sector

Managers and supervisors – key competitors

1. local authorities
2. voluntary sector
3. private sector

Professional staff – key competitors

1. local authorities
2. private sector
3. NHS

Three in four (77%) respondents stated that their pay rate for care workers is below that of local authorities. Over half (57%) felt that they could be outbid on pay by supermarkets and other retailers, a depressing finding given the significant physical and emotional demands of working in social care. One in four (24%) of organisations said that their pay rate for care workers is below that of private providers.

A similar pattern emerges for managers and supervisors, where local authorities were identified as the main pay competitors by 73% of respondents. For professional staff, the competition on pay came from the NHS (57%) and local authorities (50%). The New Deal for Nurses will significantly increase this competition.

As with recruitment and retention, 61% of respondents told us that there are geographical areas where salaries are markedly below market rates. Again, London, the South-East and the South-West were identified. 72% of organisations have made regional or local adjustments to try to address geographical differences in salary, but this was not felt to be sufficient to counter difficulties in retention.

All respondents said they had increased the pay rates of care workers over the last two years, but this has not kept pace with the average increase in earnings within the voluntary sector or with public sector wage inflation. The gap between care workers and other voluntary and public sector workers has continued to increase (see figure 3). Yet SCEC members are extremely concerned that they cannot even out these discrepancies: the role of the care worker is valued highly by them, yet local authority funding does not allow this to be adequately resourced.

'The increase in fees over the last two years has been significantly below the level of wage increases awarded in the public sector.'



Wage inflation**Figure 3**

	Average increase 2001-2002	Average increase 2002-2003
SCEC care workers	2.55%	3.16%
Public sector inflation ⁸	4.6%	5.8%

NCVO has reported that three-quarters of voluntary organisations felt that public sector wage inflation would have a (negative) impact upon the voluntary sector.⁹ It would be unsurprising if voluntary sector care staff were to feel like the poor relations of public service by comparison.

The public sector has other advantages – public sector workers are entitled to ‘key worker status’ which entitles them to benefits such as affordable housing – critical in areas where there is high employment and people cannot afford to take lower paid jobs as they cannot afford rents or mortgages if they do so. Whether by intention or by oversight, the Government has failed to include voluntary sector workers – who are providing outsourced services that previously were provided by public bodies whose employees benefited from key worker status – in their definition of key workers. As a consequence this means that it is difficult to attract people to move from the public to the voluntary sector, which increases pressure on recruitment. This inequality must be addressed if the voluntary sector is to become a true partner in the provision of public services.

Local authorities’ ability to maintain final salary pension schemes is another critical factor in competition. Smaller voluntary organisations have never been able to offer final salary pension schemes. And the vast majority of voluntary sector providers who have offered such schemes in the past have now had to close their final salary schemes in recent years as they cannot afford to maintain them. Not only are local authorities paying higher salaries, they are also putting at least 15% or more on top of that into their final salary pension schemes for their staff.

Additionally, local authorities do not recognise as ‘continuous service’ periods where staff have worked for voluntary organisations (although they do recognise previous service where they have worked for other local authorities). As a consequence, staff are less likely to move to voluntary sector employers, as they may have to start all over again to earn their rights to things such as enhanced annual leave, sick pay and maternity/adoption benefits if they move back to the public sector.

The key factor where voluntary sector care providers struggle to compete is with levels of pay. They are constrained by the fees their purchasers are prepared to pay for the services voluntary organisations provide – local authorities and primary care trusts hold the purse strings and can therefore determine fee levels. They are not required to consider the levels of pay they offer their own staff when doing this. Topss England acknowledged that rates of pay are higher in the statutory than the independent sector for both social workers and care workers.¹⁰ These imbalances must be addressed.

⁸ Income Data Services, *Pay in the Public Sector 2002/03*

⁹ NCVO, *Annual Sector Salary Survey 2003*

¹⁰ Topss England Workforce Intelligence Unit, *Summary of the first annual report (2003) p5*

Plugging the gaps: overtime and agency use

Difficulties in recruitment and retention are placing additional demands on staff in voluntary sector care services. One quarter of organisations said their full-time care workers (all or most) regularly worked overtime; 45% said half or more regularly worked overtime. The picture was similar for managers/supervisors, where 50% said half or more regularly worked overtime. Many respondents felt that this level of overtime was undesirable, but was necessary both to provide an appropriate level of staffing and to allow staff to supplement their low level of basic pay.

'We don't want staff to work long hours, but it is the only way we can fill our rotas and they need the extra money.'

Inevitably, use of agency workers is high: 95% of respondents continue to depend on agency care workers. More worrying is the use of agency managers/supervisors (41% of respondents), who will not

have had the training and induction from the voluntary sector employer and may not have skills, experience or expertise in working with the challenging and specialist client groups that the voluntary sector frequently serves. Agency workers also compromise continuity of care, which can be destabilising for some client groups.

'Our charity has spent over £1.2 million on agency staff over the past year – that's almost 7 percent of our overall salary costs – and we don't get people who have the specialist knowledge we need to work with our challenging client group. That can undermine the quality of the service we provide.'

Although many respondents used agency staff for the legitimate purpose of providing short-term cover for staff absence, others were forced to use agency staff, including managers, because they had been unable to fill vacancies.

Current government initiatives

The Department of Health has attempted to tackle the recruitment crisis in social care with a major advertising campaign that ran throughout February 2004. The purpose of the campaign was to recruit more people to the social care workforce, with a particular emphasis on attracting more people to work with older people. The campaign seeks to show depth and variety of work in which social care workers are involved and the many benefits they bring to so many people's lives.

Although SCEC applauds the ambitions of the recruitment campaign which promotes the value of social care work, the consortium's research demonstrates that the crisis of recruitment and retention within voluntary sector social care runs far deeper than lack of awareness amongst potential recruits.



The status of social care work

Underlying all the issues and difficulties facing voluntary sector care providers is the fact that social care is not valued as highly in society as other public services. The following chart (figure 4) identifies the average weekly wage of a range of public service workers. It is very clear from this that care work is the veritable Cinderella of public service.

There is undoubtedly a crisis brewing, as employment levels continue to remain high, and there are fewer people available to be attracted into social care. Yet the demand for social care will continue to grow – as people live longer and many expect to remain in their own homes, needing high levels of support. And high numbers of care staff will obtain marketable qualifications over the next few years, qualifications that will enable them to easily find alternative work in other sectors, and it is difficult to see how, without raising salaries significantly, that this trend can be reversed.

Far greater value needs to be placed upon the role of social care workers, and the whole sector requires significantly more investment, to keep pace with society's needs.

Average weekly salaries for public service workers (at 2002/03)¹¹

Figure 4

Public service occupation	Weekly salary
Train driver	£595
Secondary school teacher	£582
Police officer	£576
Primary school teacher	£538
Fire fighter	£465
Nurse	£457
Social worker	£444
Ambulance driver	£404
Refuse collector	£324
Road sweeper	£294
Nursery nurse	£241
Care assistant (voluntary sector)	£183

¹¹ Income Data Services, *Pay in the Public Sector 2002/03*

Conclusion and recommendations

It is clear from this research that social care workers are not valued to the same extent as other public sector workers – and yet this is a growing area of employment that will require higher levels of skill in the future.

In order to attract people of the right calibre into this important sector, salaries need to be brought into line with other public services. Otherwise high employment will continue to mean that social care work is a last resort, rather than a career of choice.

For this to be achieved the Treasury needs to invest significantly in the social care sector, ensuring that local authorities have the resources they need to meet the growing number of people who require support of this sort. Only then will voluntary organisations be able to charge the fees they need to fund the level of salary that will attract and retain people of calibre. This is critical if the standards of care and support to which the Government aspires in regulation are to be met.

The Government needs to recognise the significant role the sector is playing in delivering social care by ensuring that local authorities can pay fees that allow SCEC members to set realistic salaries. Within local government, the Pay and Workforce Strategy represents a partnership between the Local Government Employer's Organisation, the Office of the Deputy Prime Minister and the Office for Public Sector Reform. Launched at the end of 2003, the Strategy has been endorsed by local authorities and supports them to create a coherent approach to workforce issues, including pay. Similar strategic support needs to be made available to voluntary sector care providers.

In addition, Government should recognise the need to support training within voluntary sector social care. As an example, the Scottish Executive is to provide £1 million a year over three years for voluntary sector care organisations to fund worker training. This is to boost the sector's ability to meet Scottish Social Services Council criteria on qualifications.

The issue of career progression within social care is vital. A joined up approach that links social care to other related careers such as nursing, social work or other health-related professions is needed. This could be achieved if social care experience could become an entry point into these careers. The Government should also find ways to promote and encourage social care as a valued and rewarding career through schools and colleges.

There is undoubtedly an unlevel playing field when it comes to local authorities and voluntary organisations: local authorities and primary care trusts control the fee levels that voluntary organisations can charge; they are able to pay their own in-house staff more - with additional benefits; and their staff are entitled to access affordable housing. SCEC members want to work with central and local government to address these inequalities.

The recent voluntary sector skills survey, Futureskills 2003¹², made the following recommendations:

Salary levels

Wage differentials with respect to voluntary sector salaries are a barrier to recruiting new skilled staff, a problem likely to increase given the level of public sector awards. Salary levels need to accurately reflect the level of multi-skills required in order to meet delivery of services. This will need to be acknowledged by funders.

¹² <http://www.voluntarysectorskills.org.uk>



Funding skills development

It is clear that voluntary organisations cannot rely on recruiting staff that are fully proficient in all the skills required...particularly in the context of a competitive labour market. It is therefore important to work with funders to press for allowances for staff development and training to be included in funding awards.

Regulatory burden

Compliance with regulatory requirements is a particular problem for some parts of the sector. The impact in terms of demand for new skills within an organisation has not been fully addressed. This report suggests that an assessment of the direct and indirect impact of new regulation, specifically in relation to skills deficiencies, might be useful. SCEC would endorse all these recommendations, but specifically in relation to voluntary sector social care, we would add:

Voluntary sector pay and workforce strategy

The voluntary sector seeks to develop a strategy in partnership with central and local government, in order to address voluntary sector pay and workforce issues, including:

Key worker status for voluntary sector workers

- The Government must recognise voluntary sector care workers as 'key workers' with the same entitlements in housing and other areas as their public sector counterparts.

Improving the status of social care work

- The Department of Health should, in conjunction with the voluntary sector, develop an ongoing advertising campaign to raise the status of social care – so it is seen as a valued and rewarding career, and should promote this through schools and colleges.

Financial support for training

- The Department of Health should establish a central fund to support training and development within the voluntary sector social care workforce – rather than the voluntary sector having to access local authority training and support grants which are largely unavailable. The 'rules' applying to current grants need to be made more transparent.

Fairer funding

- The Commission for Social Care Inspection should inspect the funding relationship between local authorities and voluntary sector care providers, ensuring that fee levels fully meet the costs of services delivered, including staff costs, and looking for evidence of pay differentials between equivalent voluntary sector and public sector care posts. Its findings should be laid before Parliament in its Annual Report, which advises the Secretary of State on the state of social care and makes recommendations for improvements.

Fundamentally, the Government needs to address the chronic under-resourcing of the social care sector if service users are to be properly supported by high quality social care services. The 2004 Budget saw a commitment to increase NHS expenditure by 10% every year until 2008. Health and social care do not and cannot exist in isolation. A commensurate increase in social care expenditure will be needed across the social care sector, including fees paid to voluntary sector providers of social care, in order to stand still.

Greater investment still will be needed, over time, to improve the status of social care work and to bring it in line with other public service occupations. This is vital if the social care workforce is to grow to meet the rising demand for such services.

Background and methodology

SCEC currently has a membership of 58 organisations, which between them represent 65,000 social care employees, and a turnover of approximately £1.2 billion.

A questionnaire was sent out to member organisations in August 2003. 74% of responding organisations have a turnover in excess of £10 million per annum. This means that although the sample size is small, many organisations will have significant engagement with statutory contracted services. NCVO research has highlighted that the majority of public sector income, which accounts for 37% of total voluntary income, goes mainly to a small proportion of larger charities.¹³

There were 24 completed responses from a range of voluntary social care providers operating in the following fields:

- Disability
- Mental health
- Older people
- Children & families
- Learning disability

¹³ NCVO, *Voluntary Sector Almanac 2004*



How to contact the Social Care Employers Consortium

If you would like to know more about the SCEC campaign, or if you would like to join us, please contact the chair of the Consortium, Clare Smith as follows:

Clare Smith,
Chair of the Social Care Employers Consortium
c/o Leonard Cheshire
30 Millbank
London SW1P 4QD

Tel: 020 7802 8200
Fax: 020 7802 8250
Email: c.smith@lc-uk.org
Website: www.scec.uk.net

Steering Group members:

Judith Barnard, **Leonard Cheshire**
Liz Booth, **NSPCC**
Geoff Hawkins, **Children's Society**
Sonia Higgs, **Advance**
Alison Hunter, **National Autistic Society**
Philippa Laughton, **Barnardo's**
Malcolm Matthews, **Sense**
Ann Russell, **Norwood: Children & Families First**
Jill Tombs, **Mencap**

SCEC members

Abbeyfield Society
Aberlour Child Care Trust
Advance
After Adoption
Alternative Future
Alzheimer's Society
Arc House
Barnardo's
Brandon Trust
Brent Triangle
Bridge 86 Ltd.
Carolina House Trust
Catholic Children's Society
Charterhouse Group of Therapeutic
Communities
Children's Society
Elizabeth Finn Trust
GOPWA
HDV Foundation
Heart of England Care
Help the Aged
Heritage Care
Jewish Care
Larkfield
Leonard Cheshire
Lewisham Nexus Service
MACA
MENCAP
MHA Care Group
National Autistic Society

Norwood: Children & Families First
NSPCC
Orchard Trust
Peper Harow Foundation
PRA Services
Primrose House Centre for People with Special
Needs
Prior's Court School
Providence Project
Rehab UK
Rethink
RNID
Royal British Legion
Royal Star and Garter Home
Salvation Army
Scope
Sense
Shad Wandsworth
Shaftesbury Society
Sign
St Cuthbert's Hospice
St. Christopher's Fellowship
Sue Ryder Care
Turning Point
United Response
Voice for the Child in Care
Walsingham Community Homes
Waverley Care
Whitehorse Care Trust
Wirrelderly

'We need to place a far higher value on the role of social care workers, and the whole sector requires significantly more investment to keep pace with society's changing needs.'



The Social Care Employers Consortium (SCEC) is a broad-based coalition of 58 voluntary sector care providers. Its key aim is to raise the status and remuneration of social care, in order to attract people of high calibre into this growing area of work.

This report '*Social Care: the growing crisis*' demonstrates the difficulties voluntary sector care providers are facing in recruiting and retaining staff. The major underlying reason for this is the lack of value society places on social care as a profession, and the lack of investment by Government to raise the status of this vital area of work. In addition, there are a number of significant factors that create an 'unlevel' playing field compared with the public sector, that make it tougher for voluntary sector care providers to attract staff.

The Government must address the chronic under-resourcing of the social care sector if service users are to be properly supported by high quality social care services, and if the social care workforce is to grow to meet the rising demand for such services.