



COALITION OF CARE AND SUPPORT PROVIDERS IN SCOTLAND

2016 Benchmarking Report for Voluntary Sector HR Network and CCPS

Executive Summary

April 2017



Background

For almost ten years the Voluntary Sector HR Voluntary Sector Forum and Coalition of Care and Support Providers in Scotland (CCPS) have commissioned the HR Benchmarking Survey and analysis for its member organisations.

The topics benchmarked have increased year on year, however to maintain consistency funding climate and impact, working time, workforce security, pay and conditions, absence and wellbeing, recruitment and retention, staff involvement and participation and training and development are included every year. The number of organisations taking part remains consistent ensuring the value and credibility of the information gathered.

To ensure integrity and anonymity for the organisations taking part an independent researcher collates the survey. Each organisation pays an equal share of the cost; £330 this year. It is also recognised that the participants contribute an enormous amount of time and resource in gathering and supplying the data.

For the third year now CCPS facilitated the arrangement in direct partnership with Strathclyde University. We intend to continue this partnership over the coming years to build and enable trend analysis of workforce issues.

The report cites other research to enable better and more detailed comparisons and benchmarking to be made including workforce data from the Scottish Social Services Council.

Thirty two voluntary sector organisations took part in 2016 covering 20, 819 employees. Although a slight decrease on last year the participants account for forty percent of the voluntary sector care and support workforce.

The organisations that provided information are all different in terms of turnover, with the smallest organisational turnover noted as just under £3 million ranging to the largest at £45 million. In terms of numbers employed, again there was great diversity, with the smallest recorded as forty four employees and the largest as over two thousand five hundred. The annual Executive Summary contributes to the growing body of evidence on the Scottish social services workforce and the findings from the survey provide the organisations participating with valuable data to support workforce planning and training and development.

Executive Summary

Funding and relations with local authorities

1. The average turnover of participating organisations was over £18m.
2. The average percentage of turnover spent on pay across the organisations was 72.9%.
3. Local authorities remained the dominant source of funding among providers, with average contribution to organisational income being approximately 70%.
4. Providers were more likely to have services within Glasgow, Edinburgh and West Lothian.
5. 59% of respondents reported that they had lost a public sector contract over the last year, but this was less than the 69% who reported they had gained such contracts. Only one provider reported they had lost a contract, while not gaining any. This evidences the fluctuations in contract stability.
6. The most common reason for losing a public sector contract (59%) was reported as experiencing public sector funding cuts. Other organisations reported that losses were due to local authority re-tendering.

Workforce information

7. Overall, the thirty-two providers employed a total of 20, 819 people (16, 589 FTEs) and accounts for around 40% of the voluntary sector workforce taking the SSSC workforce data source.

Working Time

8. The overwhelming majority of staff is employed on a guaranteed hours contract (84.8%) and employed full time, followed by part-time employees (between 16-30 hours).
9. Continuous shifts are still operated by the majority of responding organisations (57%), whereas the number of providers operating split shifts (19%) roughly halved from the 2015-2016 Benchmarking Report figures.
10. In addition to continuous shifts, permanent night shifts make up the norm across the providers. Split shifts only account for 3% of the overall shift patterns used in the study.
11. The evidence points to an increase in the number of providers using zero-hours only contracts: over three-quarters of the responding providers use zero-hours only contracts (76%), representing an increase on last year's figures (64%).
12. On average, 15.3% of the workforce is employed on zero-hours only contracts, yet their usage still remains less frequent, accounting for an average of 9.5% of working time.

13. Providers continue to cover stretched services through a combination of staff working beyond contracted hours, weekend work, and agency staff. An average of 41.6% part-time staff reported working more than their contracted hours.
14. All of the respondents providing figures on unsocial hours reported weekend work is a regular feature, with an average of 71% of the workforce doing so.
15. Covering the shifts of support workers presents a particular challenge for an overwhelming majority of the organisations: over three-quarters (77%) reported using agency support workers, whereas only 25% used agency nurses. The use of agency support workers was up slightly from last year's figures (71%).
16. It is positive that the proportion of organisations offering contracts that encourage a family-friendly environment increased in comparison to last year: 42% offer flexible hours (prior report 33%), 42% offer compressed hours (prior report 37%) and 32% offer term time (prior report 18%).
17. Usage of family-friendly working arrangements by staff still remains small (ranging between on average 3-10% of the workforce).
18. 88% of the organisations reported using the services of volunteers and almost a third of providers indicated the numbers of volunteers had increased over last year. By far the most common usage of volunteers was in board membership, followed by added value, social activities and befriending.

Workforce insecurity

19. Permanent contracts still remain the most common type of contract for both full-time and part-time workers.
20. 69% of organisations reported using fixed term contracts and almost half used permanent zero-hours contracts (44%). A proportion of the workforce (15% average) was employed on permanent zero-hours contracts.
21. The proportion of organisations employing workers on seasonal zero hours contracts has risen to 32% usage compared to last year's figures (18%).
22. A minority of the responding organisations (10%) employ staff working with people financed through Self-Directed Support.
23. More organisations reported making redundancies over last year, although these redundancies are typically fewer in number. The percentage of organisations making redundancies rose from 48% to 77%.
24. Of the 24 organisations making redundancies, the majority of these providers (N=20) had made up to 19 people redundant, whereas only 3 had made between 20-49 people redundant and one organisation reported making 100 and over redundancies (DDD3).

25. Over three-quarters of the organisations that had lost public sector contracts reported making redundancies (76%). This figure represents a 26% increase over last year's number of providers that lost public service contracts and made redundancies, suggesting the increasingly negative influence of funding insecurity.
26. Nearly a third of the organisations expect to make redundancies in the forthcoming year.
27. All but one respondent that indicated funding cuts as a reason for losing a public sector contract, indicated that they had subsequently made redundancies.

The HR function and shared services

28. All but two of the respondents reported that they employed a specialist HR manager or department. The average number of qualified CIPD staff within respondents was 3.8.
29. The majority of senior HR people reported directly to their organisation's Chief Executive.
30. Only sixteen percent of respondents indicated that they shared services. Training was the most common area of shared services. Respondents reported limited positive impacts from sharing services.

Salary reviews

31. The most common influences on annual salary reviews were discussions at board level and changes in the Living Wage (Seventy-two percent of providers).
32. Government influences on salaries was through the minimum wage where fifty-nine percent cited it as an influence. Others cited the influence of the NHS Agenda for Change and local authority scales, although these were significantly less.

Absence, attendance and turnover

33. The average percentage employee turnover was 20.3%. This figure represents a slight increase over last year's average (18.7%).
34. The average days lost through sickness absence for respondents is 8.8 compared with an 'all employee' figure for the economy in general of 7.5 (CIPD 2016).
35. The median cost per employee among the benchmarking group (£575) from absence is slightly low than the medians identified by the CIPD for the whole economy (£588), as well as for the voluntary sector more specifically.
36. Mental health issues – stress, anxiety and depression, stand out as the main causes of sickness absence, followed by musculoskeletal disorders, colds, cough and flu, and gastric problems.
37. Employee assistance and counselling services were considerably more available than is the case for employers generally and the non-profit sector as a whole.

Involvement and participation

38. Just over a third of respondents (thirty-eight percent reported that they either formally or informally operated self-managing teams.
39. Managing and covering sickness within teams was area most commonly devolved to team members (three-quarters of cases) followed by managing rotas (two-thirds).
40. Sixty-nine percent (N=22) of responding organisations reported recognised unions.
41. Figures on union membership were provided by 11 organisations. These indicated that density of membership varied greatly, from a low of seven percent (in two organisations, to a high of 72 percent, with a median of 23 percent and an average of 25 percent.
42. Pay scales and sickness entitlements were the issues mostly commonly consulted over with unions, followed by pensions and various aspects of working time.
43. Pay, sickness and holidays and redundancy were the most common subjects of negotiations with unions.

Diversity

44. Respondents reported that the most populous age group among its workforce were those aged between 46 – 59 which is the same as reported last year.
45. The average number of staff that were reported to be disabled was 4.7% which is higher than the average reported by the SSSC workforce average at 0-3% for the sector.
46. The average number of staff that were reported to be from ethnic minorities was 3.9% which again is higher than that reported by SSSC at 2% for the sector.

Recruitment and retention

47. Half of the respondents reported that at least 75% of their turnover was due to positive turnover (e.g. another job, career development, shift patterns and pay).
48. The most commonly cited reasons for leaving the organisation in exit interviews included: personal reasons, followed by a new job, career progression and career change.
49. As in the 2014-2015 and 2015-2016 Benchmarking Reports, recruitment problems remain a continual challenge for the providers with a higher number than last year number, 87.5% of respondents reporting that recruitment of front-line support and nursing staff was very or quite difficult.
50. 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.
51. Over half of respondents indicated that their recruitment needs were higher than the previous year, yet only 23% had increased their expenditure allocated to recruitment in the last year.

52. Front-line posts continue to remain the most difficult to fill, followed by supervisory roles and managers. This continues to raise concerns regarding future succession or talent management planning.
53. 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.
54. 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.
55. A minority of organisations experienced problems recruiting sessional workers, nurses, senior managers and finance staff.
56. 80% of respondents highlighted problems recruiting in particular local authority areas, with key areas of difficulty including Aberdeen and Edinburgh, followed by Perth and Kinross.
57. 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.
58. Almost all of the respondents reported service user involvement in selection, albeit the majority do so only sometimes.
59. Most of the providers reported using staff shortages as a means to assess their future recruitment needs rather than using a future-oriented approach. Over a third actively tracked the age profile of their workforce or geographic shortages, followed by tracking agency usage.
60. Workforce planning tools were used by only 16% of the respondents and 19% of respondents reported having no assessment of future needs.

Influence of government's national minimum wage

61. Respondents were not operating pay scales that differed according to age in order circumvent the £7.20 adult NMW.

The influence of the living wage

62. Five out of thirteen providers were accredited Living Wage employers, with 8 still unable to meet the LW rate. Forty-one percent of providers report that all their hourly rates meet the £8.25 LW.
63. A number of respondents indicated continuing problems with pay differentials if the living wage were to become the norm for front-line care workers. Other organisations indicated that paying the LW would lead to significant restructuring or reduction in the working week.
64. Some respondents raised concerns that failure to pay the LW would eventually adversely affect their ability to win contracts from local authorities.

65. Providers are increasingly facing queries from local authorities regarding their capacity and plans to pay the LW or other issues related to the Fair Work Agenda.
66. 2183 (10% of the study) workers were reported as earning less than the LW among providers. This figure represents a significant underestimate as many respondents were unable to provide figures on employees paid on specific hourly rates. Even some workers at the maximum hourly rate were not paid the LW.
67. Respondents paid their workers hourly rates below the LW despite in the majority of cases still using the changes to the Living Wage Foundation's hourly rate as a factor that influenced their annual salary reviews.
68. The Living Wage led to problems with sustaining pay differentials between new and more experienced staff, front-line staff and line managers, front-line staff and sessional, bank and relief workers and front-line staff and domestic, catering and maintenance workers.
69. Fifty-three percent of organisations paid their relief, bank and sessional staff below the LW.
70. Among the majority of respondents who employed them, Nursing assistants, domestics, catering staff and maintenance were paid below the LW.

Family friendly policies

71. Eighty-seven percent of respondents offered their workforces enhanced maternity, paternity or parental leave. Eighty-four percent provided childcare vouchers to their staff. Career breaks and flexitime were less common.

Health and well-being initiatives

72. Enhanced sick pay and occupational health services (Ninety-seven percent and eighty-four percent respectively) were the most common health and well-being initiatives.
73. Seventy percent of organisations offered Employee Assistance Programmes.
74. All but one of the respondents indicated that the period of paid sickness entitlement length was the same for all staff.
75. Paid sickness leave entitlements varied with length of service.
76. Thirty percent of respondents made use of 'waiting days' to manage sickness absence among employees.

Discipline and grievance

77. A total of 216 (1% of the study group) suspensions were reported by respondents as a consequence of disciplinary cases.
78. Policy breach (40%) and attendance and time keeping (30%) were the most common cause of disciplinary actions by respondents.

79. 165 formal grievances occurred across the organisations. Interpersonal relations with managers, such relations with colleagues, terms and conditions and working conditions were most commonly mentioned causes of grievances.
80. Forty-one percent of organisations had received an employment tribunal application over the previous twelve months. The largest proportion concerned unfair dismissal, and two of those that had gone to hearing had found in favour of employees.
81. Sixty-six percent of respondents had received had received complaints reportable to the Care Inspectorate during the last 12 months. The number of complaints across individual respondents ranged from one to forty-four.

Training and SSSC regulations

82. The average number of staff who are qualified to the expected level of the SSSC was 59.47% of front line staff, 75.61% of supervisors, and 72.27% of managers.
83. Fifty-eight percent) of respondents were required to fill multiple categories of staff on the SSSC register.
84. The proportion of front-line workforce currently working towards qualification ranges from 2% to 48%, with an average of 16.51%.
85. Overall, two-thirds cited a positive impact on practice from qualified workers, while another third reported a partial improvement.
86. Training budgets ranged from £25,000 to £389,720 per annum, with an average across the organisations of £125,434.
87. Sixty-four percent of respondents reported that their training budgets did not cover all of their costs.
88. When asked if their training budget had changed over the last 12 months, sixteen percent said it had increased, twenty-four said it had decreased, and the remainder said it had stayed the same.
89. Forty-eight of respondents indicated that they worked in collaboration with health and social care sector to provide training.
90. Overall, seventy-three percent respondents stated that they were able access training from funding bodies.

Equalities analysis

91. Gender and age composition of the workforce were most likely to be subject to equalities analysis (seventy-eight percent). Sexuality and class were the least common categories to be subject to equalities analysis.
92. Sixty-one percent of respondents reported that they had undergone some equality training within their organisation.



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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