

## Scotland's Care Crisis

No political issue in Scotland is more important than root and branch reform of our Social Care system. Service users and workers have been let down by successive Scottish Governments. Improving pay and conditions through collective bargaining and creating a National Care Service with not-for-profit delivery at the core, must be a priority for the next Scottish Parliament.

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My hope for the next five years is to see my colleagues and myself recognised as key workers and for social care to be properly funded.

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TEMILOLA MACKINNON  
UNISON



#PeoplesRecovery

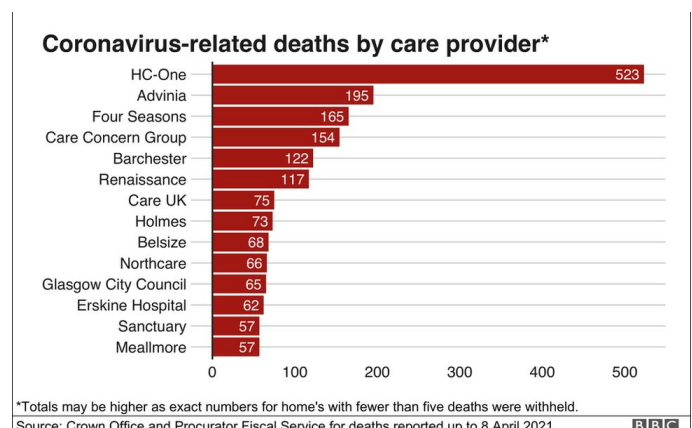
## A crisis within a crisis

Over the past year, what has happened in the care sector has amounted to a crisis within the crisis. At least 3,400 Scottish care home residents died from coronavirus between 20 March 2020 and 8 April 2021.<sup>i</sup> That represents more a third of all of Scotland's covid-related deaths. While service users in the community struggled as local authorities were unable to meet increased demand for support.

Low-pay and exploitative working practices has had fatal consequences for the workforce which is predominantly made up of women and has a disproportionately large number of black and minority ethnic (BAME) workers. Care workers are more than twice as likely to die from covid than health workers.<sup>ii</sup> Care Inspectorate reports continue to identify serious health and safety issues more than a year after the initial outbreak.<sup>iii</sup>

## The cost of profiteering

The majority of residential care in Scotland is provided by for-profit enterprises, often owned by private equity firms whose ultimate ownership lies in tax havens. Scotland can neither afford nor tolerate this opaque and complex landscape. Though there is no clear pattern by sector, the table below shows that the ten care providers with the highest covid death totals were all run for profit.<sup>iv</sup>



HC-One is owned, via a Cayman Islands company, by private equity funds Formation Capital, Safanad Limited and Court Cavendish.<sup>v</sup> It rents several care homes from FC Skyfall IOM Properties Limited registered in the Isle of Man as well as HCP UK Investments (Jersey) Limited which is owned by the Chinese State. Advinia is owned by St Agnes Ltd who are registered in Gibraltar and who have been subject to a financial investigation by the regulator in England.<sup>vi</sup>

The outcome of this financialised model is that large private operators are becoming more dominant;<sup>vii</sup> costs for service users are being driven up and working conditions driven down; transparency and accountability is increasingly limited; many operators are left with no assets to fall back on should they be sued; and investment increasingly flows out of Scotland and into tax havens. Although it contains several welcome recommendations, the Feeley Review does not address these issues.

### **An undervalued workforce**

The median hourly rate for residential care in Scotland in 2020 was £10.50.<sup>viii</sup> One in ten are on zero-hour contracts while one in five are on non-permanent contracts.<sup>ix</sup> Community based social care workers will receive £9.50 per hour from May 2021. It cannot be right that such a highly skilled workforce, critical to the functioning of

society, is valued so poorly. Without immediate action to improve pay and conditions we will continue to see a crisis in recruitment and retention.

### **Collective Bargaining**

Compared to other public services, collective bargaining in care is atomised, and extremely limited in the private and voluntary sectors. The Feeley Review contains welcome proposals for sectoral collective bargaining based on the Fair Work Convention's 'Fair Work in Social Care' report. The Feeley Review also calls for a national job evaluation programme. These measures could help significantly improve terms and conditions. However, they must be accompanied by additional Government funding to enable meaningful bargaining.

### **Recommendations**

The next Scottish Parliament should:

- Urgently institute sectoral collective bargaining for the care sector.
- Increase funding for social care.
- Remove the profit motive from care.
- Reform commissioning in the short-term.
- Formulate a national workforce plan based on the principles of Fair Work.

### **For further information contact:**

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<sup>i</sup>[https://public.tableau.com/profile/marc.ellison8696#!/vizhome/CHD\\_16154580881600/Trackingcarehome\\_deathsinScotland](https://public.tableau.com/profile/marc.ellison8696#!/vizhome/CHD_16154580881600/Trackingcarehome_deathsinScotland)

<sup>ii</sup>[https://www.progressive-policy.net/downloads/files/PPP\\_WP-01\\_21\\_Key-workers\\_web.pdf](https://www.progressive-policy.net/downloads/files/PPP_WP-01_21_Key-workers_web.pdf); <https://www.thetimes.co.uk/article/coronavirus-kills-more-social-care-staff-than-health-workers-in-scotland-mjqszxvr9>

<sup>iii</sup><https://www.careinspectorate.com/images/documents/6062/CI%20fortnightly%20inspections%20report%2014042021.pdf>

<sup>iv</sup> <https://www.bbc.co.uk/news/uk-scotland-56759166>

<sup>v</sup> <https://theferret.scot/scottish-care-homes-chinese-state-tax-havens/>

<sup>vi</sup> <https://sourcenews.scot/nick-kempe-would-the-scottish-governments-proposals-for-a-national-care-service-have-averted-the-death-toll-in-our-care-homes/>

<sup>vii</sup> <https://www.ippr.org/files/2019-09/who-cares-financialisation-in-social-care-2-.pdf>

<sup>viii</sup> <https://www.ons.gov.uk/filter-outputs/b3fca7c4-086b-4936-a345-627529cc521f>

<sup>ix</sup> <https://data.sssc.uk.com/images/WDR/WDR2019.pdf>