



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Future Social Care Coalition
By email

20 December 2021

Dear Future Social Care Coalition,

Thank you and your co-signatories for your email of 30 November to the Chancellor of the Exchequer about the National Living Wage (NLW) and social care. I am replying as the Minister for public spending.

The Government is committed to improving health and social care. On 7 September the Government announced an additional £5.4 billion investment over three years to begin a programme of reform for adult social care. This includes £3.6 billion to reform the social care charging system and enable all local authorities to move towards paying providers a fair rate for care; and a further £1.7 billion to support major improvements across the social care system in England.

In the recently published white paper, 'People at the Heart of Care', the Government built on this commitment by setting out a vision for adult social care and outlining priorities for the additional investment set out above. This includes the Government's adult social care workforce strategy, in which we are investing at least half a billion pounds in the way we support the development and wellbeing of our social care workforce. This includes investment in knowledge, skills, health, and wellbeing to make adult social care a much more rewarding career with opportunities to develop and progress now and in the future.

The Government will work with sector leaders and partners to co-develop the training offer so that it can address skills gaps and meet the needs of the workforce and the people who use services. The number and type of training places will be developed as part of that work. The Government want this investment to support as many social care workers who want to access and would benefit from training to be able to do so.

Our policies also include a new career pathways map, a new national knowledge and skills framework to support training and development, policies to support care staff health and wellbeing, a new digital platform for social care staff and initiatives for social workers, nurses and other allied health professionals.

Turning to your point on pay, the vast majority of care workers are employed by private sector providers who ultimately set their pay, independent of central government. Local authorities work with care providers to determine a fair rate of pay based on local market conditions.

However, the Government is increasing the rate of NLW, meaning many of the lowest paid care workers will benefit from a 6.6 per cent pay rise effective from 1 April 2022. The Government have also set a target for the NLW to increase further, to reach two-thirds of median earnings by 2024 for workers aged over 21 – as advised by the independent Low Pay Commission.

Additionally, the Government recognises the challenges that providers and local authorities are currently experiencing in recruiting and retaining social care workers. Local government has a key role to play in supporting recruitment and retention in their local areas. Local authorities should be supporting local providers to recruit by identifying workforce shortages, developing workforce plans, and encouraging join up across services.

The Government have put in a place a range of measures to help providers recruit and retain staff. This includes the National Recruitment Campaign, which has been launched this November and will run until March 2022. Measures also include free and fast-track DBS checks for staff recruited in response to the COVID-19 pandemic, and the promotion of adult social care careers in Job Centres.

The Government has also announced an additional £462.5 million for local authorities this winter to support recruitment and retention in recognition of the extraordinary pressures faced by the sector. The fund will support recruitment and retention of adult social care staff, including bring forward planned pay rises, awarding bonuses and incentive payments, and helping to meet the cost of backfill cover for staff absence due to COVID and illness.

The Government has provided councils with access to over £1 billion of additional funding for social care in 2021-22 on top of the significant support provided throughout the pandemic to support the sector deal with COVID-19.

Thank you for taking the trouble to make me aware of these concerns.

Yours sincerely,

A handwritten signature in black ink that reads "Simon Clarke". The signature is written in a cursive style with a long horizontal stroke underneath.

RT HON SIMON CLARKE MP