

YOU GET WHAT YOU PAY FOR

RUTH FRENCH, OPERATIONS DIRECTOR AT CARE HOME TURNAROUND SPECIALIST STOW HEALTHCARE, PUTS THE ARGUMENT FOR PAYING CARE HOME WORKERS THE REAL LIVING WAGE.



Ruth French

“Money makes the world go round” sang Liza Minelli in Cabaret – not generally something that we like to acknowledge in social care, a job that we feel should be a vocation. But the truth is that without the right level of reward, we won’t retain our hardworking staff, much less welcome hordes of new staff to fill the estimated 105,000 vacancies.

Skills for Care’s 2021 Workforce Intelligence insight report highlights not just those gaps, but also the pay care staff can expect to receive – a median rate of £9.01 per hour in 2020/21. With the National Living Wage having risen on 1 April to £9.50 per hour – an increase of 6.6% - this will bring much needed income to hard pressed care workers, but there is no doubt that for a number

of care services operating with very tight margins, this could be the final nail in the coffin. For homes reliant on contractual rates with social services that go nowhere near to supporting that kind of pay increase, the future could be bleak.

So how should we approach pay in social care? There is no doubt that in order to reinvigorate the sector and to challenge common perceptions of social care as a career, we need to professionalise the whole feel of our offer. At Stow Healthcare, this is something we have given serious thought to. We have always paid above the National Living Wage, we pay our young workers the same as their older counterparts, and we pay our staff for their breaks – not to do so just doesn’t represent what we stand for. Fairness matters to us.

This is why we made the commitment from February this year to not just bring forward our pay increase by two months but to also introduce the Real Living Wage to Stow Healthcare for the first time. The Real Living Wage is a voluntary rate paid by over 9,000 businesses in the UK and it reflects the real living costs our staff face. With current rates at £9.90ph outside of London, and £11.05ph in London, it does represent a much-needed uplift for staff. Indeed, for Stow Healthcare carers this year, their pay has gone up by an average 11% and our nurses by 9%. These kind of pay rises hit the bottom line, but commissioners and those choosing their care with us must accept that quality care which rewards the caregivers must also be funded properly.

The Real Living Wage counts 344 social care employers in its number – around 4% of accredited employers are involved in care – a number I would like to see boosted. Could this be something for your organisation to consider? Let’s think about the positives,

because it isn't just about making your workplace more attractive to existing staff and new recruits. Real Living Wage accreditation should be something you can trumpet to the organisations commissioning care from you, and the private payers you may want to attract. If I were looking for care for a loved one, I would be delighted to see the Real Living Wage logo on a company website. What would it make me think? That the home I was looking to place my loved one in would likely have better motivated staff who were invested in and valued, and very likely to remain with the company – all meaning my loved one would be receiving consistent and good quality care.

The facts are clear: 86% of Real Living Wage employers say it has improved the reputation of their business, 75% say it has increased retention rates, and 64% say it has helped them differentiate themselves from others in their industry.

Using the jump of the Real Living Wage may not be feasible for some in social care, but we cannot ignore the facts that competition for our staff is fierce. With Lidl paying £10.10 ph and with Morrisons having broken the £10ph barrier in 2021, care simply cannot afford to be left behind.

Katherine Chapman, Director of the Living Wage Foundation, said: "Over the past two years, we've seen just how vital care workers are to our economy and society. But in many cases those who've cared for our loved ones are paid too little to care for themselves and their families. With the cost of living crisis seeing bills skyrocket, many more care workers could find themselves struggling to stay afloat. Paying care workers a Real Living Wage would provide hundreds of thousands of people with security and stability. We all need a wage that meets our everyday needs, so it's about time we delivered one for our care workers."

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We are a
Living Wage
Employer

If pay increases of this type will not work for you, think about other measures that you could take to boost your staff. This year at Stow Healthcare we also introduced a bonus holiday – staff can now take their birthday off each year (or keep that extra day for when it suits them). It's another incremental change – not hugely costly, but really meaningful for staff, and presentationally, so much better than just increasing the holiday by a day. How about paid breaks, or paying NMC annual registration fees for nurses. Lots of these benefits don't happen in the NHS and could help to make you stand out.

Of course, learning to market ourselves effectively is something of a catch-up game for us in social care, and something that most of us need to get much better at. Take a look at things from a job seekers perspective; what are they seeing when they look at your company for the first time? Are the benefits you have obvious enough for your new starters? This is a real

priority for us right now, with all the changes we have made. Are they simple to understand? Some providers are doing a great job of actually breaking down in monetary terms what their benefits add up to in money terms – the paid breaks, the paid training, the NMC registration, the extra day's holiday. It all adds up, so make sure you add it up for staff – do the hard work for them and the pay back will come!

About Ruth French

Ruth is Operation Director for Stow Healthcare, a family run group of award winning care homes. Ruth has overseen the expansion of the company which is renowned for its ability to acquire and turnaround failed services. Ruth leads work on compliance and was awarded the prestigious title of Rising Star in the 2021 LaingBuisson awards. She also led Stow Healthcare to achieve the title of Care Provider of the Year in 2019, 2020 and 2021 across various national awards. She specialises in change management. Ruth is a Non-Executive Director of The Outstanding Society. More information about the Real Living Wage can be obtained from the Living Wage Foundation www.livingwage.org.uk