Executive Summary

Background
1. These organisations employed 24,555 people, excluding sessional, relief and bank staff (19,156.36 FTEs). This is an increase of 16% in the social care workforce sample compared to last year’s report.
2. This figure of 24,555 represents approximately 45% of the voluntary sector workforce in social care.
3. As with national trends, the workforce remained predominantly female.
4. Respondents had a combined organisational turnover of £342,211,130.
5. The lowest organisational turnover was £28,883.96 (BBB2) and the highest £63,552,000 (HHH2).
6. The average turnover spent on pay this year was the same as last year’s reported figure at 70%.

Funding sources and trends
7. Local authorities remained the largest source of funding for respondents at an average of 73.9% of total income. However, this represents an increase on last year’s figure of 70% and suggests an increase in risk to providers in terms of vulnerability to tenders, and public service expenditure cuts.
8. More organisations gained public sector contracts (65%) than lost them, although in the latter case the number of respondents losing contracts was high at 62%. Two organisations (TTT and XXX) lost contracts without gaining other public sector funding.
9. The numbers of organisations gaining contracts has reduced from last year (69%) to 65%. Organisations that lost contracts increased this year to 62% against 59% last year.
10. Providers were given a number of reasons for losing such contracts which included ‘death of a service user’ (50%), ‘moved to another service’ (37.5%).
11. At the same time, shifts in public sector austerity were evident as 31% blamed ‘funding cuts’ and 19% cited ‘retendering’ as causing the losses. Moreover, the number of providers that handed contracts back has increased by 15% this year to 27% having previously been reported at 20%.
Working Time

12. The overwhelming majority of staff are employed on a guaranteed hours contract (80%) and employed full time, followed by part-time employees (between 16-30 hours). This represents a decrease in guaranteed hours from 84.5% last year.

13. Continuous shifts are still operated by the majority of responding organisations 66.4%, which is an increase on last year (57%). The number of providers operating split shifts (19%) remains stable compared to last year.

14. Over four-fifths of providers use zero hours contracts (83%), representing a continual rise year-on-year of organisations making use of zero hours only contracts from 76% (2016/17) and 64% (2015/16).

15. On average, 19% of the workforce is employed on zero hours only contracts, representing an increase on last year’s 15% (2016/17). Their usage still remains less frequent, accounting for an average of 11.6% of working time.

16. Six point six percent of the pay budget on average was constituted by zero hour’s contracts, up from 5.8% in last year’s Benchmarking Report (2016/17).

17. Forty-seven percent of the responding organisations (N=17) operated split shifts, doubling last year’s Benchmarking Report (2016/17) in which only 19% percent of respondents reported using such arrangements.

18. Providers continue to cover stretched services through a combination of staff working beyond contracted hours, weekend work, and agency staff. An average of 38.8% part-time staff reported working more than their contracted hours, a reduction from 41.6% highlighted last year.

19. All of the respondents providing figures on unsocial hours reported weekend work is a regular feature of service delivery to clients, with an average of 61.5% of the workforce working weekends regularly, and 19.5% occasionally.

20. Covering the shifts of support workers presents a particular challenge for an overwhelming majority of the organisations: Of the organisations providing figures (N=25), 84% percent reported using agency support workers during the last financial year, another increase on the previous two year’s figures of 77% (2016/17) 71% (2015-/16).

21. There was some fluctuation in family friendly arrangements, as 58% offered compressed hours in comparison to the 2016-2017 Benchmarking Report (42%). The percentage of organisations offering term time decreased to 23% (prior report 32%) and those offering flexible hours decreased to 35% (prior report 42%).

22. Fewer providers offered the full range of family friendly policies compared to last year’s benchmarking study.
Use of volunteers

23. Eighty-nine percent of the organisations (N=26) reported using volunteers. There was an average of 184 volunteers across all providers.

24. More respondents report an increasing use of volunteers over the last year. 42% of respondents reported such an increase (27% in 2016/17).

25. The most common usage of volunteers was board membership, followed by social activity and befriending, added value, and fundraising.

Outsourcing and sharing

26. Fifty-two percent of respondents outsourced some of their functions either partially or fully, representing between 0.2% - over 1% of turnover. This compares to 56% of providers from last year’s report. Functions subject to outsourcing included training and development, IT, legal services and health and safety.

27. Only 11% of respondents reported sharing services (Training and Payroll), and of those that did, there was no evidence of measuring the effectiveness of sharing.

Workforce insecurity

28. Permanent contracts still remain the most common type of contract for both full-time and part-time workers.

29. Sixty-nine percent of organisations reported using fixed term contracts and 42% used permanent zero-hours contracts. A proportion of the workforce (19.6% average) was employed on permanent zero-hours contracts.

30. The proportion of organisations employing workers on seasonal zero hours contracts had risen to 27% usage compared to last year’s figures (18%).

31. A minority of the responding organisations (10%) employ staff working with people financed through Self-Directed Support.

32. Fifty-nine percent of organisations had made redundancies in the last year, the majority of which involved 0 -19 employees, although some involved 50-99.

33. The vast majority of these were compulsory redundancies, and 30% were anticipating making redundancies next year, with a further 22.3 %confirming they definitely would be.

34. The link between redundancy and public sector funding cuts was apparent as 81% of those losing public sector funding, cut jobs.
Representation on joint boards

35. Approximately a fifth of respondents indicated that they had representation on joint health and social care boards.

36. Of those only three reported workforce issues being discussed at board meetings that were relevant to the sector. These included recruitment and retention, training, SSSC registrations, the Scottish Living Wage and cuts to local authority funding.

Recruitment and retention

37. Half of the respondents reported that at least 64.3% of their turnover was due to another job, career development, shift patterns and pay.

38. The most commonly cited reasons for leaving the organisation in exit interviews included: personal reasons, followed by a new job, career progression and terms and conditions.

39. As in the previous three Benchmarking Reports, recruitment problems remain a continual challenge for the providers with 93% reporting that recruitment of front-line staff groups was very or quite difficult: a higher number than last year (87.5% of respondents).

40. It is anticipated that this trend of recruitment difficulties will continue given the uncertainty in the political context and its potential impact on the labour market.

41. The percentage of respondents (N=26) indicating recruitment needs being higher than the previous year increased to 69% (52% in 2016/17).

42. Recruitment difficulties for front line posts were due to not having enough applicants, followed by pay, insufficient skills or quality of applicants, and competition from other sources such as retail. Pay is likely an underlying factor deterring potential applicants from applying.

43. Supervisory posts were reported as difficult to fill due to lacking skills and quality of applicants, followed by pay and too few applicants. In managerial posts, recruitment problems related to too few applicants, followed by a lack of skills and quality, and pay levels.

44. Eighty percent of respondents highlighted problems recruiting in particular local authority areas, with key areas of difficulty including Argyll and Bute, the Highlands, Aberdeen, Fife, Moray, North Ayrshire, and North Lanarkshire.

45. The most effective recruitment tools in terms of greatest returns remained online advertising and the organisational website. All providers relied on the traditional application form for selection across all of the posts, followed by competency-based interviews.
46. Almost all of the respondents reported service user involvement in selection, albeit the majority do so only sometimes. ‘Other’ tools included question of care and online testing, telephone interviews and screening, as well as the use of a customer panel.

47. As in last year’s Benchmarking Report, the majority of providers reported using staff shortages as an indicator of recruitment needs (54%). Thirty-nine percent tracked geographic shortages and thirty-five percent used ROTA planning to assess recruitment needs.

48. Workforce planning tools (WPT) were used by 23% of respondents. This latter figure represents a slight increase on last year’s figures (16% in 2016/17).

49. WPT included referring to strategic plans, HR strategy, people development group, stakeholder and staff engagement, internal annual service and project recruitment plans, the organisation’s own formula and establishing monitoring tools such as commissioned hours versus contracted hours.

Pay determination

50. Changes in the Scottish Living Wage (SLW) was cited as the most common factor (85%) respondents used in considering their annual pay increases. This was followed by ‘board discretion’ (63%) and changes to the national minimum wage (56%).

51. Only five employers (the same as 2016/17) were accredited Living Wage employers.

52. Eighty-five percent revealed that their rates of pay met or exceeded the SLW for front-line support staff compared to 67% claiming to meet the SLW across all roles. This represents a significant increase from last year when only 41% of employers reported that their hourly rates met the SLW.

53. Of those that did not meet the SLW, all respondents indicated that they did not have a target date to implement it.

54. Three-quarters of respondents indicated some impact on their organisation if the SLW was to become an essential criterion in tender applications to provide public services, including four providers indicating it would risk their viability.

55. Fifty percent of respondents indicated that changes in the government’s national minimum wage had no impact on their organisation, while a further 38% indicated ‘nothing substantial’. At the same time, one organisation, III2 stated that it risked its viability.
**Turnover and reasons for leaving**

56. Turnover among respondents averaged 19.3%, although several respondents indicated figures of over 30%, while one YYY reported 2.25%.

57. In the majority of cases reasons for leaving were due to resignation. Organisations reported an average length of service for those leaving at over one year, indicating some loss of experience to respondents.

58. Eight-nine percent of organisations reported undertaking exit interviews. The top three reasons for leaving were new job and career prospects, personal reasons and working conditions including pay.

**Diversity**

59. The most common age bracket in which people are employed remains in the 46 – 59 age range at 35%.

60. The proportion of staff with a disability stood at 5.9% and those from ethnic minorities at 4.6%. These figures indicate that participating providers have a more diverse workforce than the wider sector as measured by SSSC data, which stands at 2% for those with disabilities and 3% from ethnic minorities.

**Absence, attendance and turnover**

61. The average days lost through sickness absence for respondents is 10.4 and the median cost per employee among the benchmarking group is £500.

62. Mental health issues – stress, anxiety and depression, stand out as the main causes of sickness absence, followed by musculoskeletal disorders, gastric problems, and colds, cough and flu.

63. Employee assistance and counselling services were provided by all but two of the respondents.

**Involvement and participation**

64. Just over a quarter of respondents (27%) reported that they either formally or informally operated self-managing teams.

65. Where teams operated they were mainly used for rotas, covering sickness, allocation of tasks (six providers each), arranging holidays and setting team mandates, aims and objectives.

66. Results regarding team working throw into question whether Buurtzorg or other forms of self-governing teams with a flatter working structure represent the future way of working in social care, as only a few currently not using them plan to do so in the future.
Managing and covering sickness within teams was an area most commonly devolved to team members (three-quarters of cases) followed by managing rotas (two-thirds).

Eighty-five percent (N=22) of organisations reported undertaking staff engagement surveys on an annual, bi-annual or ad-hoc basis, while 65% (N=17) stated that they held staff meetings on frequencies ranging from weekly to annually.

All but two organisations also reported holding team meetings, with the frequencies of these ranging from weekly to quarterly.

Fifty-seven percent (N=15) of responding organisations reported recognised unions.

Figures on union membership were provided by eight organisations. These indicated that density of membership varied greatly, from a low of just over 2% to a high of 35%, with an average of 12.5%.

Thirty-eight percent (N=10) of those responding reported that they consulted staff through a staff forum and 57% (N=15) through recognised trade unions.

Pay scales, working patterns and sickness entitlements were the issues mostly commonly consulted over, followed by redundancy and pensions.

Pay scales, sickness entitlements and working patterns were the most common subjects of negotiations, followed by holidays and redundancy.

Seventy-seven percent (N=20) of organisations reported having made one or more changes to terms and conditions following consultations or negotiations with unions or staff representatives. Pay was the issue most commonly reported to have been affected by these changes.

Hourly rates of pay and other payments

Data revealed a number of providers paying hourly rates of pay that were not meeting the SLW of £8.45. Caution has to be applied before assuming these organisations are not following the Scottish Government’s SLW policy as they may be waiting for local authority payments to increase their rates.

Increases in the SLW rate to £8.75 will continue to present problems for organisations maintaining differentials with senior front-line support staff and first line supervisors/managers.

Minimum hourly rates for domestic and catering staff continue to be well below the SLW, and the run the risk of widening differentials with front-line support staff.

Seventy-one percent indicated they had made changes to sleepover rates in response to the National Minimum Wage cases.

Providers that pay overtime overwhelmingly pay the normal hourly rate.
81. Overall, 50% of respondents indicated that they did not pay enhancements for working public holidays. The remainder paid 1.5 or 2 times salary plus other payments.

82. Benefits such as compassionate leave, childcare vouchers, enhancements to maternity, paternity and adoption leave, and flexitime were common. Less common were career breaks.

83. In terms of health and well-being, counselling services were the most popular, followed by enhanced sick pay, EAP programme and occupational health. Corporate gym membership was the least popular.

84. Thirty-five percent of respondents changed their pension contribution levels due to auto-enrolment. Five providers (19%) indicate that their employer contributions have been reduced.

Senior management pay

85. The average salary for the senior Scottish Manager/ Director across respondents is currently £81,604.33.

86. Providers, in the main, benchmark with other organisations when deciding these rates, although two providers decided their senior director’s pay on a multiple of the lowest salary within their organisation. These were the two lowest senior director salaries among respondents.

Health and well-being initiatives

87. Enhanced sick pay and occupational health services (Ninety-seven percent and eighty-four percent respectively) were the most common health and well-being initiatives.

88. All responding organisations, with the exception of two, offered Employee Assistance and Counselling services.

89. Maximum periods of paid sickness absence varied from 20 days to 12 months.

90. Fully paid periods of absence ranged from 1 month to 6 months, while the most generous arrangements provided for a further six months on half pay.

91. Paid sickness leave entitlements generally varied with length of service. However, this was much less the case with regard to nurses and allied health professionals.

92. Thirty-five percent (N=9) of respondents made use of ‘waiting days’ to manage sickness absence among employees.
Discipline and grievance

93. Seventy-three percent (N=19) of organisations reported the imposition of a total of 213 suspensions to enable disciplinary investigations. A mean of 10.1 of disciplinary cases. Lengths of suspensions ranged from three weeks to eight months.

94. Eight-five percent of those responding indicated that disciplinary cases had led to the taking of formal actions. The number of such actions reported ranged from one to 298, with a mean of 38.

95. Misconduct (73%) was the most common cause of disciplinary actions, followed by attendance/timekeeping (46%) and policy breaches (31%).

96. Three hundred and eighty formal grievances were reported by 19 organisations. Interpersonal relations with managers, such relations with colleagues, terms and conditions and working conditions were the most commonly mentioned causes of grievances.

97. Thirty percent (N=8) organisations had received an employment tribunal application over the previous twelve months. Of the nine applications reported, seven involved unfair dismissal, six of which had been withdrawn - settled prior to a hearing.

98. Thirty-five percent (N=9) of respondents had received complaints reportable to the Care Inspectorate during the last 12 months. The number of complaints across individual respondents ranged from one to 38. In total, there were 87 such complaints.

Training and SSSC registration

99. The average number of staff who are qualified to the expected level of the SSSC was 47.6% of front line staff, a reduction from last year which was reported at 59.5%. The other categories reported 78.82% of supervisors, and 72.27% of managers were registered.

100. Respondents were generally positive regarding the impact of qualifications on practice among those staff that had qualifications. Overall, 58% were confident that qualifications resulted in a positive impact on service users, while 8% were not.

101. Training budgets ranged from £21,000 to £1,230,000 per annum, with an average across the organisations of £231,707.70.

102. Fifty percent of providers stated that their training budgets were not sufficient to cover their training costs compared to 35% that reported they did.

Equality analysis

103. Sixty-three percent of organisations undertook an equality analysis on the basis of gender. The next most common analysis was age (52%), followed by ethnicity and disability at 44%. The least common group subjected to equality analysis related to social origins (7%).
About CCPS

CCPS is the Coalition of Care and Support Providers in Scotland. It exists to identify, represent, promote and safeguard the interests of third sector and not-for-profit social care and support providers in Scotland, so that they can maximise the impact they have on meeting social need.

CCPS aims to:
- Champion quality care and support provided by the third sector
- Challenge policy and practice that inhibits or undermines the sector’s ability to provide quality care and support
- Prepare providers for future challenges and opportunities
- Support providers to understand, negotiate and influence the complex policy and practice environment in which they operate.

CCPS hosts the Workforce Development Network, funded by the Scottish Government to assist voluntary sector social services providers to fully contribute to the national workforce development agenda.

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