

# Real Living Wage for Social Care Workers

Y Pwyllgor Deisebau | 15 Mai 2023  
Petitions Committee | 15 May 2023

Reference: SR23/5702-2

Petition Number: P-06-1328

**Petition title:** Ensure that all social care workers in Wales are paid the new Real Living Wage (£10.90) immediately.

**Text of petition:** The Welsh Government made a pledge to pay social care workers in Wales the REAL living wage which was £9.90. In September, the Real Living Wage set by the Real Living Wage Foundation (RLWF) increased to £10.90. Social care workers are trying to make ends meet in a cost-of-living crisis. They are seeing RLWF accredited workers getting at least £1 per hour more for far less skilled jobs. They will soon be leaving the sector!

<https://gov.wales/implementing-real-living-wage-social-care-workers-wales>

Funding needs to be aligned to the Real Living Wage Foundation implementation date (November each year), else social care workers will be feeling even more disgruntled when it goes up again next year. Social care workers are feeling very undervalued and let down by the Welsh Government.



# 1. Background

The Real Living Wage is an hourly rate of pay set independently and updated annually and is different to the UK Government's National Living Wage. It is calculated according to the basic cost of living in the UK, and employers choose to pay the Real Living Wage on a voluntary basis.

The Welsh Government introduced the Real Living Wage for social care in April 2022.

In September 2022, the Living Wage Foundation announced that the Real Living Wage will rise to £10.90 per hour outside London. The Living Wage Foundation encouraged its accredited employers to implement the pay rise as soon as possible, but by 14 May 2023 at the latest.

The Real Living Wage rates for 2022 were brought forward in recognition of the sharp increase in living costs over the previous year.

# 2. Welsh Parliament action

During Plenary on 5 October 2022, Mark Isherwood MS referred to a care home director who had raised with him that the Welsh Government had not made funds available to providers via the local authorities to enable them to pay the increase in the Real Living Wage announced in September 2022. The care home director feared that more care workers could leave the sector as a result of the lack of increase in wages.

In Plenary on 19 October 2022, Mark Isherwood MS also asked when the increase in the Real Living Wage (to £10.90 an hour) would be made available to providers via local authorities. The Deputy Minister for Social Services responded by saying the uplift to the Real Living Wage was being considered by the Welsh Government and said:

Of course we want to pay it, but I think you will be aware that the financial circumstances at the moment are not very encouraging. But this is something we would certainly want to do. [para 397]

It was highlighted in the media in February 2023 that a local authority transferred funding to a private care company in April 2022 to increase wages to pay the Real Living Wage, however the private care company didn't increase the wages until the October.

The Senedd's Health and Social Care Committee referred to the Real Living Wage in its report on Hospital discharge and its impact on patient flow through hospitals (June 2022). It states that while the Welsh Government's investment in the social care workforce and its commitment to deliver the Real Living Wage was widely welcomed, many respondents, including BMA Cymru, felt it did not go far enough. The WLGA and ADSS Cymru's written evidence to the inquiry states:

“[...] it is becoming increasingly clear that our ambition must go beyond this if we really want to be able to offer 'fair pay' for those who are undertaking some of the most important roles in society. There is also a need to take immediate action – the workforce challenges are already with us, and so there is a need to do all we can to increase social care workers pay now, there is simply no room to delay.” [para 105]

The Welsh Government acknowledges that delivering the Real Living Wage for social care workers alone is not enough to address staffing shortages and says the Social Care Fair Work Forum is working on further proposals for improvements.

### 3. Welsh Government action

In the letter to the Petitions Committee dated 29 March 2023, the Deputy Minister for Social Services states that the Welsh Government is committed to improving employment terms and conditions in the social care sector. The Deputy Minister goes on to say that the Welsh Government is aware of the urgent need of support to address pay, recruitment and retention issues, exacerbated by the challenges presented during the Covid-19 pandemic and the cost-of-living crisis, and in April 2022 it provided £43m of funding for 2022/23, which provided a wage uplift to a group of key workers.

The letter states that the Welsh Government is providing an estimated £70m in 2023/24 to pay the Real Living Wage uplift of £10.90 an hour, **with workers feeling the benefit by June 2023**.

The Deputy Minister notes that budget planning in Welsh Government is agreed in the Autumn for the following financial year, and:

As it stands we are not in a position to implement an uplift or commit to any further funding as we do not have any in year reserves to be able to implement the uplift any earlier.

The Welsh Government's immediate priority, in the context of the wider pressures that the social care sector is facing, is said to be getting "the funding we have already committed into workers pockets". The Deputy Minister highlights that as there are several hundreds of employers in social care, this is a "significant and complex commitment".

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.