



The domiciliary care sector's employment practice and potential

An objective of the 1990 National Health Service and Community Care Act was to promote the development of domiciliary care services 'to enable people to live in their own homes wherever feasible and sensible'. To facilitate this, the Act established a social care market within which local authorities looked increasingly to the independent sector to offer care services. Research in three local authority areas by Janet Ford, Deborah Quilgars and Julie Rugg of the Centre for Housing Policy at the University of York explored what factors influenced the sector's success, the nature of the employment conditions found there, and the sector's employment potential. They found:

f Local areas have seen an increase in the number of people employed as domiciliary care workers in the 1990s, but to varying degrees. Most of the growth has been associated with independent sector providers. Local authorities, however, vary in the extent to which they embrace the use of the independent sector. □

f The labour market for domiciliary care workers is increasingly divided into two sectors, a relatively advantaged and a more casualised sector. They are differentiated by pay and conditions, including access to employment protection such as pension provision and/or sickness and holiday pay, by the extent to which workers are offered guaranteed hours of work, and by levels of training opportunities. □

f Care workers had high levels of commitment to caring as an activity but there was some dissatisfaction with the terms and conditions of employment, particularly in the more casualised sector. □

f The researchers conclude that there is some potential for future employment growth in domiciliary care due to demographic trends and unmet need. The potential is, however, constrained by the ending of the Special Transitional Grant and by agreed and proposed budget cuts, which may not only depress employment growth but could reinforce the trend towards casualised employment. □

Background

The 1990 National Health Service and Community Care Act set a new framework for the delivery of community care services. Reinforcing and extending the existing role of domiciliary care, the Act changed the statutory and financial framework in which this took place. Local authority social service departments retained responsibility for ensuring the delivery of care services, but increasingly in the role of enablers who purchased services from a developing sector of independent domiciliary care providers. Transitional funding arrangements (Special Transitional Grants) were put in place to facilitate these changes.

Studies have shown that the independent sector required considerable nurturing with respect to the provision of domiciliary care services; the sector is characterised by a large number of recently established small providers, a majority of which have less than 100 clients. Local authority social service departments continue to provide home-based care services, but not always to the extent they used to.

Central to the potential success of these developments are a number of *employment-related* issues. These include the nature and terms and conditions of the employment offered; the requirements for and provision of training and supervision; and the extent to which there is an adequate supply of labour. In addition, the growing emphasis on increasing domiciliary care might consequentially lead to an increase in local employment opportunities.

This research focused on a number of these employment issues in three local authority areas, and documented both the nature of current employment opportunities and the factors that were influencing the labour market for domiciliary care workers in 1996 and 1997.

Employment opportunities

In all three areas studied, employment opportunities in domiciliary care grew after 1993, although the absence of any baseline data makes it difficult to say by exactly how much.

Four major factors underpinned and influenced the extent of this employment growth: a positive attitude on the part of the local authorities towards contracting; availability of the Special Transitional Grant; a professional and competitive attitude in the independent sector; and constructive strategies adopted by the local authorities to 'guide' and support the market.

The scope available to local authorities for discretionary decision-making ensured that in the three case study areas the market developed in different ways. One authority was *initially* hostile to the creation of a market, and as a result only slowly engaged with the independent sector. A second placed particular emphasis on the voluntary 'not for profit' sector agencies which became the dominant players in the independent sector. The third authority had a longer-standing involvement with the for-profit sector which it continued to develop.

Terms and conditions of employment

The study found that the domiciliary care market is, in practice, characterised by two employment markets, each with its own specific terms and conditions of employment. Whereas prior to 1993, much domiciliary care employment had similar terms and conditions, market developments since then have led to a variety and, more significantly, a hierarchy of employment conditions. Further, the balance of new jobs appears to be towards those with the least advantageous conditions of employment.

In all three areas considered, domiciliary care work was poorly paid. Of 20 employers interviewed, only one was offering a rate of pay that matched the national average hourly pay for women manual workers. All employers offered rates of pay below the Council of Europe 'decency' threshold which in 1996 was set at £6.07.

The two relatively distinct employment markets found were characterised by higher and lower pay, by different access to employment protection such as pension provision and/or sickness and holiday pay, by the extent to which workers were offered guaranteed hours of work, and by differences in training opportunities.

Jobs in the more advantaged sector of the labour market were offered by local authority domiciliary care providers and a minority of independent sector employers, typically some specialist providers. In this segment of the labour market hourly rates of pay ranged from £4.56 to £5.00 per hour including enhancements. All workers employed by the three social services departments had a guaranteed minimum number of hours of work, or there was a proposal in place to introduce such a scheme. Holiday and sick pay were typically provided, as were travel costs. Turnover of staff in this sector was relatively low, and training was routinely provided.

The other labour market was a more 'casualised' market, where hourly rates of pay ranged from £3.10 to £4.00, guaranteed minimum hours were not typically offered, and often no provision was made for pensions or paid holidays. In this sector, turnover of staff was higher and, with limited exceptions, training provision was less generous and was occasionally paid for by employees, either directly or indirectly through the loss of a day's paid work to attend. The employers in this sector were primarily the for-profit, independent sector providers. Independent providers who were not-for-profit, voluntary sector organisations straddled the two labour markets, with those providing more specialist services more frequently offering better terms and conditions of employment.

Development of the sectors

The labour market distinctions outlined above held across all three case study areas (although the balance between the two segments of the labour market varied). Three main factors influenced their emergence:

- The contracting system that characterised the social care market was a competitive one, generating a pressure within competing organisations to depress wages and other costs of employment in an attempt to gain a competitive advantage. To the extent that social services departments (SSDs) were not part of the competitive framework, they had some protection from the impact of market forces which was reflected in better terms and conditions of employment.
- Many independent sector providers faced an unstable demand for care services. This was exacerbated by the emergence of one-off, short notice, 'spot' contracting, but was also associated with the local authorities' use of fixed but short-term contracts, which increasingly characterised the experience of many independent sector providers in the three areas. The providers replicated the flexibility demanded of them by requiring similar flexibility from their workforces. Independent sector employers had little incentive to offer guaranteed hours of work, and there was some pressure to rely on agency workers. The tendency for spot contracting to be handled within the market rather than by SSDs also helped maintain differential employment markets.
- The presence or absence of union representation also shaped the terms and conditions of the jobs offered. In particular, local authority employees were part of unionised organisations where changes to the terms and conditions of employment were typically negotiated, a pattern largely missing amongst independent sector providers. Some local authority purchasers also noted that the 'profit motive' could lead some providers to depress wages. ▽

The differences between the two labour markets were, in large part, unrelated to issues of employees' 'skill'. Organisations in the more advantageous sector offered better terms and conditions of employment irrespective of whether the employment was to provide domestic help or personal care.

Organisations in the casualised sector offered poorer terms and conditions of employment, again typically irrespective of the skill involved in the job. It was also the case that because the use of the independent sector was more prominent in some areas than others, the extent of poorly rewarded domiciliary care work also varied from area to area.

Care workers' attitudes

A postal survey and interviews with care workers provided information on the way in which they assessed their employment and the job they were asked to undertake.

Table 1, which refers to all care workers (not by sector), contrasts the high level of appreciation workers believe is felt by their clients (80 per cent thought clients appreciated their work), with a broad range of opinions, from unacceptable through to excellent, on their pay and conditions and recognition from employers for good work.

The study found that commitment to their clients was the most important source of satisfaction for care workers. Flexibility in the hours of work was also valued, allowing staff to work around other domestic responsibilities. Asked about their future intentions, 85 per cent of respondents to the postal survey indicated that they intended to remain within the domiciliary care sector.

These 'compensating' factors were, however, often minimised by what care workers viewed as poor organisation and scheduling on the employers' part, and employers' reluctance to acknowledge the care workers' commitment and input. Poor pay tended to encourage care workers to move frequently between employers; high staff turnover was exacerbated by the employees' sense that in some instances employers were indifferent to care workers' efforts.

There were some clear differences in the views of care workers on terms, conditions and training, according to the type of employer. Care workers employed by independent sector employers typically were more likely to assess the amount of training received, the degree of recognition given to them for good work and the degree of supervision received as poor or unacceptable than were care workers employed by local authorities. However, almost one

Table 1 Care workers' assessment of key aspects of their jobs
(n= 182)

	Unacceptable or poor %	Adequate %	Good or excellent %	No response %
Amount of training received	8	32	58	2
Recognition from employer for good work	20	26	50	3
Physical working conditions	3	36	55	5
Clients' appreciation of the work	3	15	80	2
Degree of supervision	13	32	43	11
Rate of pay	24	40	35	1

in four of local authority domiciliary care workers surveyed also viewed the recognition they received for good work as poor or unacceptable.

Training

In each of the case study areas, some employees highlighted a lack of training as one of the poorest aspects of the job. This was more often the case with independent sector employees. The absence of enough or suitable training cannot be explained in terms of the recruitment of an already trained workforce. Under a third of workers came to their current job with previous experience of care work. Sixty-one per cent were either new to the labour market or, in the vast majority of cases, had been working in a different and unrelated occupation. The interviews indicate that amongst current independent sector workers were those who had previously had jobs as varied as teaching, child care and fast food services.

Future recruitment

The research found some evidence that the supply of care workers to the independent sector was slowing. More centrally, recruiters noted that fewer suitable applicants were now available.

The employment potential of domiciliary care

There are contradictory indications about whether employment opportunities within the sector will expand in the future.

There are clear indications that, in the absence of financial constraints, employment in this sector would continue to expand. Demographic change, currently unmet need, new forms of funding such as direct payments, and community enterprises might all create additional jobs. However, the size of the potential growth cannot be identified, not least because the attitude and stance of the local authorities to the independent sector remains variable.

There are, however, severe constraints on all of the above possibilities. Already announced and future budgetary cuts are confirmed; the ability and willingness of people to purchase services privately is unknown, but questioned; and the role of volunteer work remains important (although not explored in this study). While there is enthusiasm for community developments in domiciliary care provision, the available literature suggests that the potential is uncertain. There is also evidence that, currently, provision is intensifying, but serving fewer people. These trends, along with the ending of the

Special Transitional Grant, suggest little, if any, future employment growth for the sector.

In addition, it is likely that any employment growth runs the risk of being 'poor' employment. There is also some possibility that, even amongst the pool of existing 'better' jobs, any further movement towards SSDs also competitively tendering to provide services could result in a deterioration of the terms and conditions of employment.

About the study

The study involved interviews with domiciliary care purchasers and twenty providers in three local authority areas. These were followed by a postal survey of 182 domiciliary care workers and in-depth interviews with fifteen care workers.

How to get further information

The full report, *Creating jobs? The employment potential of domiciliary care* by Janet Ford, Deborah Quilgars and Julie Rugg, is published in the *Community Care into Practice* series by The Policy Press and *Community Care* magazine in association with the Joseph Rowntree Foundation. It is available from Biblios Publishers' Distribution Services Ltd, Star Road, Partridge Green, West Sussex, RH13 8LD, Tel: 01403 710851, Fax: 01403 711143 (ISBN 1 86134 098 2, price £13.95 plus £2 postage and packing).

The following *Findings* look at related issues:

- Housing management, community care and CCT, Jan 95 (**H135**)
- Job satisfaction and dissatisfaction amongst residential care workers, Jun 95 (**SC69**)
- Health and housing: the extent of inter-agency working, Nov 95 (**SC74**)
- Housing choices and community care, Feb 96 (**H168**)
- Inter-agency working for housing, health and social care needs of people in general needs housing, Jun 96 (**H183**)
- Deaf and hearing people working together in statutory organisations, Apr 98 (**F428**)

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