

Meeting of South Ayrshire Health and Social Care Partnership	Integration Joint Board
Held on:	11th September 2024
Agenda Item:	8
Title:	Children’s Social Care Pay Uplift 2024 - 25
Summary:	
<p>The purpose of this report is to provide details on the Children’s Social Care Pay Uplift policy introduction by Scottish Government, in line within commitment made in the Programme for Government 2023 to 2024. The report seeks approval to implement children’s services contract uplift backdated to the 1st of April 2024 to those services in scope.</p>	
Author:	Lisa Duncan, Chief Finance Officer
Recommendations:	
<p>It is recommended that the Integration Joint Board:</p> <ul style="list-style-type: none"> i. Note the Children’s Social Care Pay Uplift for commissioned services including services and roles in scope. ii. Note the application of the Children’s Social Care Pay Uplift to contract values. iii. Approve recommendation to implement Children’s Social Care Pay uplift to contract values included in table in section 4.8. iv. Note the funding allocation of £0.369m received from Scottish Government is £0.064m short to implement uplift as per policy. v. Approve virement of £0.080m from prior year’s contract uplift balance remaining to implement policy as per recommendation. 	
Route to meeting:	
Directions:	Implications:
1. No Directions Required <input type="checkbox"/>	Financial <input type="checkbox"/>
2. Directions to NHS Ayrshire & Arran <input type="checkbox"/>	HR <input type="checkbox"/>
3. Directions to South Ayrshire Council <input type="checkbox"/>	Legal <input type="checkbox"/>
4. Directions to both SAC & NHS <input type="checkbox"/>	Equalities <input type="checkbox"/>
	Sustainability <input type="checkbox"/>
	Policy <input type="checkbox"/>
	ICT <input type="checkbox"/>

CHILDREN'S SERVICES CONTRACT UPLIFT 2024-25

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide details on the Children's Social Care Pay Uplift policy introduction by Scottish Government, in line within commitment made in the Programme for Government 2023 to 2024. The report seeks approval to implement children's services contract uplift backdated to the 1st of April 2024 to those services in scope.

2. RECOMMENDATION

2.1 It is recommended that the Integration Joint Board

- i. **Note the Children's Social Care Pay Uplift for commissioned services including services and roles in scope.**
- ii. **Note the application of the Children's Social Care Pay Uplift to contract values.**
- iii. **Approve recommendation to implement Children's Social Care Pay uplift to contract values included in table in section 4.8**
- iv. **Note the funding allocation of £0.369m received from Scottish Government is £0.064m short to implement uplift as per policy.**
- v. **Approve virement of £0.080m from prior year's contract uplift balance remaining to implement policy as per recommendation.**

3. BACKGROUND INFORMATION

- 3.1 The Scottish Government published their [Programme for Government – Equality, Opportunity, Community](#) in September 2023. This set three missions for the government to deliver:

- Equality – Tackling poverty and protecting people from harm.
- Opportunity – Building a fair, green and growing economy.
- Community – Delivery efficient and effective public services.

- 3.2 The programme recognised the challenges in recruitment and retention in the social care sector, with greater investment in the social care sector as a priority particularly in the hourly pay rate with a commitment to increase hourly pay to a minimum of £12 per hour for adult social care workers and workers in the early learning and childcare within the private, third and independent sector.

- 3.3 The Scottish Government Budget for 2024-25 published on the 19th of December 2023, was a one-year proposal and included funding for the Adult Social Care pay in commissioned services £230m to deliver a £12 per hour minimum pay settlement.

- 3.4 The budget made a commitment to fund the £12 per hour minimum pay settlement to Children's care workers. However, work was still incomplete to determine the scope of services involved, and application of the pay uplift to a portion of the workforce for each service.

3.5 Work to progress the Children's social care uplift in commissioned services was completed and agreed with COSLA leaders on the 26th of April, with notification of funding allocations provided on the 4th of June 2024. The funding is to meet the costs of the £12 per hour minimum hourly rate to eligible staff as outlined in the guidance that was issued on the 30th May 2024.

4. REPORT

4.1 This report will provide information on the Children's Social Care Pay Uplift for commissioned services, including guidance of services in scope, financial implications of the pay uplift and recommendations on contract uplift to children's social care services for approval.

4.2 The guidance stated that the pay uplift to a minimum of £12 per hour applies to eligible workers who provide direct care within commissioned Children's Social Care services in private, voluntary and independent sectors, namely: -

- Registered Workers in direct care roles in secure accommodation services, care home services for children and young people, school care accommodation including residential special school services, housing support services, care at home services and services class as other than care at home eg. respite care.
- Personal Assistants employed through Self Directed Support (SDS) Option 1, who provide care at home to under 18 year olds.

4.3 For the purposes of the pay uplift, a child is anyone under the age of 18. Services in scope are registered care services that provide direct care and support to vulnerable children and are categorised as:-

- Secure Accommodation Services
- Care Home Services: Children and Young People
- School Care Accommodation Service: Residential Special Schools
- Support Service: Care at Home
- Support Service: Other than Care at Home
- Housing Support Services

4.4 The policy to implement the £12 per hour pay uplift, was agreed to be delivered in a similar manner to the Adult Social Care pay uplift, by applying a 10.09% uplift to a set percentage (national weighting) of contract values. The approach assumes all the eligible staff are currently in receipt of £10.90 and require a pay uplift of 10.09% to reach the £12.00 per hour.

4.5 The national weightings are the estimated average proportion of workforce costs for eligible staff (wages and on-costs) out of the overall contract value. Noted in the table below in column "% of Contract Value 10.09% uplift applied to". The table below identifies what the contract uplift should be within each registered service include in the scope of children's commissioned services. The policy is for direct care workers pay uplift only and local authorities have

the ability to offer increases to providers on the non-workforce costs within their contracts.

Service Type	% of Contract value 10.09% uplift applied to	Contract Uplift %
Secure Accommodation	42%	4.21%
Care Home Service: Children and Young People	59%	5.94%
School care accommodation service: Residential Special School	42%	4.28%
Support Service - Care at Home and Housing Support Service	76%	7.65%
Support Service - Other than care at home	68%	6.90%
SDS Option 1 (Personal Assistants)	90%	9.08%

4.6 Support Service – Care at Home and Housing Support Service and SDS Option 1 (Personal Assistants) are services that cross over both children’s and adults’ services, with the same providers commissioned to provide care. Included in Adult Social Care Pay Uplift Policy and approved in the budget for 24-25 was an uplift of the following for each of these service types: -

- Support Service – Care at Home and Housing Support Service – 9.39%
- SDS Option 1 - Personal Assistants – 9.55%

4.7 It is recommended that uplifts passed on to registered commissioned services in scope are aligned where possible to adult social pay uplift, this ensures parity and avoids a two-rate system for delivery of support services care in the community.

4.8 Approval is requested to implement uplifts included as recommended in the table below for each service type.

Service Type	Contract Policy Uplift %	SAC Recommended Uplift
Secure Accommodation	4.21%	4.21%
Care Home Service: Children and Young People	5.94%	5.94%
School care accommodation service: Residential Special School	4.28%	4.28%
Support Service - Care at Home and Housing Support Service	7.65%	9.39%
Support Service - Other than care at home	6.90%	6.90%
SDS Option 1 (Personal Assistants)	9.08%	9.55%

- 4.9 Funding of £0.369m has been allocated by Scottish Government to implement the policy, based on the Scottish Government application of contract uplift this would cost £0.433m, a shortfall of £0.064m. Based on the recommended uplift keeping in line with Adult Social Care Uplift for Support Service and Personal Assistants the financial cost is £0.449m, a shortfall of £0.080m.
- 4.10 The shortfall of £0.080m can be met from the Contract Uplift budget of £0.230m, this budget is to meet costs of any contracts out with the authority where uplifts are not within our control mainly secure accommodation, care home services and residential special schools. As these services are now included in the pay uplift policy, expectation is that these contracts will now be in line with the policy expectations, assisting in financial planning.

5. STRATEGIC CONTEXT

- 5.1 The implementation of Scottish Government policy to ensure minimum hourly pay of £12 per hour for children's social care workers in commissioned services. Aligns to the IJB's strategic objective – we focus on prevention and tackling inequality and we are an ambitious and effective partnership.

6. IMPLICATIONS

6.1 Financial Implications

- 6.1.1 Financial Implications are noted in the content of this report and include allocation of funding from Scottish Government, virement from existing budget and implementation of contract uplifts.

6.2 Human Resource Implications

- 6.2.1 There is no human resource implications included in this report.

6.3 Legal Implications

- 6.3.1 Contract uplifts will be subject to contract variation notices approved by Council's legal team.

6.4 Equalities implications

6.4.1 This report seeks approval to implement Scottish Government's policy to pay a £12 per hour minimum hourly rate for social care workers providing support to commissioned children's services, this is equal to adult social care workers in the private voluntary and independent sector.

6.5 Sustainability implications

6.5.1 There are no sustainability implications included in this report.

6.6 Clinical/professional assessment

6.6.1 This report has been prepared by Chief Finance Officer.

7. CONSULTATION AND PARTNERSHIP WORKING

7.1 Consultation on the Children's Social Care Pay Uplift policy took place with Scotland Excel, Scottish Government and COSLA, prior to approval of the guidance issued on the 30th May 2024, and funding allocation on the 4th of June 2024.

8. RISK ASSESSMENT

8.1 There are no risks within the content of this report.

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APPENDICES

N/A

BACKGROUND PAPERS

N/A

12th July 2024