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Local Authority Chief Executives IJB Chief Officers IJB Finance Officers

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Dear Colleague,

## Fair Work and the Living Wage in Adult Social Care

Social care support is critical to the COVID-19 emergency response. The entire health and social care workforce are working tirelessly under pressure. The effort of key workers across the NHS, Local Government and third and independent sectors is recognised during these unprecedented times.

We understand that there has been uncertainty in relation to workforce terms and conditions for people working in the third and independent sector, particularly in relation to sick pay. It is expected that providers pay staff who are sick or self isolating. Contracted hourly rates will include provision for normal levels of sick absence. Scottish Government has agreed with COSLA that any reasonable additional costs caused by Covid 19 for staff sick pay or for those self-isolating can be met and recorded through local Health and Social Care mobilisation plans. This would be costs that are over and above those already agreed as part of hourly rates.

COSLA and Scottish Government have a joint commitment to ensure that all people providing direct adult social care support are paid the Living Wage including Personal Assistants and Sleepovers. The new Living Wage rate as announced by the Living Wage Foundation is £9.30 per hour. To ensure that our workforce receive payment for the Living Wage and to recognise their efforts in the Covid response a national uplift of 3.3% to contract hourly rates has been agreed and should be applied from April 2020. Equivalent uplifts must also be made to direct payments for personal assistants to ensure the living wage can be paid where they are paid directly by the supported person.

This national agreement has been made on the basis that additional costs in relation to applying this uplift will be met by Scottish Government. The additional costs would be where the national uplift of 3.3% is greater than the uplift that would have been applied so may not

apply in all areas. Providers should transfer this uplift directly towards wages in their workforce to meet Living Wage commitments and give contracted social care providers flexibility to increase wages across their organisations.

This national uplift does not apply to residential care where the National Care Home Contract has been agreed by Scottish Care, Scotland Excel and COSLA to agree the rates for 2020. Notification of this agreement has been sent to Local Authorities and Health and Social Care Partnerships by Scotland Excel.

Alongside the importance of social care staff, we are acutely aware of the added pressure falling on families and friends of vulnerable people at this time. Because of this, and the important role unpaid carers are playing in the response to COVID-19 we want to encourage Partnerships to prioritise expanding carer centre and young carer project capacity within your financial and resilience planning, alongside the £11.6 million uplift for Carers Act implementation in the budget for 2020-21. Additional costs associated with this should also be included in local mobilisation plans.

The practical advice and emotional support that carer centres provide will be important in supporting unpaid carers through the crisis and we would encourage you to involve them in local resilience work if you have not already done so.

The COSLA <u>Guidance</u> for Commissioned Services has been updated to reflect this agreement.

We recognise the impact of Covid 19 on workforce capacity in both Local Government and the third and independent sector in relation to local finance systems and commissioning processes. Maintaining continuity of payments and supporting providers where they are experiencing financial hardship due to increased costs should remain the priority. We ask that you make your best endeavour to apply these contract increases as soon as is possible. Providers should pass the totality of the contract uplift to their workforce, backdated to April 2020.

Scottish Government will publicise the commitments in this letter on Sunday 12 April.

Yours faithfully,

Jeane Freeman

**Cllr Stuart Currie**