



Llywodraeth Cymru  
Welsh Government

IMPACT ASSESSMENT

# Additional payment for social care workers aligned to the Real Living Wage

How the additional payment will impact on different areas.

First published: 4 March 2022

Last updated: 4 March 2022

This document was downloaded from GOV.WALES and may not be the latest version.

Go to <https://www.gov.wales/additional-payment-social-care-workers-aligned-real-living-wage-html> for the latest version.

Get [information on copyright](#).

# Contents

**Section 1. What action is the Welsh Government considering and why?**

**Section 8. Conclusion**

**This document was downloaded from GOV.WALES and may not be the latest version.**

Go to <https://www.gov.wales/additional-payment-social-care-workers-aligned-real-living-wage-html> for the latest version.

Get [information on copyright](#).

# Section 1. What action is the Welsh Government considering and why?

## Issue and action proposed

1.1 Ministers have announced the establishment of the Real Living Wage (RLW) for identified social care workers from April 2022 and have requested advice for a payment scheme which aligns with the staff in scope for the first phase of the introduction of the RLW.

1.2 The payment scheme will also align with the work of Ministers and the Social Care Fair Work Forum on terms and conditions in social care and the agenda to professionalise the social care workforce and provide improved career pathways.

1.3 The payment scheme would make an additional payment to a specified group of social care workers to be paid in June 2022.

## Ways of working

### Long term

1.1 This additional payment is intended to encourage recruitment and retention in the sector, within domiciliary care and care homes specifically.

1.2 If successful in this regard, this could have a longer term beneficial effect on the capacity of care services, easing pressure across the health and social care system. This will positively impact the people of Wales, via care services with increased capacity supporting the reduction of the NHS treatment backlog.

If it impacts on recruitment into the sector, people may then pursue long term careers within social care, including advancement with regard to pay and progression.

## Prevention

1.3 The proposal is intended to contribute to the prevention of escalated need due to the greater capacity of domiciliary care services to assist people with their care needs. This will allow people to be discharged from hospital in a timely way and avoid the physical and psychological deterioration that occurs when people are in hospital longer than they should be. Greater capacity in domiciliary care will alleviate current blockages in reablement services. This will allow reablement services to function more effectively and thereby promote recovery.

## Integration

1.4 This proposal connects and contributes to the overall agenda to improve conditions within the social care sector. It also connects with policy objectives in Health and Social Services group around the promotion of the health and well-being of people using services and taking measures that are most likely to allow individuals to achieve positive outcomes, which will be impacted by increased workforce capacity and morale.

1.5 This proposal should also specifically connect with current COVID-19 work streams on care homes and care at home (including the use of personal assistants), since increased morale among staff may positively impact on quality of care and reduce avoidable absences.

## Collaboration and involvement

1.6 Collaborative working has enabled the proposal, in particular eligibility criteria to be developed quickly. We have had several discussions with external stakeholders who represent care workers, care providers and local authorities (commissioners) ie representatives from GMB, Unison, Care Forum Wales and Association of Directors of Social Services Cymru (ADSSC). It has been possible through these meetings to build on the feedback from the previous recognition schemes for social care staff and assess lessons learned. This also applies to care providers and local authorities who will be administering the scheme on behalf of Welsh Government. We will engage in further collaborative dialogue as we draft detailed scheme guidance.

## Impact

1.7 The positive impact of the proposal is to recognise specific social care workers in the interim period prior to their receipt of the RLW and to demonstrate the commitment of Welsh Government to improved conditions and career structures within social care in line with the Social Care Fair Work Forum.

1.8 The main argument against this policy is the risk that the scheme will draw challenge from those who are not included for payment and that other key workers outside of those eligible will not receive the payment.

## Costs

1.9 The total estimated cost of the scheme is £100.6m. This cost will be covered by underspend within existing HSS funds within the 2021 to 2022 financial year, and new budget from the 2022 to 2023 financial year.

This document was downloaded from GOV.WALES and may not be the latest version.

Go to <https://www.gov.wales/additional-payment-social-care-workers-aligned-real-living-wage-html> for the latest version.

Get [information on copyright](#).

## **Mechanism**

1.10 No legislation is required for this proposal. Guidance including eligibility criteria will be published. Local authorities will administer the scheme of behalf of Welsh Government.

## **Section 8. Conclusion**

### **8.1 How have people most likely to be affected by the proposal been involved in developing it?**

We have held discussions with external stakeholders who represent care workers, care providers and local authorities (commissioners). This has comprised representatives from GMB, Unison, Care Forum Wales and Association of Directors of Social Services Cymru (ADSSC). We will hold further meetings to develop the fine detail of the scheme.

### **8.2 What are the most significant impacts, positive and negative?**

1.1 The intention of the scheme is to provide the payment to a specified group of social care workers who are included in the first phase of Minister's commitment to introduce the RLW. The payment may have a positive impact on recruitment and retention within domiciliary care and care homes and align with the work of Ministers and the Social Care Fair Work Forum on terms and conditions in social care and the agenda to professionalise the social care workforce and provide improved career pathways.

**This document was downloaded from GOV.WALES and may not be the latest version.**

Go to <https://www.gov.wales/additional-payment-social-care-workers-aligned-real-living-wage-html> for the latest version.

Get [information on copyright](#).

1.2 Staff in social care and other sectors who are not in scope for this payment may feel disappointment and/or challenge the rules of the scheme. An appeals process will be available.

8.2 In light of the impacts identified, how will the proposal:

- maximise contribution to our well-being objectives and the seven well-being goals; and/or
- avoid, reduce or mitigate any negative impacts?

The main purpose of the proposal is to deliver an additional payment to eligible social care workers. This is anticipated to be received positively and indirectly promote the well-being goals of those in receipt of care services by increasing staff morale and service capacity, if the payment contributes to improved recruitment and retention.

8.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

The scheme is monitored for the uptake of payments against the anticipated numbers of eligible staff and an evaluation of the scheme will be completed following conclusion of the process. The scheme has a clear appeals process for which ensures people have access to a process to review their eligibility for payment. The Welsh Government Appeals Panel has decision making powers delegated by Welsh Ministers.

**This document may not be fully accessible.**

For more information refer to our [accessibility statement](#).

**This document was downloaded from GOV.WALES and may not be the latest version.**

Go to <https://www.gov.wales/additional-payment-social-care-workers-aligned-real-living-wage-html> for the latest version.

Get [information on copyright](#).