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Interviewer: Before I do that, I sent through some information about the project and a consent form, so that’s consent to take part and consent to record this. You can do that verbally.

Male: Yeah.

Interviewer: Brilliant, thank you very much.

Female: Yeah.

Interviewer: So the project, we are commissioned by the National Institute of Health and Social Care Research and sponsored by the Department of Health and Social Care. So it’s quite an unusual project in that the terms of reference, the research objectives etc., was set up by the Department of Health and Social Care as things that they’re particularly interested in. So, our expectation, aspiration is that they will be interested in our findings and it will be significant in informing policy. So that’s the first thing to say.

What they were particularly interested in looking at is pay levels, pay modelling, pay strategies in the sector and the implications of those things for, for example, labour turnover, vacancies, skills, acquisition, retention, those kinds of issues.

So, we’re doing three pieces of work. The first one is an analysis of the Adult Social Care Workforce Data Set, the Skills for Care Data Set, where we’re looking at pay in those outcomes. But also at the beginning we’re putting into the model things like local conditions, local fee rates, those kinds of things, to try and get a sense of how they influence pay and then how pay influences those other outcomes that we’ve talked about.

We’ve done a survey, our own survey that, I’m sure not yourselves, but managers of your homes I hope will have received and filled in, asking about views and perceptions of pay and the impact of pay.

And then in this part of the project we’re talking to care providers and care workers, again, about those similar issues. And the things we’re particularly interested in are pay itself, how you reach decisions on pay, what the influences of those things are, including local labour markets, local authority commissioning, the impact of those on your own pay, but also on recruitment motivation and retention. And the whole host of reasons why you do things and the difference those things make, to try and unpick in some more detail the things that we can’t get at in the stats work that we’re doing. Does that make sense?

Male: It does indeed. Unfortunately, the man who’s in the know at the detail level,, he’s not here today. But nevertheless, all the things you just laid out, I’m pretty confident that we can, certainly articulate what we’re doing.

Interviewer: Okay, and if there’s anything you need to add [name] can always send that over, that would be really helpful. So, do you want to just tell me a little bit about the care you deliver? I have looked obviously at your website. Is there anything particularly you want to say about your business that is different or important?

Male: I can have a go [Name] and if you want to build on it?

Female: Yeah, go for it.

Male: I think the first thing I want to say is the type of care we deliver, of course it differs all over the UK. We know that many of our residents, probably in our calculation, 80% live with some form of dementia. So dementia, which won’t be that different from most of the care providers I’m sure. All our care is provided in our homes, we don’t do care in the home, in people’s homes. And we do everything from low acuity residential, in fact, we’ve just been in acquisition two weeks ago, through to we just had our first specialist dementia care unit set up and running in [county].

And that’s another area that we’re looking to expand that proposition, knowing that actually some of the high acuity dementia care is those provided by all providers in the same way. So we’re looking to be recognised through our dementia care.

So, you can see already we’re both ends of the spectrum, and in many of our homes we’re delivering care for people in all of those spectrums, from low level acuity residential right the way through to some high level acuity dementia care. Although that’s probably similar to other providers, but at our scale, we’ve got them literally all across the UK.

Interviewer: Okay, that’s really helpful, thank you. I don’t know if you wanted to come in that [Name] or whether you want me to move onto the...?

Female: We can move on, I think [Name]’s covered the highlights of that question.

Interviewer: Great. So thank you very much for the data that you’ve sent, so I can see that you obviously employ a substantial number of care staff. One of the things that strikes me straight away from your data is that you offer the same rate of pay, as it’s £11.13, or is that an average with different...

Female: Average.

Interviewer: Okay, so can say a little bit about how it might vary and why it might vary, your pay levels?

Male: Yeah, again, I’ll go [Name], please jump in. It will differ on two main fronts. One is the role itself and the other one is the geography. So we actually have a zonal pay, which is we develop pay frameworks for each role in the communities in which we are. So, we cover [countries]. And in [country], like you would in many other sectors, you may have different rates of pay for different regions, but also sometimes within different homes within regions, depending on the labour market in that particular area.

So, we’re getting pretty good at being able to identify the type of labour force we can access in each community because we use some really good data analysis, but basically zonal pay is what drives it. Zonal pay and role, they’re the two things that are the primary differentiators.

Interviewer: And by role, that’s care worker, senior care worker?

Male: Yeah, support.

Interviewer: And how do you progress, what is it that enables people to progress from one level to the next? So I’m wondering if it’s qualification based, experience based?

Female: There’s both. So the aspiration and the desirable is that we progress through qualification and experience if you like. We are having to think differently about it, in terms of being able to fill our senior care roles. So, whereas it used to be very hard and fast on qualification, we are taking more into account experience and the support that’s available in the home and what we can achieve with that, to make sure that we’ve got that pipeline.

Interviewer: Can you tell me a little bit about that? That sort of suggests that you’re finding it more difficult to get the qualified... is it Level 3 you need for your senior care roles?

Female: Yeah, it’s ideally Level 3 or they’ve got to be prepared to work towards those. So, what else can I say about that? Yes, it is more difficult for us to recruit senior carers, from an internal perspective, in terms of being able to develop people in that role that they want to move into, and to take on that additional responsibility.

Interviewer: So, is it more about the responsibility... it’s more about taking on the responsibility than actually gaining the qualification, or is there resistance to the qualification?

Female: I don’t think the resistance is to the qualification, I think the resistance is to the additional responsibility in leading a shift and taking that on. We don’t have the volume of people with the appetite to do that. [Name], is that fair? That would be my take on it.

Male: I think it is. In fact, at the moment we’re doing a piece of work to basically dig deep into the senior care role, to understand why we’re not getting people applying in the way we expect. Because frankly, in fact [Name] said this the other week, given we’ve got a lot of carers in that business, you’d think we’d have a lot of internal applicants for the roles. I do think what [Name] said is right, it’s the way the role might be structured, it might be the level of responsibility that they carry.

And bear in mind we have different types of provision, whole provision as well. There are different levels of responsibility with, some might argue, not a big enough gap in terms of pay in order to reward it. But also it can be a significant level of responsibility as well, which not everybody wants.

So, we’ve had a deep dive into that now, been working on and off it for a few months to see what we can find and what we can change to make it easier or more attractive for our own people to apply.

Interviewer: Yeah, it's interesting, isn’t it? There's a lot of work around offering career pathways and while you are offering career pathways, that is a challenge for you to get them to the next level. But less than £1 an hour difference, so that might have a role to play.

Female: Yeah.

Interviewer: It was interesting you talked about the geography, zonal labour markets. What about the role of local authority commissioning in that, because you will obviously engage with a whole number of local authorities and commissioning, so what influence does that have on your pay levels?

Male: Well, the biggest impact it will have is around some local authorities who are committed to paying the real living wage. So where that’s the case we always reflect it, we always do it. So, the way our zones are set up, it is with an intention of enabling every carer to earn the real living wage.

At the moment I think the figure is between 82% and 85% of our carers all do earn the real living wage, and for those who don’t it’s only because they haven't yet got the level of experience. So it depends on geography and experience level but ultimately everybody has the ability, every carer has the ability to earn the real living wage.

But when you talk about a zone, it could be that a home currently isn’t in a zone that pays the real living wage at the beginning, but if the local authority says we’re willing to invest in, they’ll pay us more money to fund it, we then make that change.

Interviewer: So, where you are required to pay the real living wage you are getting uplift from your local authorities to support that?

Male: Well, we make the commitment anyway. So irrrespective of the local authority commitments, we have set ourselves the goal of enabling every carer to do that. What then happens is we have a number of local authorities who, in addition, already think we are committed, we are a real living wage employer, and some are increasingly moving in that direction.

Where they do, and we're not currently enabling it, in terms of bringing in a brand new carer in the zone who’s got no experience, we will ensure that that money that they give us does go to that person in the end earning the real living wage. So they impact it where we don’t already pay it for everybody, but we’re not signed up to the real living wage, but it's the thing we anchor everything to and we keep measuring how many of our carers do earn it. It’s very important to us that...

Interviewer: Can you say a little bit more about that, about what informed that decision to peg yourself the real living wage?

Male: Yeah, for us it’s very simple, I just think back to the old service model, if you look after your people they’ll deliver fantastic quality care and end with financial return. So, that's what underpins it and our investors have effectively enabled us to invest in pay for the past two years and we're going to do it again this year.

So, where are we now? ’23. So we went in early, in 20... I’m getting my years mixed up.

Female: ’20 and ’21.

Male: ’21. In 2021, was it ’21 or was it ’22? It was January ’22 and then this year.

Female: It all merges into one.

Male: It does.

Interviewer: It does.

Male: Our carers, their pay is reviewed and changed in April. So, in April 2022, last year, we actually brought it forward by three months, we actually made the change in January and I think the average pay increase we gave, again, across the range, was about 10%. So that was last year. We’re repeated it this year, this time we did do it in April. So in April 2023, again circa about 10%. And of course next year, they just made the announcement two days ago I think it was, the real living wage £12.

So instantly I was on the phone to [Name], well, I was on Teams to [Name], saying, “[Name], what’s the implications for us, if you’ve already sorted the budget, but what we thought it might be is higher than we thought it might be?” So we’re now thinking for us to maintain our target of the ability to earn the living... what does that mean in terms of budgeting for next April [2024]? Which of course we don't have to tie it to the... well definitely, that’s what we’re making, but also local authorities, what they're doing.

So it does shape what we do. It's certainly a factor, but we're going to do this anyway because we believe it’s the thing that gets people to stay. It’s one of those things, I think it’s a dissatisfier when you get it badly wrong, but it has to be a minimum standard on which you then build everything else. Without it you can be flexible, you can invest in learning and everything else, but if the pay is rubbish and they can walk off the pitch to a retailer, for example, which of course we all know happens. So for us it’s a foundation for everything else that we’re doing.

Interviewer: Okay, so that’s interesting on retention, we’ll probably come back to that in a bit more detail, but can you talk about its role in attraction? Is it significant in attracting?

Female: It has been. There is an element of our approach to pay, which [Name]’s alluded to, it’s zonal but it’s also banded. So, we have a pay rate for inexperienced, so brand new into care and then the more you progress, the more experience you bring within the care role, without having to progress to a senior, you can earn more. So, it also supports that career pathway. So we have an entry level rate, a mid rate and then a two year experience rate, and that’s really helped us on retention I believe.

Interviewer: So, I’ve got your minimum and your average for a care worker, what would your maximum be for a care worker?

Female: Give me a second. £12.50.

Interviewer: £12.50, excellent, thank you.

Female: Yeah, for a care assistant. So it’s quite a range. So it has helped our retention, but equally it’s helped on attraction because through going to zonal, the approach to the zonal pay is based on the local demographics, the labour market, the cost of... all of those things. So when you put all of those factors in it automatically helps us pitch ourselves competitively.

We don’t always say we going to pay the most, but we’ll always be competitive within an area. And then add on the fact that we will reward you with a higher pay rate if you come to us with experience, it helps us in terms of that attraction piece as well.

Interviewer: I hear some providers saying, actually, even the real living wage isn’t sufficient. They’re advertising that and it’s still challenging for them. Are you operating in any of those areas and if so, how are you addressing that?

Female: Are we operating in any...?

Interviewer: So any geographical areas, London springs to mind, or Brighton, those kinds of places, where the real living wage actually isn’t a differentiator, it’s not sufficient, are you finding that anywhere?

Female: There are pockets across the country where it’s not sufficient because of lots of different factors. Some of the reasons that we are challenged, in terms of attraction is not to do with pay, it’s to do with geography, it’s to do with availability of labour, it might be in a particularly affluent area, that type of thing. So it’s not necessarily around pay, it’s about the fact that there isn’t anybody around that home, there isn’t a labour market for us to tap into.

And then where we have to go further afield, to be able to recruit, and then we’ve got colleagues that are starting to incur higher transport costs, that type of thing, that’s when it becomes unviable. Because by the time they pay the extra to get to work or whatever that looks like actually, it’s just not worth their while.

Interviewer: Okay, that’s helpful. So, you said [Name], it’s only one part of the picture, so I’d like to talk about rewards and then I’d like to talk about other things that you touched on, like training and development. But if we start with rewards, what other kinds of rewards do you offer?

Male: [Name], you’ll have the list in front of you, I’m sure, but we offer life insurance. In fact, we only introduced life insurance, was it two years ago, for every...?

Female: For everyone, yeah.

Male: Every colleague gets at least minimum life insurance, life cover. Our holidays I think are pretty standard, although not for carers because I think we got in trouble with this one, but we are looking at bringing in the flexibility of buying extra holidays for example. Because our colleagues, even at the level we’re paying, you can’t go below, obviously the national minimum wage, it’s not the case for everybody, but we have done it selectively. So, for home managers for example, they can buy extra holidays if they choose to do so.

Some of the interesting ones we’ve introduced recently, we’ve enhanced some maternity and paternity leave. So again, beyond the basic proposition, but looking at benefits which can actually... This was particularly true when the cost of living crisis really started, like anything that we can do that can enhance even the pennies as well as the pounds. So we’ve got two things, one is basically a rewards platform. So you go to Tesco, you get 5% off every time you go, that sort of thing. So we offer those things, they’re available to every colleague.

And then we have something called [pay system], which we actually think is very important. It does lots of things, I don’t know if you’ve heard of it, but one of the things it does do is, the moment you’ve earned your pay, as in you’ve done your shift, the following day you can take up to 50% of that pay in advance of your normal pay date. So, it gives people flexibility to enhance it when they’re struggling financially.

It also has two other things in it. One is financial education and one is signposting people to benefits they might be able to claim. So all that stuff like financial wellbeing, we’re making a big play off as well.

Interviewer:: Can I just come in on that? You talked about the cost of living and you talked about the early drawdown of salary, are you seeing a big uptake of that?

Male: Yeah, significant actually. We’ve put some constraints around it, just to be really clear, that, of course, the downside of this could be people who are in trouble getting in worse trouble. So, first of all we track it. So if we’re seeing any multiple downloads, and then we do have a cap on it as well. That’s why we have 50%. The company who provides it, you can do all of it, you can take all of it if you choose to, but that’s not what we’ve done, we’ve put a cap on it for that reason.

Sorry, what was your original question?

Interviewer: The cost of living, the implications of that, and then associated the uptake of the early drawdown.

Male: Yeah, meaningful, and again, we can send you the stats on that because [Name]’s definitely got them on the number of people who signed for it and the number of people who have used it and the number of people who drawdown and the number of people who have been signposted to the benefits, support, stuff like that. So we do track that and we shall send you the details of it because some of our managers were a bit worried because we have people who are in difficult circumstances financially, so we do track these.

[Name], what else is in the core package?

Interviewer: What about sick pay and pensions?

Male: Statutory sick pay and pensions.

Interviewer: So 3% your contribution?

Male: It depends on the role, but yes, it’s 3% for our carers.

Interviewer: And SSP?

Male: SSP.

Female: Yes.

Interviewer: So that’s statutory sick pay. And then things like, I don’t know, cycle to work schemes, Blue Light cards, gym membership, any of those things that you do?

Female: Yeah, so all of those. And apologies, I had to go and grab the door, so excuse me if I repeat anything. But there’s the employee assistance programme and all of the support and benefit that sits behind that. 24/7 GP, eye test. We offer a long service award. What else? We run a [recognition] award that has a financial reward behind it. A free hot meal for colleagues on shift, working any hour shift. Flexible working. And then on the L&D side, funded apprenticeship, NVQs and that side of things. And then the gym memberships and the discounts that type of thing you mentioned.

Interviewer: I’ll come back to the training and development in a moment, but thinking about those kinds of financial and non-financial rewards that you’ve run through, what is your sense of their role and importance in recruitment and retention?

Female: I believe it makes a difference because I think people want to be looked after. We’re a care company at the end of the day, so they want to see that we are caring for them. And in some cases it’s about, if we don’t have something, someone down the road has, if that makes sense. So it’s kind of about offering the same as and a little bit more. You can’t be behind the curve of it, if that makes sense. But actually our package is really good at the moment, I think it’s fair to say it’s better than it’s ever been. And there’s more and more narrative out there about the whole wellbeing piece and I think we’ve got a really strong EAP package that sits behind that.

Male: Yeah, I’d agree with what [Name] just said, but again, I’d come back and say it’s on top of the pay framework. Whilst that’s right I think the benefits that we’ve got... and by the way, we’re constantly looking at the benefits, as to what we need to do. We’d love to really bold and do something around sick pay, it’s one of our challenges, we know that’s true across the whole sector, but we haven’t changed that one as of yet.

Interviewer: What would being bold look like? What would make a difference there?

Male: Well, it would be beyond SSP I think is the reality. Exactly what, to what extent I’m not sure, we haven’t done the detailed work on what that would look like. But I think related... in fact, maybe we’ll come back to it later, because I sort of want to relate that to trust. Because at the end of the day it could be a really significant cost, enhanced sick pay, if you believe that people pull the wool and misbehave, but actually I have a particular view of the world that most people don’t do that, they actually want to do a really good job and feel safe.

So anything we can do to get people to feel safe and secure, financial security, I think is going to be the direction we’re heading in and all the things we put in place around pay and benefits is with that in mind.

Interviewer: Yeah, good. Bonuses, we haven’t touched on bonuses, do you have any kind of bonus scheme?

Male: We do, but not for carers. We do for home managers and other roles, but not carers.

Interviewer: So, can I come back to the learning development and apprenticeships particularly piece, can you talk to me a bit about your offer there and your experience of apprenticeships?

Male: We really like it and at any point in time I think we have somewhere between 6 and 800 people doing some form of apprenticeship. Anything from Level 2 care, all the way up to we have two including degrees. And I think we’ve got one person doing a master’s as well. But the benefits of organisations of our size, and there are many disadvantages to scale, but one of the advantages is we have a career path for anybody in our company, not just in a sector.

So, our managing director over... well now it’s over xx homes, means there are significant opportunities to grow within the group. So funding those sorts of apprenticeships, and other training by the way, not just apprenticeships. I’ll give you one other example. We have a programme, this is getting into L&D stuff, called the [L&D] programme. It’s basically identifying people who want to be in a home manager type role and then preparing them for that role should that role appear, in advance of them being in it.

And part of that is an optional ILM Level 4 qualification. And interestingly, I think about 38 people have been through the first two cohorts. We’ve got 48 new applicants for the next one, and I think about 75% of those people actually did want to do it, but it was full.

So it’s a big ask. Some people are quite worried about the learning involved in it, but again, I think it’s a differentiator. The risk is you invest in people and they go. But actually I think it’s the old... what’s his name, the Virgin guy?

Interviewer: Virgin, Richard Branson.

Male: Yeah, if you don’t invest they don’t stay. So we invest and we think it’s fantastic, but we would.

Interviewer: Absolutely, it does sound really good. I’ve heard concerns with the apprenticeships about release and backfill and those kinds of things, but on your scale they’re not issues that are particularly concerning for you?

Male: Well, there are always issues because each time you backfill you’ve got a resource challenge, but we do it because it’s the right thing to do. And of course, through an apprenticeship you have to do it anyway. So we always find a way, it’s just challenging in terms of resources across the whole piece, but we do it anyway.

Female: On the whole 20% time as well, it’s about how we make up that 20%. So it’s not always off the job, so to speak, we’ve got to work with the homes and what that looks like, to make sure that we can meet the learners’ needs, whilst making it viable and feasible for us to do it well.

Interviewer: So, you do some of that on the job is what you’re saying?

Female: Yeah.

Interviewer: So, I haven’t done the maths, but you seem to have quite a small number of vacancies in proportion of your overall staff, but level of turnover 30%. So how do you feel about that 30%?

Male: Very good question. It depends whether you’re looking backwards or looking forwards. So, at the peak of when we had the vaccine as a condition of employment, when that peaked in September ’21 was it? ’21. We were running it with turnover rates of above 40% that period. We are now, this month, I think we’ll just touch 29. So we’ve seen significant improvements in that turnover. And I believe it’s as a result of all the work we are now talking about. I think that’s what is behind it.

Looking forward, there’s a couple of things I’ll say. This year we’ve just entered... our financial year stars in [month], so we just started it. Our target this year, we’ll end being somewhere between probably 27%, something like that. In other words another 10% improvement from where we ended last year. But what I hope will be the case is that we’ll see a more significant improvement than that.

And the reason being, I’ve actually been actively involved in this and leading us through a fairly significant approach, what we call colleague journey, the bit where you apply to a new company through to when you first get paid, there’s all kinds of things that can go wrong. And there’s a major piece of work which will effectively redesigning that whole experience through the eyes of the new colleague.

So we think what that will do is significantly improve our first few month’s turnover, which, to be fair, has already improved anyway. But we are quite ambitious in what we think we can get there. Get people in, make it a great experience, get them ready for day one, put them through a proper... all the stuff they expect us to do, but they’ll get paid properly. Simple things like that. There’s a lot of work. The programme has been running since probably the beginning of the year, maybe a little less than that.

Female: A lot less than that, but it’s been up and running for some length of time, yeah. But I think, as well, we’ll see the benefit in the 90 day turnover specifically, because what we see is there’s high turnover in that space. So it’s about acknowledging those things that exist in our world, like we’re actively trying to recruit newbies, if you like, into care. So whether it be their first job or whether it be career changes.

So it’s making sure that we’re investing in our introduction to [organisation] and their induction, etc. to make sure that... it’s a tough job at the end of the day and we need to make sure that we’re giving people the best start possible. Wrapping as much support around them, so that they stay because it can be quite overwhelming and we do see high turnover within that.

And then there are demographics within that, like we’ll see higher turnover in the lower end of the age profile etc. So we’re looking at all of that insight to be able to really, as [Name] says, turn over, what does it look like to joining [organisation] and how can we help people to say and make a career out of that move?

Interviewer: Yeah, that’s really interesting. I didn’t ask you about your age profile or gender profiles. What are they and how would you break down, predominantly all of the workforce, younger workforce, male and female?

Female: Male/female, I think the last stat was 82/18. So we’re not far off the industry sector standards, it pretty much mirrors it. In terms of the age profile, I can’t give you the exact number, but for sort of middle age bracket, from 25 to 49-ish is where the majority of our colleagues sit. And then we’ve got the swath obviously in the younger bracket, then we’ve still got people working with us up until, probably in their 70s I think [Name], haven’t we, in terms of there are some colleagues?

Male: Yeah.

Female: And it’s thinking about all of that, about the shape and age of the labour market, what the future looks like. Being able to offer opportunities to the 50 plus group, how do we make it possible for those people to enter our world of work and be able to give them the support, flexible options, that type of thing? So we’re really trying to look at how do we make ourselves accessible to all walks of life and all ages really.

Interviewer: And how are you doing that for the young? So we often hear, don’t we, about the difficulties of drawing younger workers in, how are you addressing that?

Female: Well, in terms of specific targeting, obviously we’ve got our apprenticeship routes, but apprenticeship isn’t just about young people anymore, obviously it’s broader. We’re in the early stages of doing work... so, we’re involved with Skills for Care and their [recruitment] programmes. So that’s specifically targeting those under 25 and men.

I’ll smile at this point because I’ve got this big thing about getting more men into care, and it’s part of that as well. And then as part of that we have just started talking in more detail with [support organisation]. Up until this point it’s been quite difficult for us as a large provider to be able to engage with some of those organisations and your pre-employment type organisations that particularly tap into that early career space because it’s quite fragmented.

So we’re recognising that now and instead of having... what you’ve got is you’ve got local account managers scattered across the country and it’s difficult for us to engage on a national level and get some consistency, and they’re acknowledging that now and we’re in those discussions. So the intention is that we will be looking to do more in that space.

[Organisation], at the moment we don’t have an early careers function in itself, it sits across recruitment and L&D. But again, that’s something for the future, to be able to tap, particularly into those young people, strategic relationships with colleges, universities, that type of thing.

Interviewer: And they’re things you’re building at the moment?

Female: Yeah.

Male: I think the other thing is, all that [Name] has just said there, is we are using flexible working options. So actually, some interesting stuff we found already. So, sometimes it’s inaccessible because it’s all around shifts and a young person generally won’t want to do that. So, we call it [flexible working scheme], which is basically a way of saying to somebody, we will guarantee your monthly pay of just over a 12 week period now, your monthly pay. Your hours though can vary, by which I mean you can do a shift on a Monday then a shift next Wednesday then a shift the Friday after.

That sort of thing driven by what the home demand is. So giving people more opportunity to flex because it helps us attract students. I think I’ve certainly got the stats... I think I’ve got the stats for male/female in the [flexible working scheme] option because that’s changed.

Female: It’s different.

Male: But that’s the beginning, if you like, it’s the very frontend, of us going, not just about flexible days that people may want to work, but actually flexible practices inside the home as well, because that’s a big deal too. Because we’ve still got, I think the dominant model is the 12 hour shift model, which would have been the hospital model decades ago.

So, we’re starting to see movement there where the more flexible you can be, of course it’s not going to be built to provide care to the residents because you want continuity, but continuity sometimes comes from people who have been with you longer, whatever my life I can be accommodated.

So to give you a practical example, where we’ve had someone who’s on a [flexible working scheme] contract, say I can’t get into the home for 8:00, but I can get there for 9:15 because I’m dropping my children off, we’ve seen the homes be more flexible and enabling that to happen. Which that doesn’t sound like a major breakthrough but I think it is, it’s at the frontend of some very different thinking.

So, when you think about that way, it’s a combination of pay, learning and flexibility are the things which we think make big differences when combined.

Interviewer: And if you’re not on a [flexible working scheme] contract you would be on a standard 12 hour contract? And would you have shifts, would you have much flexibility around that then?

Female: It would depend. So not everybody is on 12 hour shift. So we still have part-time workers, we still have... And again, as [Name] said, it would be some homes are able to afford more flexibility than others for a variety of reasons. Some of them might be driven by the leadership and what’s been historically traditional in the home and they’re running a more traditional roster. But we are seeing more flexibility in just your standard contact but working certain days of the week or a shorter shift or half shifts, that type of thing.

Interviewer: And do you have pay enhancements for unsocial hours, evenings, weekends? No, so it’s a standard rate.

Female: Standard rate, yeah.

Interviewer: And I notice you’ve got primarily guaranteed hours but a small number of zero hours. So what makes a difference there?

Male: My answer to that, [Name] you may have a different one, you’re more experienced than I, is personal need, because the [flexible working scheme] contract is another variation that people can adopt. By the way, it’s in pilot mode at the moment. I think it’s just an individual need. Our aspiration is not to have zero hour contracts unless the person themselves asks for it, and not become significantly... I mean, I’d love you to come back in a year’s time and we say we don’t have any, unless the person has expressed a clear preference for it, which of course some do.

Interviewer: Some do, yeah, absolutely. International recruitment comes up a fair bit. Have you done much in that space and what experiences have you had?

Male: Oh yes.

Interviewer: I saw your smile [Name].

Female: I think the stats were phenomenal as well, that came out of the Skills for Care reports, yeah. We did laugh and say we’ve contributed to that 70,000. But yeah, we have had an international nursing programme for a number of years and that’s still going strong. But obviously when a care worker was put onto the list we did venture into that and we’re still in that space. So we are sponsoring. At the beginning of this year tapping into that sponsorship labour market helped us to boost our recruitment numbers for sure and put us in a good position for this year. So it has made a significant difference.

As you know there’s also a significant cost that is attached to that channel of recruitment. It’s been a journey, it’s been a journey for lots of reasons.

Interviewer: Would you have any sense of how many international recruits you’ve taken? I know you’re joking about the contributions of 70,000, but is it a big proportion of your...?

Female: It’s in the hundreds.

Interviewer: In the hundreds, okay.

Female: It’s in the hundreds, yeah. I’m pensive because we’ve got a calculation but it’s in FT etc. and it will mean something different whichever way you say it. But it’s in the hundreds, so we did more than dabble, let’s just say. And what it helped us do is really attract in those areas where we don’t have that domestic labour market, because it follows logic, doesn’t it? But it helped us to boost our numbers there.

Interviewer: That’s helpful. Going back to retention, I know you talked about local labour markets, I’m interested in where you’re losing people to. Within care, NHS, other sectors?

Female: It’s a difficult one to answer because we don’t have that level of granular data for the volume of roles, for care for our leavers. I imagine we’re not a million miles off sector average and what’s been reported. What is it? Nigh on 70% of leavers are moving to another provider, that type of thing, so we’re probably not a million miles away from that, but I couldn’t give any specifics on it.

Male: And, to build on that, we are conscious that outside of the sector it’s retail, which might be one of the dominant sectors, who might be people we might compete with. So when we set our pay rates, just to give you a practical example, we set the pay rates, I think last time, very much with what the retail rates were. So, if people wanted to move to that sector they wouldn’t be doing it because of money, they’d be doing it for other reasons. So we do have an eye on retail, not to say that it’s a dominant player, but it is something we are super conscious of.

Interviewer: And what about the NHS? Any views on that?

Female: In terms of if we’re losing people and they’re going to the NHS?

Interviewer: Yeah, so again, as I’m doing these interviews, there’s a concern about being a training ground for the NHS possibly, but also the NHS terms and conditions, so better pension provision, better holiday provision, etc. And a kind of spillage from social care into health care.

Female: Yeah, there is an element of that in the nursing space, in the international nursing space, about losing international nurses to the NHS, and it’s almost like that stepping stone into the NHS. So there’s an element of that. We are, however, attracting from the NHS as well in that space, so we see it both ways. But there’s that whole narrative and that conversation, which is ongoing, isn’t it, around parity with the NHS and the career pathways and everything else.

And from an attraction point of view for certain roles at certain levels, it is really difficult to be able to pull any talent from the NHS and it’s become of the package. So about pay, if we look at the international nurses for example, our pay rates are much more competitive but we can’t compete with the pension, for example. And if we’re trying to attract talent that has worked within the NHS for a number of years, it’s almost that psychological break.

So it’s not about the salary that we’re offering, it’s about that we can’t match the overall package and psychologically it’s difficult for people to walk away from that. Even if they’re going to be compensated in another way and we’re able to offer all of this over here, that’s what we struggle with.

However, like I said, we are seeing people join us from the NHS and again, there’s a whole narrative behind that about NHS workers becoming disgruntled and all of that, which is a whole other conversation.

Male: And again, when it comes to setting rates for nurses, we’ve always got one eye on the NHS rates. So, we know where we’re competitive and where we’re not and we also know why. Our challenge is what can we do about it?

So, for example, what I said before at the beginning, about one of the options we’re rolling out. We haven’t got it for nurses yet but I think that might be the next thing we look at, is the option to buy holidays. So even if we have a standard which is below the NHS, if you really, really, really want holidays, the ability to buy them might be a way of allowing someone to make that transition, but their life not to be negatively impacted, is a way they might think of it. Pensions is probably the most difficult... I can’t even think of the word, most difficult thing for us to replicate.

Interviewer: Right, okay. I think I’ve asked the questions that I wanted to ask. Are there things that I haven’t asked that you would like to share with me, thinking generally about pay rewards?

Male: Yes.

Interviewer: Go on.

Male: What’s going through my mind, and I don’t know how it fits into the framework of the question or other recommendations you make, but I’ll use a really practical example about the need for predictability. The more people see things in a medium to long term the more we can get ourselves aligned behind what’s about to come.

So to give you an example, but it’s a short term and reactive. There is a different nature of different funds that we get, but those chunks of money that come through local authorities, and they land last minute and they’re meant to be retention and they play no possible retention benefit to us. So what we end up doing is passing the money through, but its primary purpose is completely lost.

Now, I’ll use that as an example of going, if we knew in 12 months’ time that was coming, and I know these things aren’t always predictable because of the financial structures, we would just organise ourselves differently. We could make a retention bonus a retention bonus, whereas it’s effectively a give away in many cases, depending on which local authority we’re talking about.

And again, I know this is about structure, government structure, but those funds, in some cases we could end up with £500 from that local authority and then £50 from that one, which again, doesn’t make any sense when you look at it from an organisation level. So what we end up doing is passing it through again.

So, I think that’s the thing for me, is anything that can be... I mean, I’d love to have parity with the NHS on so many things, benefits in particular. Is that realistic tomorrow? No, of course it’s not, but I would look, even if we can’t have that, is anything that allows us to plan, but we’re making investments anyway.

So, we’re probably quite fortunate, in that we’ve got investors willing to put money in, believing in the things they’re doing are paying dividends and will pay dividends. But I think lots of the sector, they simply haven’t got that opportunity and the inability to convey whether it’s an option or even just some practical safety net, that there’s a career here for you, there’s a pay progression here for you this way, that would be wonderful.

Interviewer: Yeah, so you’re talking about the different funding settlements that are made and they’re last minute, but also short term in nature. So you get them for a year but not two and three years, so in terms of feeing it into pay rates for example?

Male: Absolutely correct. And the same would apply in a perfect world for fees because if you think about everything we do around pay, again, people are waiting for what the fee settlement might be by that local authority before they make changes to their pay rates. So every year it’s unpredictable and every year you can fall further and further behind.

And of course what you’ve then got, if you’ve got national minimum wage increases, and you’ve got real living wage increases, both of which, by the way, I think are the right thing to do, but if I can’t predict these things well, I’m always on the back foot.

And I’m not talking about [organisation] here, because I think again we’ve got the fortunate position where we’re funding it because we believe it’s a thing that I value, but if I was in a different operator, that would be really difficult. And I know what happens in some cases because this happened in my previous sector, which was children’s nurseries had the same issue. Which was unless you can plan our business, thinking about the implications of pay, what some people do is they pass through the national minimum wage but don’t do anything, differentiation for other roles. So you end up closing the gap.

And I think even that, just the ability for us to see it, forecast it, be more confident, even for the year or two ahead, would be lovely. So whether the settlements in whatever form, whether it be fees or whatever, the longer and more predictable would be better for the sector to do the right things around growth and investments and career paths and all that good stuff that emerges from it.

Interviewer: That’s a really interesting point. You also talked about some local authorities giving you £500 and some giving you £50, depending on how they manage that fund. How do you manage all the different fee rates you get from different local authorities, in terms of having a fairly standard set of pays. How does that work?

Male: Basically we have our commissioning team and our pay team, who work hand in hand. At one level we’re taking a bit of a risk because we’re investing, because we believe it’s the right thing to do. Often in advance we don’t know what the fee rates are going to be. So we’re always forecasting, but we get as close as we possibly can.

So literally, as I said earlier, when we saw the real living wage, the question is, what are the implications in terms of what we budgeted for April? And then the question will be, what are the fee rates going to be as a result of those pay rates changing?

So we’re always trying to connect them, but sometimes we could help ourselves by moving our financial year, you could argue we could move them forwards or backwards to be in line with the fee changes, which is what we’re thinking of doing anyway. It might be more beneficial. But the same thing applies, we’re always trying to connect the two because fees drive pay or pay drives fees, if you had that ability to change the fees. But we’re forever trying to just join the dots internally.

Interviewer: I did want to ask one other thing actually, again about local authority commissioning, which is around block versus spot. So how much of your commissioned work do you get as a block and how much is through some kind of dynamic purchasing system?

Male: That’s a really good question, one which I can’t answer off the top of my head. I will get the answer for you very quickly, but off the top of my head...

Interviewer: That would be really, really interesting to see that, because again, as I do interviews I hear that the bigger players get a lot more block commissioned work than the smaller players. And one of the things we’re trying to think about is, not just absolute fee levels, but predictability of fees and how that feeds through into pay. So that would be interesting to see, if you could let me have that.

Male: Yeah, I can get that. I’ve got quite a few things to send you. So I’m going to sent you the wage stream data I mentioned, age profile, gender profile, and block versus spot.

Sometimes, I don’t know whether that’s always beneficial either, because what we’re trying to do, which is what I said at the beginning is, we have some very specialist care as well, and our challenge again, this is one of our investing, believing it will come, is we couldn’t possibly deliver specialist dementia care at a typical local authority rate. So, we then have to think about how we work with the commission to go, what would you do if...? Because they have all kinds of people who need all kinds of specialist care needs, there’s not many providers who specialise.

So we’re aways trying to work that through and we’re very early in that particular journey. But anyway, I’ll get the data to you.

Interviewer: So, just to check I’ve understood that then you’d prefer that on a spot basis because you can individually negotiate around need?

Male: I think it depends. I think there’s a space for both. But again, we’re forever trying to juggle, depending on the proposition we’ve got in any particular place. I mean, absolutely, it gives you predictability. Does it give you predictability at the right rate? That might be the question. Sorry, is the question for us. And as we get more specialist units, they’re the ones where they might be spot. They might be block if the rate was acknowledged as being specialist care as well. So there are all kinds of different ways that we can manage that, depending on our position.

Interviewer: Right, okay, that’s really helpful, I really appreciate your time. It’s been really, really useful. And thank you for sending me the stuff as well. But if there’s anything else, if [Name] does want to add anything just drop me an email, that’s no problem at all.

Male: Yeah, will do.

Interviewer: All right, thank you very much. All right, thanks, bye.

END OF AUDIO