

**JB  
CONSULTANCY**

**PESSIS 3 “PROMOTING  
EMPLOYERS’ SOCIAL SERVICES  
ORGANISATIONS IN SOCIAL  
DIALOGUE”**

**COUNTRY CASE STUDY:  
UNITED KINGDOM**

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## **Promoting Employers’ Social Services Organisations in Social Dialogue**

<b>Table of contents:</b>	<b>Page:</b>
Introduction	<b>3</b>
1. The Social Services Sector	<b>4</b>
1.1 Definition of the Social Services Sector across the UK	<b>4</b>
1.2 The policy framework for Social Services across the UK	<b>8</b>
1.3 Profile of the Social Services workforce across the UK	<b>10</b>
1.4 Funding Social Services in the UK	<b>11</b>
1.5 The value of the Social Services Sector	<b>14</b>
1.6 The main issues facing the Social Services Sector	<b>15</b>
2. Collective bargaining and other arrangements	<b>16</b>
2.1 Collective bargaining	<b>16</b>
2.2 Other arrangements	<b>18</b>
2.3 Payment of the NMW/NLW	<b>19</b>
3. Social Dialogue in the Social Services Sector in the UK	<b>20</b>
3.1 The role of Unions	<b>21</b>
3.2 Migrant workers	<b>21</b>
3.3 Support for Social Dialogue	<b>22</b>
4. Future prospects of Social Dialogue in the Social Services Sector in the UK	<b>22</b>
5. The case for EU level Social Dialogue in the Social Services Sector	<b>24</b>
6. Conclusion and recommendations	<b>24</b>
7. References	<b>25</b>
8. Appendix A	<b>27</b>



## Introduction:

‘Social services’ is a term that can be interpreted in different ways across Europe but for the PESSIS project, the key groups included in the definition are:

- **Long-term care for older people;**
- **Care and rehabilitation for people with disabilities;**
- **Child care.**

‘Social services’ may also cover:

- **Services for homeless people, people without employment and other support services for disadvantaged groups.**

For the purposes of the project the term social dialogue will be defined as:

**“A dialogue between management and labour”**

It is important to recognise that in some countries, civil society organisations are also part of a social dialogue process. In this report the focus will be on **social dialogue between management/ employers and labour/ trade unions**.

This report has used both qualitative and quantitative data from primary and secondary sources. Quantitative evidence is in the form of statistics gleaned from a number of primary data sources, including government releases and research, and from secondary sources in the form of reports, articles and policy documents. Qualitative evidence is drawn from a workshop held in March 2016, and interviews with key stakeholders (see Appendix A). Participants were selected as often as possible for their ability to represent a UK rather than single nation perspective. Some individuals were able to represent more than one organisation. Their collective reach covers representation of both the public and independent sectors (private and voluntary), including: Trade Unions (all the main Unions involved with the Social Services Sector), Professional Associations, Local Government, Employer Groups and Associations, Adult Social care, Early Years and Adoption and Fostering.

It is worth noting that the fragmentation/atomisation of the social services workforce and the services they provide, described in the body of this report, means statistics are not easy to produce and are sometimes not easy to find. Added to this is the fact that the four UK nations each document statistics in different ways, covering slightly different information over different time periods. This makes direct comparability between nations impossible in some areas.

The writing of this report has come at a difficult time in the UK. With a referendum looming on whether or not Britain should remain a partner in the European Union, and internal elections affecting the ability of government linked organisations to speak freely, there is sensitivity around the issues that need to be covered. Nevertheless, key stakeholders have given freely of their time to support this exploration of industrial relations in the Social Services Sector in the UK. The hope is that there could be collective influence across Europe to help improve conditions for the workforce and the people it serves.

## 1. The social services sector

### 1.1 Definition of the social services sector across the UK:

The social services sector in the UK includes people working in early years, children and young people's services, and those working in social work and social care for children and adults. However, interviewees agreed that the term ‘social services’ would only be understood in this broad way in Scotland. In the other three nations ‘social services’ would be more likely to be understood as local authority (public) services only, and would exclude the Early Years sector. Early Years provides services for preschool children (up to 5 years of age) and includes nurseries, play groups, childminders and nannies.

It is relatively easy in the UK to differentiate between social services and health, both in terms of statistics and of employment, although sometimes the former measures ‘Human Health and Social Work’ activity without a disaggregation of the two. There is also some blurring of roles between health and social services, created by the increase in integrated services. For example, in Scotland, the Public Bodies (joint working) (Scotland) Act 2014 received Royal Assent in April 2014. This legislation represents one of Scotland’s most significant reforms. It requires the 32 Local Authorities and 14 Health Boards to work together to plan and deliver integrated Health and Social Care services across Scotland. It is about ensuring those who use services get the right care, whatever their needs and at any point on their care journey. It means that social service workers/employers of social service workers will more often be working alongside/employing workers from the Health Sector. In Northern Ireland work is currently underway to develop a new hybrid role, ‘Advanced Care Practitioner’, that will bridge the gap between a social services support worker and a qualified nurse, contributing to a career pathway for social services support staff. In England, new induction training leading to ‘The Care Certificate’ has been developed for use with workers across both health and adult social care to signal commonalities in the roles. Nevertheless, health and social service workers across the UK continue to work to different professional codes, different job descriptions and different rates of pay. In general, Health is better resourced and has higher status. For example, social services staff such as cleaners, catering assistants and senior social workers are between 5.5 and 7.6 % worse off than their National Health Service (NHS) counterparts<sup>1</sup>.

At the start of 20<sup>th</sup> century 63% of people in the UK died before they were 60. By end of 20<sup>th</sup> Century this had dropped to 12%. We now have more old and more very old people. The median age of the UK population increased by 6 years over the period 1974-2014. The number of people over the age of 65 grew by 47% and the number over 75 by 89%.<sup>2</sup> The Department of Health predicts the number of people over 65 needing support with long term conditions will increase 4 fold in England by 2050.<sup>3</sup> Younger people and children with long term/life threatening conditions are also living longer. This has increased the demand on social services across the UK, and the sector continues to grow steadily. Pressure for the recruitment and retention of staff remains high.

The social services sector in the UK provides services for up to 2.97 million families per year<sup>4</sup>. Approximately 70% of the UK population have been or are in contact with sector services, either provided

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<sup>1</sup> NJC pay claim for 2016/17 (England, Wales and Northern Ireland)

<sup>2</sup> Ageing of the UK Population ONS June 2015

<sup>3</sup> Care: Sector Skills Assessment. Briefing Paper UK Commission for Employment and Skills (UKCES) 2013

<sup>4</sup> Care: Sector Skills Assessment. 2013. Ibid



**Country-Case Study: UNITED KINGDOM**

Project PESSIS 3 “Promoting Employers’ Social Services Organisations in Social Dialogue”  
Agreement number: VS/2015/0339

directly to them or to a close family member. This includes a wide range of services, from personal care and help with living at home, to support for people with mental health needs, nursery places and childminding, child protection and help with adoption and fostering. These services are provided by the statutory (public), private (for profit) and voluntary (not for profit) sectors. At some point in their lives, most people will use a service provided by the sector. Since 2008 austerity measures have increased take-up of children and family services (ONS social trends).

There is an individual footprint for the sector workforce within the national infrastructures for each of the four nations. Those for Wales, Scotland and Northern Ireland are established by statute. This leads to some difference in terminology and occupational coverage across the UK as a whole. Table 1 provides a summary of job roles in social services across the UK, based on the Office for National Statistics’ (ONS) Standard Occupational Classification (SOC) Codes.

**Table 1: The SOC unit group Summary of job roles across the UK**

<b>Country</b>	<b>Social Work</b>	<b>Managers</b>	<b>Adult Care Workers</b>	<b>Children’s care, schools, family</b>	<b>Other workers</b>
<b>Wales</b>	Social workers adults and children’s services; Social work students	Children’s day care service managers; nursing home managers; adult residential care service managers; residential children’s home managers; residential family centre managers; all social services managers	Day care workers; domiciliary care workers; nursing home care workers; adult residential care workers; personal assistants.	Childminders; open access play scheme and crèche staff; children’s home staff; family centre staff; integrated children’s centre workers; early years workers; residential special school and boarding school staff; day nursery staff; out of school care workers; adoption service staff; foster carers	Adult placement scheme staff; children and family court advisory and support service staff; youth justice staff
<b>England (Children)</b>	Children and families social workers	Family centre managers; residential child care managers; early years service managers	N/A	Children’s day centre workers; family centre workers; residential child care workers; early years workers (including early years educators); registered childminders; nannies; day nursery staff; nursery staff in primary schools; family support workers; foster carers.	Learning, development & support services workers including children and family court advisory and support service family court advisers; Learning mentors; educational psychologists
<b>England (Adults)</b>	Social workers	Adult day care managers; adult residential care managers; domiciliary care managers.	Day care workers; residential care workers; domiciliary care workers; personal assistants.	N/A	



**Country-Case Study: UNITED KINGDOM**

Project PESSIS 3 “Promoting Employers’ Social Services Organisations in Social Dialogue”  
Agreement number: VS/2015/0339

<b>Northern Ireland</b>	Social workers; Social work (SW) students; senior social work practitioners, principal social work practitioners, assessed year in employment SW; probation officers; education and welfare officers; residential social workers; family centre social workers; youth justice social workers.	Day care service Managers; children’s home managers; residential care home managers; family centre managers; team leaders( fieldwork services); social services managers; domiciliary care managers; senior managers for programmes of care; area managers for the probation service; senior managers for the probation service; chief education and welfare officer	Day care workers; residential care workers; care workers in nursing homes; domiciliary care workers; senior care workers; personal assistants; social work assistants	Early education and childcare workers; child minders; residential child care workers; private nursery workers; sure start workers; family centre staff; team assistants in family and childcare;	Driver with care duties; housing support worker
<b>Scotland</b>	Social workers; Students on social work courses; Social work assistants.	Adult residential care service managers; child residential care service managers; adult day care service managers; child day care service managers	Residential care workers; day care workers; care at home staff; personal assistants.	Residential child care staff; early education and childcare workers; staff in school care accommodation services.	Housing support staff.

The term ‘Social Worker’ is a protected title across the UK. This means anyone who calls themselves a social worker must hold a specified qualification, be registered with the appropriate regulator (dependent on country) and undertake continuous professional development. Social work in the UK is defined as:

*‘... a practice-based profession and an academic discipline that promotes social change and development, social cohesion, and the empowerment and liberation of people. Principles of social justice, human rights, collective responsibility and respect for diversities are central to social work. Underpinned by theories of social work, social sciences, humanities and indigenous knowledge, social work engages people and structures to address life challenges and enhance wellbeing.’<sup>5</sup>*

Although social workers make up a relatively small part of the social services workforce, they are an important group as they have responsibility for enacting statutory duties and they act as gatekeepers and sign-posters to care services. Social work is seen as a profession, and as such enjoys higher status and pay than social care. The average annual pay for a social worker in the UK is £26,489 pa. (£22- 40,000

<sup>5</sup> Agreed in 2014 by the International Federation of Social Workers and the International Assembly of Schools of Social Work General Assembly.



depending on age and experience), whilst for a social care worker it is £12,000 pa.<sup>6</sup> This latter will include those on higher earnings in London and may also include senior care workers and managers, leaving basic grade workers earning less than this.

There are approximately 116,000 registered social workers in the UK: 93,000 in England<sup>7</sup>, 11,000 in Scotland<sup>8</sup>, 6,000 in Wales<sup>9</sup> and 5,700 in NI<sup>10</sup>.

There are 4 main types of social worker employment:

- Local authority employment.
- Employment by social work agencies.
- Employment by Voluntary organisations.
- Independent social workers.

A social care/support worker is usefully defined as:

*'a person who is employed on an individual basis to foster independence and provide assistance for a service user in areas of ordinary life such as communication, employment, social participation and who may take on secondary tasks in respect of advocacy, personal care and learning'.<sup>11</sup>*

It is possible for people who need support (or their advocate eg. parent or family member) to organise their own care using 'direct payments'. Where there is eligibility for a service, the Local Authority can pay the money to which they are entitled directly to the recipient of the service (or their advocate), enabling more choice and control in terms of the care package agreed. There has been a policy driver for the development of direct payments and personalisation of services throughout the UK. The money is often used to employ a Personal Assistant(s) (PAs), and this is a growing area of employment. Personal Assistants are employed directly by the person(s) they support, and the latter must take on all the responsibilities of an employer. The wage level paid will be heavily influenced by the money available from the Local Authority, but can be topped up by family. Personal Assistants are most often not unionised and they work alone or in very small teams.

There are a number of organisations providing information, guidance and support for this group of workers, but in the main, although the increase in service user control is welcomed, the advent of the Personal Assistant has heralded further fragmentation of the workforce. Figures have been difficult to find in terms of their numbers, although the DH has anticipated there will be nearly 1.2 million PAs in England (adult social care) by 2025.<sup>12</sup> The number of direct payments awarded in the UK are as follows:

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<sup>6</sup> ONS 2015

<sup>7</sup> HPCP 2016

<sup>8</sup> Social Services Workforce Statistics for Scotland 2014

<sup>9</sup> Care Council for Wales Annual review 2014/15

<sup>10</sup> Annual report of NISCC 2015

<sup>11</sup> Kings College London: Social Care Workforce Research Unit 2008

<sup>12</sup> Supporting Personal Assistants working in adult social care DH 2011

## Country-Case Study: UNITED KINGDOM

Project PESSIS 3 “Promoting Employers’ Social Services Organisations in Social Dialogue”  
Agreement number: VS/2015/0339

Table 2: number of direct care payments by country\*

Country	Number of Direct payments	Year	Source
Northern Ireland	3,176	2015	Data.Gov.UK (NI)
England	648,000	2014	Health and Social Care Information Centre
Scotland	5,403	2013	Social Care Services Scotland: Scottish Govt
Wales	3,211	2012	Community Care: the state of personalisation

\*Many of these direct payments will be used to employ Personal Assistants.

There are approximately 92,500 ‘Looked After Children’ (LAC) in the UK. This means children who are legally in the care of the Local Authority. Most are cared for by foster carers, but some are in children’s residential units, children’s secure accommodation or have been placed for adoption. There are 2,875 LAC in Northern Ireland, the highest number since 1995.<sup>13</sup> In Scotland there are 15,404 LAC. This is a considerably higher figure (as a percentage of the population) than the other UK countries, and may be explained by the inclusion of children who are on Supervision Orders.<sup>14</sup> In England there are 68,000 LAC<sup>15</sup> and in Wales 5,515.<sup>16</sup>

Early Years provision is documented differently across the UK, making direct comparisons between countries difficult. The following figures will give some indication of the size of this part of the social services sector:

There were 233,200 staff in full day care settings in England in 2015, and 67,000 in sessional settings.<sup>17</sup>

There were 32,370 day care staff in 2014 in Scotland, offering 190,000 places.<sup>18</sup>

There were 16,799 day nursery places in Northern Ireland in 2015, with a further 4,868 places in out of school provision and 12,104 in playgroups.<sup>19</sup>

There were 653 full day care settings in Wales in 2014, offering 27,178 places, 783 sessional settings offering 17,571 places and 473 out of school settings offering 16,620 places.<sup>20</sup>

### 1.2 The Policy Framework for Social Services across the UK:

The policy framework for the social services sector across the UK is fully devolved and highly regulated to ensure the protection of vulnerable individuals. The UK wide Sector Skills Council, Skills for Care and Development, set up in 2001, works with employers and other key stakeholders to respond to both devolved and national agendas, developing high quality services and contributing to the wider skills and learning agenda. It delivers through a partnership of four organisations working across the UK. These are:

<sup>13</sup> Children’s social care statistics for NI 2014/15 DHSSPS

<sup>14</sup> Children’s social work statistics for Scotland 2014/15 Scottish Government

<sup>15</sup> Department for Education 2014

<sup>16</sup> Welsh Government 2015

<sup>17</sup> Provision for children under 5 years of age in England DfE 2015

<sup>18</sup> Scottish Social Services Sector: Report on 2014 workforce data

<sup>19</sup> Health and Social Care Board Statistical Report 2014/15

<sup>20</sup> StatsWales: services for social care and children’s day care 2015





## Country-Case Study: UNITED KINGDOM

Project PESSIS 3 “Promoting Employers’ Social Services Organisations in Social Dialogue”  
Agreement number: VS/2015/0339

The Scottish Social Services Council (adult and children’s sector, Scotland) (SSSC)

The Care Council for Wales (adult and children’s sector, Wales) (CCW) to be renamed Social Care Wales (SCW)

The Northern Ireland Social Services Council (adults and children’s sector NI) (NISSC)

Skills for Care (adult sector, England) (SfC)

The children’s sector in England no longer has Sector Skills Council representation since the closure of the Children’s Workforce Development Council in 2012. This function has now been taken into the Department for Education (DfE) for children’s social care services and the National Teaching Agency for Early Years services. Although this would seem to place children’s services within the Education Sector, they remain within the ‘Social Services’ footprint.

The remits of the four partner organisations differ:

*The Scottish Social Services Council (SSSC)* is a Non Departmental Public Body (NDPB) that was established in 2001 by the Regulation of Care (Scotland) Act. Sponsored by Scottish Government, it is responsible for registering people who work in social services (including social workers who have a protected title), regulating their education and training. The SSSC is the Scottish partner within Skills for Care and Development. Services are regulated by the Care Inspectorate (CI).

*The Care Council for Wales (CCW)* is a Non Departmental Public Body established in 2001 by the Care Standards Act 2000 and sponsored by the Welsh Government. The CCW is responsible for the registration and regulation of the Social Services workforce, including social workers (who have a protected title). It is the Welsh partner of Skills for Care and Development. The Regulation and Inspection of Social Care Act (Wales) Jan 2016 will, amongst other things, reconstitute and rename the CCW as Social Services Wales, and will broaden its remit as the workforce regulator for social care (social services) in Wales. Services are regulated by The Care and Social Services Inspectorate Wales (CSSIW). All CCW’s work is produced bilingually.

*The Northern Ireland Social Care Council (NISCC)* is a Non Departmental Public Body (NDPB) established in 2001 by the Health and Personal Social Services Act (NI) 2001 and sponsored by the Department of Health and Social Services. NISCC is also the Northern Ireland partner of Skills for Care and Development. NISSC is responsible for the registration and regulation of the social services workforce, including social workers (who have a protected title). Services are regulated by the Department of Health, Social Services and Public Safety (DHSSPS).

*In England Skills for Care (SfC)* is a private company and independent registered charity set up in 2002. Sponsored by the Department of Health, it does not have a regulatory function for the Social Services workforce. The registration and regulation of social workers (who have a protected title) is undertaken in England by the Health and Care Professions Council. Other Social Services workers are not registered or regulated. Services are regulated by the Care Quality Commission (adults) and Ofsted (Children). Skills for Care works closely with employers and other key stakeholders, providing practical tools to help create a better led, more skilled and valued adult social services workforce.



### 1.3 Profile of the social services workforce in the UK:

Most care in the UK is provided by unpaid carers (family, friends and volunteers). There are 6.5 million family carers, providing £132 billion worth of care per annum<sup>21</sup>. There are also approximately 40,450 care enterprises in the UK, and over 60,000 employers<sup>22</sup>. This may be an underestimation, because self-employed people such as nannies and child minders are not always included in overall statistics because they are not registered for VAT or PAYE so do not show up in statistical sources. Although there are a few very large employers, 92% of the 60,000 employ less than 50 people, meaning that the workforce is fragmented and sometimes hard to reach. The distribution is not even across the UK, with England accounting for by far the largest percentage of Social Service workers: 81% of the workforce is in England, 11% in Scotland, 6% in Wales and 2% in Northern Ireland.<sup>23</sup>

1.7 million people work in the Social Services sector in the UK, 6% of the total workforce.<sup>24</sup> Over 81% of these are women: 1 in 10 of all women workers in the UK are in the Social Services sector.<sup>25</sup> Social Services continues to be seen as 'women's work' and as such suffers from low status and pay. The number of men in the sector is growing slowly, and is raised by the number of male migrant workers, as migrant males are more likely to enter the Social Services workforce than UK born males.<sup>26</sup>

A large proportion of employees start working in the sector late in their careers. 1 in 4 of the UK born workforce, and about 1 in 5 migrants, start work in the sector at the age of 44 or over. The median age of workers in the adult social services sector in the UK is 44 years. The majority of workers are aged 35-59 (60%), with 19% aged 25-34 and only 12% aged under 25. 9% are aged over 60.<sup>27</sup> These figures describe an older workforce, with staff shortages predicted as more workers retire. Despite a number of Sector Skills Council initiatives across the UK (eg the Social Care Accolades and Ambassadors for Care) the recruitment of younger staff is difficult and there is fierce competition from other sectors such as retail, where pay and working conditions/status are perceived as superior.

Migrant workers, and particularly non-EU migrants, play a significant role in the social service workforce. Nearly 1 in every 5 was born outside of the UK (approximately 266,000 people), with 28% born in the EU and 72% born outside it.<sup>28</sup> There has been a sharp increase in the number of migrant workers in the social service sector between 2011 and 2015: 14% of non-EU and 40% of EU migrant workers arrived during this period. Over 150,000 are employed in care homes, 81,000 work in adult domiciliary care (home care) and an additional 35,000 work in other care workforce roles such as adult community care services.<sup>29</sup> London has a very high concentration of migrant workers, with nearly 3 in 5 of its social services workforce born abroad, and approximately 9 in 10 of its migrant workers coming from outside of Europe. The South East of England also has a relatively high proportion of migrant workers – with 1 in 4 care workers born outside the UK.

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<sup>21</sup> Carers UK

<sup>22</sup> 'Care: Sector Skills Assessment briefing paper' Op cit

<sup>23</sup> 'Care: Sector Skills Assessment briefing paper' Op cit

<sup>24</sup> 'Care: Sector Skills Assessment briefing paper' Op cit

<sup>25</sup> 'Care: Sector Skills Assessment briefing paper' Op cit

<sup>26</sup> 'Moved to care: the impact of migration on the adult social care workforce' National Longevity Centre UK (NLC UK) 2015

<sup>27</sup> Labour Force Survey ONS 2010

<sup>28</sup> NLC UK Op cit

<sup>29</sup> NLC UK Op cit



Workers entering the social services sector tend to have no relevant/low qualifications. For example, In England, 45% adult direct care workers in 2015 had no relevant qualifications and 30% were qualified to EQF level 3. The figure is slightly better for social services managers; 18% held no relevant qualifications, whilst 43% held EQF L5 or above.<sup>30</sup> Induction training is offered to new starters across the UK, and workers are encouraged to undertake qualifications once in post. In Scotland this is a requirement for registration. Anecdotally, employers report that there are issues with levels of numeracy and literacy amongst Social Services workers. In England, between one fifth and half of the adult Social Services workforce lacked the core skills to carry out their job in 2014, especially in ICT.<sup>31</sup>

After accounting for factors such as gender, age and years of experience in the sector, migrant workers – and particularly non-European migrant workers – are significantly more likely to be highly skilled (have a qualification equivalent to level 5 EQF or above) compared to UK born workers.<sup>32</sup>

## 1.4 Funding social services in the UK:

### *Paying for care:*

Despite the economic downturn starting in 2008 the Social Services sector has grown steadily in the UK. The shift from public to private employment/services in the sector since the 1990s means that the majority of services are now outsourced and purchased through a competitive and open market. Less than a third of services are provided by the public sector (27%), 49% are provided by the private (for profit) sector and 24% by the voluntary (not for profit) sector.<sup>33</sup> Public sector services are provided by Local Authorities (Health and Social Care Trusts in Northern Ireland). These same Local Authorities use central government funding to commission services from the private and voluntary sectors for those people who are unable to pay for all of their own care. Market forces are therefore heavily influenced by the superior purchasing power of local authority commissioners, who can drive down prices for their own block purchases. The general population in the UK is not clear how Social Services are funded, with many believing that they are free at the point of service, like the NHS. However, funding for Social Services is means tested across the UK. Rules are complex and vary between countries, as each nation takes decisions about how the central government grant will be used. They may also vary between Local Authorities where decisions about certain aspects of payment can be taken locally.

The NHS does not fund residential care homes at all. Registered nursing homes provide a mixed Health and Social Services function and act as a boundary between fully state funded health care (via the NHS) and privately funded nursing care. Where a 'primary health need' is established, the state will pay all nursing home costs. If this primary need is not established and 'nursing care' is said to be required instead, the NHS may pay a Registered Nursing Care Contribution, with the remainder of the fee paid by

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<sup>30</sup> The State of the Social Care Workforce in England 2015 Skills for Care. Based on figured from the National Minimum Data Set – Social Care (NMDS-SC)

<sup>31</sup> Core Skills Strategy 2014-17 Skills for Care

<sup>32</sup> NLC UK OP cit

<sup>33</sup> Care: Sector Skills Assessment briefing paper' Op cit

**Country-Case Study: UNITED KINGDOM**

Project PESSIS 3 “Promoting Employers’ Social Services Organisations in Social Dialogue”  
Agreement number: VS/2015/0339

the individual/family/ local authority. This adds a further level of complexity and confusion to funding arrangements, causing many disputes between families, the NHS and Local Authorities.

**Paying for Care by nation (at 20015)**

Country	Residential Care	Care at home	Registered Nursing Care contribution in a nursing home (only)
England	Upper asset threshold £23,250. Includes home unless inhabited by close relative Lower threshold £14, 250	Upper asset threshold £23,250. Does not include home. Lower threshold £14,250	£112 per week for the standard rate, and £154.14 per week for the higher rate (2015-16)
NI	One asset threshold £23,250. Includes home unless inhabited by close relative	One asset threshold £23,250. Does not include home. Mostly free if over 75 years of age	£100 per week (2015-16)
Wales	One asset threshold £24,000. Includes home unless inhabited by close relative. Max charge £60 per week	One asset threshold £24,000. Does not include home. Max charge £60 per week	£140.90 per week (2015-16)
Scotland	Upper asset threshold £26,250. Includes home unless inhabited by close relative. Lower asset threshold £16,250 Free (minus accommodation charge if over 65 years of age)	Upper asset threshold £26,250. Does not include home. Lower asset threshold £16,250 Mostly free if over 65 years of age	£78 per week (plus £171 per week Personal Care Allowance) – a total of £249 per week (2015-16)

Eligibility criteria for council-funded services have been progressively tightened to such an extent that in most areas only those with very high needs now qualify for help.<sup>34</sup> Those with assets above the upper threshold must pay for all of their care, whether residential or care at home (there are some exceptions based on age). 50% of all fees are currently paid by individuals themselves (self-funders), sometimes with help from family members.<sup>35</sup>

<sup>34</sup> King’s Fund response to the Dilnot Report 2011

<sup>35</sup> ‘How does the public think we should fund social care?’ Richard Humphries Kings Fund 2016



*Paying for workers:*

The average annual wage in the UK in 2014 was £26,500 (€37,605) but with huge differences between top and bottom earners.<sup>36</sup> The National Minimum Wage (NMW) was introduced in 1999. Its purpose was to attack poverty and exploitation and increase employment, economic investment and productivity. Payment of the NMW is a legal requirement. The rate varies, depending on age. An adult (25 years and over) received £6.70 per hour in 2015, and this was set at what the market was thought able to stand.

The Living Wage Foundation (LWF) set different rates for a *living wage*, based on the UK poverty threshold. These were not legal requirements and it is not clear if they applied to apprentices. The rates were higher for London than elsewhere to reflect the higher cost of living. In response to LWF lobbying, central government has pledged to introduce a National Living Wage of £9 per hour (€12.77) by 2020, starting incrementally at £7.20 per hour in April 2016. This rate applies only to workers aged 25 or over, is the same rate for those working in or outside of London and is lower than the current LWF recommended NLW rate. Despite the incremental nature of the rise, there is considerable concern amongst employers in the social services sector that they will not be able to afford this increase (£1.6 billion per annum by 2020), as funding levels from central Government, via the commissioning system, are falling rather than rising.

The Autumn Spending Review (2015) cut Central Government funding to all four nations. In England, Councils are now allowed to increase their council tax budgets by 2% to raise extra money to contribute to the cost of adult Social Services. Although this will bring in almost £2 billion pa, the fact that central government funding will be cut by more than half over the next four years (£11.5 billion to £ 5.4 billion), means that Councils will need to make real-term savings of between 6 and 7%, even taking into account potential increases in business rate revenue. A number of those interviewed for this project feel that the Social Services system is collapsing. The Association of Directors of Adult Social Services in England produced a public statement in April 2016 to this effect.<sup>37</sup> Government funding in England has been cut by 31% over the past 5 years, despite the 16% increase in those with limiting long term illness. Different decisions are taken in each UK nation regarding priorities for spending: for example, Scotland provides some free care for all over 65 years of age, Wales is attempting to improve the status of the home care workforce, and Northern Ireland has protected its Health budget, but not its Social Services budget, though there is some free care for those over 75 years of age. Nevertheless, all are struggling to balance the books in terms of providing high quality care and paying workers a living wage.

The Early Years sector is made up almost wholly of small businesses. In England these are impacted by the government offer of free nursery places for 3 and 4 year olds. In England the funding level provided by government for this initiative effectively dictates rates of pay for workers in relation to 97% of 4 year old placements and 93% of 3 year olds, as 75-80% of overheads are in staffing costs. Nursery places outside of this offer represent a very small percentage. Some government sponsored places are also offered in Wales, Scotland and Northern Ireland.

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<sup>36</sup> Office of National Statistics (ONS) 2015

<sup>37</sup> <http://www.adass.org.uk/mps-warned-that-social-care-funding-is-too-little-too-late/>

## 1.5 The value of the social service sector:

In terms of the UK economy, social services is one of the biggest contributors. In 2015 the sector contributed £43 billion in England (adult) services alone.<sup>38</sup>

GVA (gross value added) is a measure of the value of goods and services produced in an area, industry or sector of an economy. GVA is the difference between the value of the goods and services produced and the cost of inputs used in production. The GVA for ‘Residential Care and Social Work Activities’ was £24,561 million for the UK in 2012.<sup>39</sup> The GVA figure for ‘Human Health and Social Work’ in 2014, which includes health, is £107,420 million.<sup>40</sup>

GVA is not the only way of measuring productivity, especially when estimating the value of social goods. Broader outcome measures are attempting to examine the quality of work undertaken and the overall experience of the service received:

### *Social return on investment (SROI):*

SROI is essentially a form of adjusted cost-benefit analysis that puts a value on some less tangible outcomes. It considers the benefits that accrue from services to a range of stakeholders, including children, their families and their wider communities, as well as the State, and places a monetary value on outcomes so they can be compared with the investment made. The following provide examples of the areas ripe for detailed consideration in the social services sector:

- As well as being a major employer, the sector also supports the operation of the wider economy. Women’s participation in employment, supported by the provision of child and adult care services, increased from 56% in 1971 to 70% in 2005. On the basis of cost-benefit analysis, it is argued<sup>41</sup> that, if universal childcare had been implemented in 2010 this would have paid a return to the government of £20,050 (over four years) in terms of tax revenue minus the cost of childcare, for every woman who returned to full-time employment after one year of maternity leave. In addition, Carers UK calculate that over a million people (often at the peak of their careers) are being forced to give up work or reduce working hours to care for an older or disabled family member. This loss of potential government revenue does not include the cost of people choosing to self-limit their career progression due to anticipation of forthcoming care burdens. The costs of carers leaving paid work is thought to cost the economy £1.3bn a year.<sup>42</sup> For the 5 million individuals supported every day by sector services, the economy has access to the far greater workforce of those released from caring responsibilities.
- The value of interventions in relation to children (in addition to improved educational attainment) has been estimated to provide the government with the following financial savings.<sup>43</sup>  
Prevention of teenage births - £66,059 per avoided birth;  
Prevention of self-harm - £64,877 per young person;

<sup>38</sup> ‘Distinctive, valued, personal: why social care matters – the next 5 years’ ADASS report 2015

<sup>39</sup> UK National Accounts (Blue Book) 2014 edition ONS

<sup>40</sup> Regional GVA (income approach) GVA by industry ONS 2015

<sup>41</sup> Ben Galim, (2011) Making the case for universal childcare, IPPR

<sup>42</sup> Carers UK (2012) Growing the Care Market: turning a demographic challenge into an economic opportunity

<sup>43</sup> Cummings et al (2007)





Prevention of crisis referrals to social services - £15,080 per young person;  
Prevention of children going into care - £36,656 per young person.

- In the current financial climate, social services can make substantial savings, displacing costs otherwise incurred by the NHS. Effective and efficient community services aim to support people to stay healthy and ensure people can live as independently as possible and for as long as possible within their own homes, and to have the best possible outcomes in terms of their quality of life. By enabling individuals to retain independence for longer in their own homes the Treasury will spend less on “revolving door” health care, less on hospital admissions and on the paramedic services that surround hospital admissions. Crisis response services (to prevent hospital admission) already have helped realise savings of £300,000 - £400,000 a year<sup>44</sup>. Care at home services can generate significant savings compared to hospital care, as well as reducing infrastructure costs. With an estimated funding gap of £1.2 billion between 2011 and 2014 in statutory and publicly funded services<sup>45</sup>, these savings from care at home services are critical in the light of increasing demand for services.

However, SROI has still not been well developed for or extensively used in analyses of the value of social services in the UK, as the sector presents a challenging and complex picture. However, it offers an opportunity to extend our understanding of the value of the social services sector to society as a whole, and to promote this in the service of improving services and resources.

The Atkinson Revue<sup>46</sup> provided the impetus for the development of quality measurement frameworks that attempt to measure improvements in the quality of work that are not directly captured in cash or output terms. An example of this can be found in the Adult Social Care Outcomes Framework (ASCOF) which was developed in England. ASCOF attempts to establish how the overall experience of a service user has been affected by the provision of a service.

For registered services, inspection reports can also provide a useful measure of the quality of service being delivered.

## 1.6 The main issues facing the social service sector:

There was a high level of agreement about the issues facing the social services sector amongst those contributing to this project, though there was some variation in emphasis. The same issues were also reflected in the research undertaken. They are not level based in terms of either job role or geography, although there is some regional variation in severity eg. recruitment is most difficult in London and the South East of England.

- **Resources:** austerity measures since 2008 have led to a dramatic decrease in funding. Cuts of 50% were cited for some local authorities, with the resultant negative knock on effect on service delivery and pay and conditions for workers. This is at a time when demand for services is increasing due to an aging population and the effect of austerity measures on families at the

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<sup>44</sup> Department of Health 2009

<sup>45</sup> King Fund 2011 Social Care Funding and the NHS, An Impending Crisis?

<sup>46</sup> The Atkinson Review: Measurement of Government Output and Productivity for the National Accounts 2005



lower end of the income scale. The introduction in April 2016 of the first increment of the National Living Wage for those 25 years and over, and auto- enrolment onto pension schemes, whilst welcome, has exacerbated an already fragile situation.

- **Privatisation of social services** was seen as unwelcome. Competition through open tendering discourages collaboration between employers and effectively reduces their voice and that of their workforce, creating fragmentation. Block purchasing from commissioners means that services are driven too much by demand and not enough by supply, skewing free market forces. Whilst some would prefer to see Social Services nationalised again, there was concern that the experience and skill to make this work has now been lost from the public sector.
- **Recruitment and retention:** with low pay, low status and fragmentation of the workforce, it is difficult to compete with other sectors, especially for young workers. Career pathways are patchy and training is costly, so often kept to a minimum.
- **Demographics:** with the aging population (lower birth rate and longer life expectancy) and the age profile of the Social Services workforce, innovative solutions will be needed if we are to manage the growing demand for services.
- **Care at home:** domiciliary services are particularly badly affected by poor rates of pay, often below the national minimum wage (see section 2.2 below) and it is here that zero hour contracts are most likely to be found. Whilst these contracts can offer welcome flexibility for some, for those who require a regular guaranteed income, they are damaging, especially when accompanied by clauses forbidding other employment.
- **Valuing Social Services:** building on the theme of low status, there is a clear feeling that the sector is insufficiently valued and its contribution to society not understood. The need for raising and improving the sector’s profile, lobbying for increased resources and better informing the general public about the sector were all highlighted. Central government has not acknowledged the scale of the problem. For example, a report commissioned by the previous (coalition) government outlining costed reform for the social services sector has been shelved.<sup>47</sup> This report had wide support across the sector.

## 2. Collective bargaining agreements and other arrangements

### 2.1 Collective Bargaining:

There are very few collective bargaining agreements covering the social services workforce in the UK. Despite the fact that the workforce represents 6% of the working population, it is highly fragmented and does not have a common voice. Unionisation is weak, especially outside of the public sector. The Trade Union Bill, currently passing through Parliament, is set to further weaken the position of unions, affecting

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<sup>47</sup> Fairer Care Funding: The Report of the Commission on Funding Care and Support July 2011





the right to strike, allowing agency workers to replace striking workers and placing restrictions on union activity. There is resistance to the Bill, including its recent rejection by The Welsh Assembly Government and the House of Lords has voted for its further scrutiny.

The growth of an individualised ‘rights based’ approach to industrial relations in the UK mirrors the decline in collective forms of representation and voice, although enforcement of these rights is highly variable. Trade Unions face significant obstacles in building solidarity across a dispersed and increasingly atomised workforce. New forms of grassroots activism bring some pressure to bear over discrete issues but formal co-ordination of these campaigns is limited.

Pay and conditions of service are governed by employment legislation/regulations, including EU directives and minimum/living wage requirements. These include the Working Time Regulations (1998, amended 2003) which set limits for safe working hours, Equality Act legislation (2010 updated 2015) which protects vulnerable groups from discrimination, the Modern Slavery Act (2015) which addresses exploitation and human trafficking and legislation outlining the right to a statutory period for holidays. Standard employment rights are set at a relatively low level compared to other European Countries, and employers tend to see minimum standards as a ceiling rather than a floor.<sup>48</sup> Unions tend to offer help to their membership in the Social Services sector within these parameters, along with support against litigation, support with internal disciplinary procedures and advice about best practice. In addition, an annual National Framework Agreement is negotiated for the public sector by the National/Scottish Joint Councils and employer representatives.

*National/Scottish Joint Council (N/SJC) agreements:*

The Trade Union Side of the National Joint Council (NJC - England, Wales and Northern Ireland) and the Scottish Joint Council (SJC- Scotland) is made up of 3 Trade Unions; Unison, Unite and GMB. The Employer Side is the Local Government Association in England, Wales and Northern Ireland and the Convention of Scottish Local Authorities (CoSLA) in Scotland. No element of the agreements reached between these groups is unique to social service workers as agreements apply to all public sector workers. There is no collective bargaining platform for the Social Services as a separate entity. N/SJC agreements are voluntary. Local Authorities are not obliged to incorporate N/SJC terms into contracts, but most do. The frameworks include a 49 point pay scale which is negotiated annually. Employers locate jobs in their authorities on this scale. Job roles are from time to time reviewed and re-evaluated as part of this process.

The 2016/17 NJC submission focuses on:

- An increase in pay rates to allow for all to be on the National Living Wage, with a higher rate for those living in London. A powerful argument reveals that pay for social services workers has been

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<sup>48</sup> Reducing Precarious Work Through Social Dialogue: an analysis of ‘protective gaps’ facing people at work in the UK. Part 1 Report. Grimshaw D, Johnson M, Keiser A, Rubery J. European Work and Employment Research Centre 2015

consistently eroded since 2010, with nursery workers and care/support workers losing £3,181 and social workers £5,363 per annum in real terms since that date.

- The maintenance and protection of terms and conditions
- Fair treatment for specific groups of staff where conditions of services are in question eg term time working for school support staff

Whilst the submission is to the LGA, there is clear recognition within it that central government must increase funding to the sector if social services are to be saved from collapse.

In the negotiations in Scotland between the Trade Union Side (Unison, Unite and GMB) and CoSLA for the 2016/7 agreement, CoSLA rejected the Scottish Government’s budget allocation for public services for 2016/17, arguing vociferously against it in terms of its negative effects on services and worker morale. However, they were left with no option but to accept it, with the resultant impact on the SJC settlement.

Outside of the N/SJC agreements, the private and voluntary sectors have little room for negotiation. Pay levels and conditions of service are set by individual employers (within legislative parameters) and have been squeezed by austerity measures since 2008. The extensive use of zero hour contracts has ‘casualised’ the workforce, leading to even more fragmentation. Pay in the statutory (public sector) social services is, however, generally higher than that in the private/voluntary sectors.<sup>49</sup>

## 2.2 Other Arrangements:

### *Private agreements:*

Some larger private/voluntary sector employers do engage with the workforce and with unions to negotiate individual private collective agreements/memorandums of understanding. Only one such ‘recognition agreement’ between unions and a large UK employer has been sourced. Due to its commercially sensitive nature, details cannot be in the public domain. Whilst not legally binding, it covers agreement to set up negotiation/consultation structures and dispute procedures relating to pay and conditions of service, and a commitment to work together openly. It is reviewed every 6 months. This type of formal agreement is uncommon, though some employers do strive more informally to consult with employees on pay and conditions of service and to work transparently with unions.

### *Social workers:*

The position of social workers is more cohesive than for many others in the social services workforce, but even here fragmentation is evident, and provides a useful exemplar of the complexity experienced by the sector:

- Pay for social workers in Local Authority employment varies (on the 49 point scale) according to location and experience. Some extra terms and conditions are sometimes offered as incentives where it is difficult to recruit or where living expenses are high eg in the South East England.

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<sup>49</sup> Kingsmill Review: taking care. An independent report into working conditions in the care sector. Baroness Denise Kingsmill. Labour Party Policy Review 2014



Examples of this would be a ‘golden handshake’ eg. a £5,000 introductory one off extra payment (if the worker stays for 5 years) and special subsidised housing schemes.

- Social work agencies may pay their workers higher hourly/day rates but these do not include holiday/sick pay or incentives.
- Independent social workers set their own rates but must be competitive, and like agency workers, they are not paid separately for sickness or holidays. Many work on discrete pieces of work such as fostering assessments, care or family assessments, risk assessments and mental capacity assessments and are commissioned by Local Authorities when they do have sufficient capacity to cover in-house. Because this self-employment offers flexibility it is a growing area.
- Voluntary organisations tend to match Local Authority pay scales but there are fewer incentive schemes. Voluntary organisations are also sometimes commissioned by Local Authorities to provide social work services, and rates are then set by commissioners.

*Self employed workers: (see also independent social workers above).*

Both foster carers and childminders are self- employed and do not therefore have employment rights. Foster carers are paid a fostering allowance to meet the cost of caring for the foster child, and some are paid a fee in addition to recognise the skills needed to care for children who have particular needs. Local authorities (or Health and Social Care Trusts in NI) and Fostering Agencies set the rates within the parameters set by government, and they vary by country and often also by region. In England, there is a National Minimum Allowance set by Government. Each nation has a Fostering helpline sponsored by government to provide advice and support. There are approximately 69,000 children in foster care in the UK (2015).

Childminders set their own rates, at a price the market will afford, though there is an increasing number of free places provided by the government in England. Childminders provide the bulk of daycare for children 0-16 in all UK countries (eg 74% in NI and 80% in Scotland). There are nearly 60,000 childminders in England<sup>50</sup>, 4,446 in Wales<sup>51</sup>, 5,750 in Scotland<sup>52</sup>and 3,427 in NI.<sup>53</sup>

### **2.3 Payment of the National Minimum Wage (NMW) and the National Living Wage (NLW):**

The NMW became the NLW in April 2016, although the rate set is below that below advised by the Living Wage Foundation (based on UK poverty rates). There was a worrying rise from 2009 in the number of people in the social services sector not paid the NMW, with the biggest increases in 2011/12 and 2012/13.<sup>54</sup> Hussein estimates that between 9 and 13%, or 160,000 - 220,000, of direct care workers in the UK received less than the NMW in this period. This is more significant than was previously thought and

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<sup>50</sup> PACEY 2015

<sup>51</sup> PACEY Ibid

<sup>52</sup> ‘Meeting Scotland’s Childcare Challenge’ The Commission for Childcare reform June 2015

<sup>53</sup> Children’s social care statistics for NI Op cit

<sup>54</sup> Estimating probabilities and numbers of direct care workers paid under the national minimum wage in the UK: A Bayesian approach. Hussein S 2013 King’s College London

the trend is confirmed by a report produced by Her Majesty’s Revenue and Customs (HMRC)<sup>55</sup> as part of the NMW enforcement programme in 2013. This enforcement programme is thought by many to be underfunded and not properly able to act on its findings. Domiciliary care (home care) workers appear to be particularly vulnerable to low pay due to the nature of their working conditions. A more recent report in 2015 has estimated that 160,000 workers in the UK are paid less than the NMW and are losing out on £130 million per annum as a result.<sup>56</sup>

Although media reports would sometimes suggest otherwise<sup>57</sup>, many employers in the Social Services Sector who pay below the N/LMW appear to do so unwittingly, or in an attempt to keep within increasingly reduced budgets. The rules governing rates of pay are not well understood and there is inconsistency in the way records are kept, for example in how working time is calculated, making self-checking problematic. The following are potential causes of noncompliance with the NMW, and are not likely to change with the introduction of the NLW in April 2016:

- Failure to action the latest increases in the N/LMW
- Failure to increase rates in line with increasing age of workers
- Incorrect use of apprenticeship rates
- Unpaid training time
- Unpaid travelling time between appointments (particularly in care at home services)
- Incorrect use of business expenses eg deductions from pay for uniforms
- Incorrect use of accommodation offset rules and the provision of accommodation to workers
- Some pay rates are only above the N/LMW when enhancements are included eg weekend work
- The use of zero hours contracts

The Low Pay Commission report of March 2014 compares a number of low pay sectors<sup>58</sup> in terms of the NMW as a proportion of average earnings for people over 22 years of age. Taking 2013 as the measure, the results range between 93% for cleaning and 78% for retail and social care. The figures suggest that wages in the Social Care sector more or less stood still between 2007 and 2013, even taking into account the small rise in the NMW during that period. There is, however, a reduction in the gap between the highest and the lowest wages, with the highest moving downwards, nearer to the N/LMW.

### **3. Social dialogue in the social service sector in the UK**

Social Dialogue is not a term that is used or understood in the UK. Most of those interviewed as part of this project tended to have heard of it through their European work, but agreed that more widely the term would be thought to mean general communication between people, such as between professionals,

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<sup>55</sup> The National Minimum Wage: compliance in the Social Care Sector Nov 2013

<sup>56</sup> The Scale of Minimum Wage Underpayment in Social Care Laura Gardiner 2015 (Resolution Foundation Briefing)

<sup>57</sup> Eg ‘How private care firms have got away with breaking the law on low pay’ Guardian June 2013

<sup>58</sup> Retail, Hospitality, Cleaning, Hairdressing, Childcare and Social Care

workers and the people who use their services or between other key stakeholders. Negotiations about pay and terms and conditions of service would not be included.

### **3.1 The role of Trade Unions:**

Despite conversations with Union leads and experts in social services research<sup>59</sup>, there appears to be no clear measurement across the UK of the numbers of Social Services workers who are Trade Union members. The main Unions keep figures only in relation to public sector workers, which includes Health and other industries. This does not accurately reflect the numbers of social services workers as it casts a much wider net. Nor do these figures include social services workers from the private and voluntary sectors. Of the 116,000 registered social workers in the UK, 19,000 are members the Professional Organisation the British Association of Social Workers (BASW) and some 13,500 joined the relatively new Social Workers Union. Others may belong to one of the three big Unions operating in the Social Services Sector in the UK, Unison, Unite and GMB.

Whilst Union numbers in the social services workforce are difficult to identify, research has shown<sup>60</sup> that certain groups of workers, such as those who are low paid, on temporary, part time or agency contracts or who are migrants are much less likely to be unionised than UK born, permanent and higher paid workers. As social services workers are typically drawn from the less advantaged groups, there is a suggestion that unionisation will be relatively low compared with some other industries.

Although dialogue between unions and employers in the social services sector in the UK is fragmented and weak outside of the public sector (the majority of settings), there has been a number of initiatives aimed at improving conditions for workers and services for the public. For example, Unison has researched into the numbers and effects of zero hour contracts, and has developed an ‘Ethical Care Charter’, based on a survey of home care workers in 2012 and aimed at encouraging providers and commissioners to commit to the reduction/cessation of 15 minute visit slots, payment for travel time, and a reduction in zero hour contracts (Kings College Research Unit found that there were 307,000 workers on 0 hour contracts in 2013). A court verdict in 2013 (Whittlestone v BJP Home support Ltd) ruled that non- payment of travel time is illegal, but this verdict does not seem to have yet impacted upon practice. There is an opportunity for Unions to cite this, where appropriate, in legal action against those who do not pay the NLW as a result of none payment of travel time and ways to support litigation are currently under discussion.

### **3.2 Migrant workers:**

Some groups of workers find opportunities for engagement with social dialogue particularly difficult. Faced with a multitude of different issues and challenges, migrants can find it difficult to improve their circumstances. Non-European migrants are tied to their employer by a work permit and therefore have lower bargaining power. Indeed, even though theoretically work permit holders are entitled to change employers, in reality, only a prospective new employer can apply for the permit, rendering the worker powerless.

Migrant workers are subject to different migration laws depending on whether or not they are from the EU. EU migrants are, generally, freely able to move to the UK for work due to the free movement of

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<sup>59</sup> Eg Professor Jill Manthorpe, Director of the Social Care Workforce Research Unit at Kings College London

<sup>60</sup> Reducing Precarious Work Through Social Dialogue. Op cit

labour principle, which is one of the cornerstones of the European Union. Non-EU migrants, on the other hand, can generally only enter the UK for work purposes by obtaining a work permit through the so called ‘points-based’ system. Migrants are particularly vulnerable to exploitation due to a lack of awareness about their workplace rights, and in some cases working visas that tie them to particular employers, restricting their ability to leave and making it difficult for them to raise concerns about pay and conditions of service.

Qualitative research suggests that non-European migrant workers in particular are often aware of being discriminated against in terms of wages. They report working longer hours than their UK born counterparts, being given anti-social shifts (at night and at weekends) and ‘the harder tasks’ in terms of workload. They also experience racism, both from care users and employers.<sup>61</sup>

### **3.3 Support for Social Dialogue:**

There is support for social dialogue from both sides of the negotiating table. Employers, including Local Government organisations and councils would like to see social services better funded and conditions for workers improved. In Dec 2015 four leading agencies in England called for ‘urgent’ talks with the Treasury and other Central Government departments to discuss the mounting crisis in funding the care of older and disabled people.<sup>62</sup> Skills for Care and Development delivery partners are committed to improving the image of social care and providing employers with the tools to upskill and support their workforce. Research organisations such as the Resolution Foundation, the Longevity Centre and the Kings Fund have put considerable energy into providing commentary, statistical analyses, reports and recommendations to argue for and support improvements in the sector. Unions are also beginning to provide information about the poor circumstances of the social services workforce and to lobby for change beyond the public sector N/SJC agreements. Pockets of social dialogue do exist, seeing some employers engaging with their workforces to negotiate pay and working conditions within the parameters set by government funding and commissioning levels. However, opportunities for wider and more effective social dialogue are severely limited in the UK by the prevailing political ideology which does not recognise the need for action.

## **4. Future prospects of social dialogue in the social service sector**

The pre-requisite for social dialogue is the ability to ensure that all social partners are represented round the table with a view to working together openly and collaboratively. Whilst there is a real will to do this, it is difficult to achieve in the social services sector in the UK for a number of reasons:

- On the worker side, the workforce is made up of disempowered groups such as women, migrants and those with no or low level qualifications, including low numeracy and literacy levels. Atomisation has occurred due to the numbers of self-employed individuals such as childminders and foster carers and an increase in the numbers of Personal Assistants. The development of an

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<sup>61</sup> ‘Moved to Care’ Op cit

<sup>62</sup> Letter to the Government from ADASS, NHS Confederation, Care Providers Alliance and the Care and Support Alliance

individualised rights based approach to representation has left Trade Unions hard pressed to build a collective voice.

- Employers have been similarly fragmented by the outsourcing/commissioning of services, leading to a massive expansion of the independent sector and the attendant encouragement to rely upon competition rather than collaboration.
- Whilst free market prices are heavily influenced by commissioning levels set by Local Authorities (LAs), these levels are not in reality within the gift of the LAs themselves, or indeed within the gift of the three devolved governments. They are determined in the main by the level of central government grants allocated to each. These grants have been woefully inadequate for the task at hand, as funding has not kept pace with demography. For example, in England, 90% of councils are now only able to respond to those people with critical and substantial needs. 2015 saw the 5<sup>th</sup> year of real term reductions to budgets, with £3.5 billion less available than in 2010.<sup>63</sup> Councils have an exemplary track record for making efficiency savings and have prioritised budget spends, but can do little more to improve the situation. They come to the table with nothing in the pot with which to bargain, but with all the responsibility for negotiation.

The following actions, suggested by those interviewed as part of this project, may increase the possibility of meaningful social dialogue in the UK. Some resonance for these ideas was found in the project research (eg Kingsmill Report, Resolution Foundation reports):

- Strengthen collective voices by finding commonalities and developing forums to come together eg. BASW recently held a summit in England that brought together voices from the sector, including the chief social workers for both adult and children’s services and politicians.
- Lobbying by unions, professional associations and research organisations to challenge the current underfunding of social services.
- Public recognition from unions that they support the independent sector as well as the public sector, to encourage membership from the private and voluntary sectors.
- Raise the profile of the social services workforce in the public consciousness: making more/better use of the media, as powerful reporting can inform public opinion.
- Some feel that further integration of Social Services and Health would strengthen the bargaining position of both. Others feel that Social Services would be subsumed by Health and lose its profile and recognition.
- Pressure for a Strategic Review of Social Services, building on the Dilnot Report.
- Provision could be brought back ‘in-house’. Some Local Authorities in England, eg. Islington, have begun this process; contracts for outsourcing are not being renewed as they come to an end.
- Secure government help for research and development (for example the government has invested in the car industry to help develop fuel-efficient cars). Social services needs investment to help make jobs more attractive, develop innovative solutions to care provision and rise to the challenge of increasing demand. Greater investment in innovative, enabling technologies such as individualised telecare have the potential to lead to significant increases in the levels of productivity, both of labour and capital, of the social care workforce in the future.
- A multi-faceted approach is needed as the challenges faced are complex and interrelated.

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<sup>63</sup> ‘Distinctive, valued, personal’ 2015 Op cit



## 5. The case for EU level Social Dialogue in the Social Services sector

The possibility of future Social Dialogue at an EU level will be dependent on the outcome of the referendum in June 2016 which will decide whether or not the UK remains a partner in the EU. At the time of writing (April 2016) the latest poll figures show a 54/46% split in favour of remaining, suggesting it will be a close run ballot. If the UK leaves the EU, Social Dialogue at this level will be impossible. There were mixed views from project participants about how EU level Social Dialogue could influence and inform labour relations in the Social Services sector in the UK if it remains a partner in the Union.

Some participants felt that it would be difficult to ensure appropriate UK representation at EU level due to the fragmentation of the sector and project research would tend to support this concern. It has been difficult to identify and engage social partners in dialogue within the UK (see section 3) which suggests it would be problematic to secure representation at a European level that could speak confidently for the sector. This is compounded by the Anglocentric nature of many UK wide organisations; there is a tendency for England to speak on behalf of the UK, when in reality the views, policies, systems and even legislation can differ markedly between the four nations. Any EU representation would need to properly reflect the differences as well as the commonalities. There was also an employer view expressed which did not favour current EU industry wide involvement in UK labour relations. Directives covering such issues as working time and agency staff were seen to be insufficiently flexible and out of step with the UK context. The fear was that EU level sectoral Social Dialogue for the Social Services sector would reflect a similar pattern. There was a degree of resignation that if Social Dialogue could not be achieved internally, then attempts to achieve it externally would be bound to fail.

There was, however, also support for the notion of Social Dialogue at an EU level. Some participants were already engaged on the European stage through membership of organisations such as The European Social Network, The International Federation of Social Workers, the European Association for Providers of Services for Persons with Disability and the European Federation of Public Service Unions. These links were seen as important for the exchange and development of best practice and the opportunity to learn from others. In terms of Social Dialogue, the potential to strengthen the voice of Social Services in Europe was seen to have benefits for services and systems in the UK. A wider debate on the quality of care and the funding of services, based on better research and learning from models which work in other countries (eg: using a percentage of the GDP to fund Social Services), was thought to be able to positively affect some of the more intractable problems in the UK, by raising the profile of Social Service workers and lobbying for better conditions and investment on an international stage.

## 6. Conclusion and Recommendations

The Social Services Sector employs 6% of the UK workforce. Over 81% of the workforce is female, and many have part time or temporary contracts. Migrants make up a large percentage of the workforce in some areas of the UK. There is structural vulnerability in this reliance on women, many in their 40s, with other caring responsibilities (home- work stress spillover) and on migrants who are tied to work permits.



Limited career development opportunities and the lack of a collective ‘voice’ contribute significantly to a disempowered workforce that has become dispersed and fragmented. Within this context, Trade Unions have, for the most part, been unable to overcome the challenges of coordinating campaigns.

There are over 60,000 employers in the Social Services sector in the UK. 92% employ less than 50 people. There is also a significant number of self-employed people. This atomised employment pattern has developed as a result of a number of factors, a main one being the ‘marketisation’ of the sector, as services have been outsourced. Austerity measures have ensured that funding for services, the majority of which is required for staffing, has been increasingly reduced to levels that are challenging the ability of the sector to maintain quality. Both Local Authorities and employers have made efficiencies with little room for further significant improvement.

The issues facing the Social Services sector in the UK are complex and multi-faceted. A multi-faceted approach is required to tackle them. Despite a willingness in the UK to engage in both internal and EU level Social Dialogue, within the current context of austerity measures, marketisation and EU scepticism, its establishment at either level seems unlikely.

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## 8. Appendix A

### **Workshop:** 23: 3:16 Attended by:

Meiling Kam: Workforce Development Practice Manager, Social Care Institute of Excellence. An improvement and support agency working with adult, children’s and family services across the UK.

Paul Bishop: Committee member, Social Workers Union (SWU). Union specifically for Social Workers in the UK.

Michael Freeston, Director of Quality Improvement, Pre-School Learning Alliance. Umbrella organisation supporting Early Years workforce in England. 14,000 members.

Amanda Hasler: Employee engagement and reward manager, Dimensions. Provider in England and Wales, learning disability and autism support. 4,000 staff.

### **Interviews:**

7:3:16 Paul Adams: Foster Care Development Consultant, Coram/BAAF. Independent adoption and fostering academy. UK wide.

7:3:16 Victoria Flint: Director of Communications, Professional Association for Childcare and Early Years (PACEY) (England and Wales).

**Country-Case Study: UNITED KINGDOM**

Project PESSIS 3 “Promoting Employers’ Social Services Organisations in Social Dialogue”  
Agreement number: VS/2015/0339

18:3:16 Matthew Egan: Assistant National Officer, UNISON (UK).

21:3:16 Sarah McCarty: Executive Director, Skills for Care and Development (Sector Skills Council, UK).

22.3.16 Liam Burn. Head of Employment & Personal Development MENCAP (NI but representing UK in this interview as he is part of their UK wide Leadership Team).

24:03:16 Lien Watts: Service Manager, BASW Advice and Representation Service & Assistant General Secretary of the Social Workers’ Union (SWU) (UK).

24:3:16 Mike Padgham, Chair of UK Home Care Association (as representative nominated by Wilf Ward Trust), Chair of North Yorkshire Independent Care Group, Board member of Care England, and Care Provider (UK).

30:3:16 Justin Bowden: National Officer, GMB Union (UK).

31:3:16 Heather Wakefield: Head of Local Government, Police and Justice UNISON (UK).

1:4:16 Pauline Shepherd: Independent Health and Care Providers (NI) representing 5 Nations Care Forum (UK and Southern Ireland). Members: Care Forum Wales, English Community Care Association (ECCA), Independent Health and Care Providers Northern Ireland, National Care Association (NCA), National Care Forum (NCF), Nursing Homes Ireland (NHI), Scottish Care, United Kingdom Home Care Association (UKHCA). Also on the Board of the Labour Relations Agency NI.

4:4:16 Des Kelly OBE: Executive director, National Care Forum. UK wide umbrella organisation for the not for profit sector with over 90 member organisations.

4:16 Siobhan Endean: national officer for community, youth workers and not for profit sector UNITE (UK).

10:4:16 Simon Pannell – Principle Advisor (Employment and Negotiations) Local Government Association (England).

10:4:16 John Sutcliffe – Senior Workforce Advisor (Strategy) Local Government Association (England).

